Vibrant Gujarat

Medical Scenario in Gujarat : Current Scenario and Future

PRICEWATERHOUSECOOPERS

Agenda/Contents

Top Healthcare Priorities for India
Gujarat : Trend-setter in Healthcare
PPP in Healthcare
Standards for Healthcare
Capacity Building in Healthcare
Technology in Healthcare
Health Insurance
Summary

6 Top Priorities for Healthcare in India

Healthcare Priorities for India

- Stimulate Private Investment through PPP and fiscal incentives
- Define and enforce minimum standards for healthcare facilities
- Build capacity of quality manpower
- Greater use of technology to improve healthcare service delivery
- Increase penetration of social, community and private health insurance
- Reform the role of Government as payer and provider

6 Top Priorities for Healthcare in India

Healthcare Priorities for India

Stimulate Private Investment through PPP and fiscal incentives

Define and enforce minimum standards for healthcare facilities

Build capacity of quality manpower

Greater use of technology to improve healthcare service delivery

Increase penetration of social, community and private health insurance

Reform the role of Government as payer and provider

Gujarat : A trendsetter in Healthcare in India

Service with Smile
Care with Quality

Gujarat's Socio-economic indicators are better than all-India averages
IMR 50 (53) ; MMR : 160 (254) ; BPL % : 14.1 (26.1)

Pioneer in PPP in Healthcare (Chiranjeevi Yojana, EMRI, SSA, CHETNA) – Chiranjeevi Yojana winner of Asian Innovation Award ; Commended by WHO

Stimulating use of technology – IT (HMIS, e-Mamata) and Medical Technology (ORET Project)

First to introduce school health program (8.4 Million beneficiaries in 2006-07) (Commissioner)

Focus on Healthcare Quality and Accreditation – First in India to get NABH / NABL for Civil Hospitals, PHC, Drug testing (Minister of Health)

Promoting investments by major National (Apollo, Fortis, Wockhardt) and Regional (Bombay Hospital) players while Government does its bit (Minister of Health)

Gujarat can become the healthcare role model for India

Gujarat : Causes for Concern (Dr. Dileep Mavlankar & Jay Satia)

Human Development Index rank has dropped from 4th to 6th

IMR in Rural Gujarat is at 58 per 1000 = national average (40 in Maharashtra)

Doctors : Population ratio is 1:1300 in Gujarat (800 in TN)

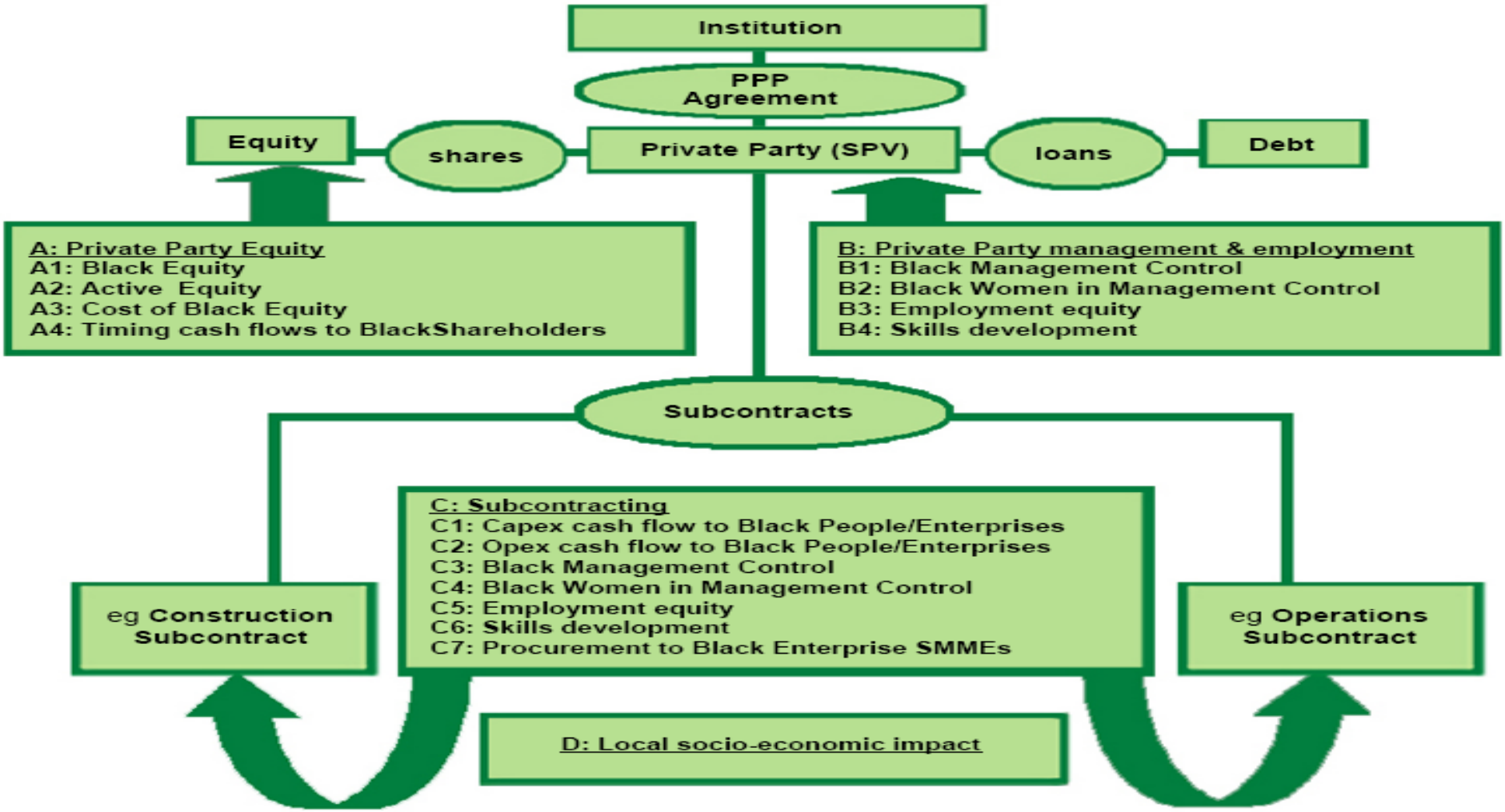
Nurses : Doctor Ratio is 0.5 : 1 which needs to be addressed urgently

Need to look at healthcare work force density and distribution (urban/rural)

Public Sector Healthcare has 1:19000 ratio of doctors to population (9000 in TN)

Health Programs are not revisited and measured for outcomes particularly in rural areas

South African PPP Healthcare Model



South Africa resembles India in terms of public demand …… It also aims to achieve Black Economic Empowerment (BEE)

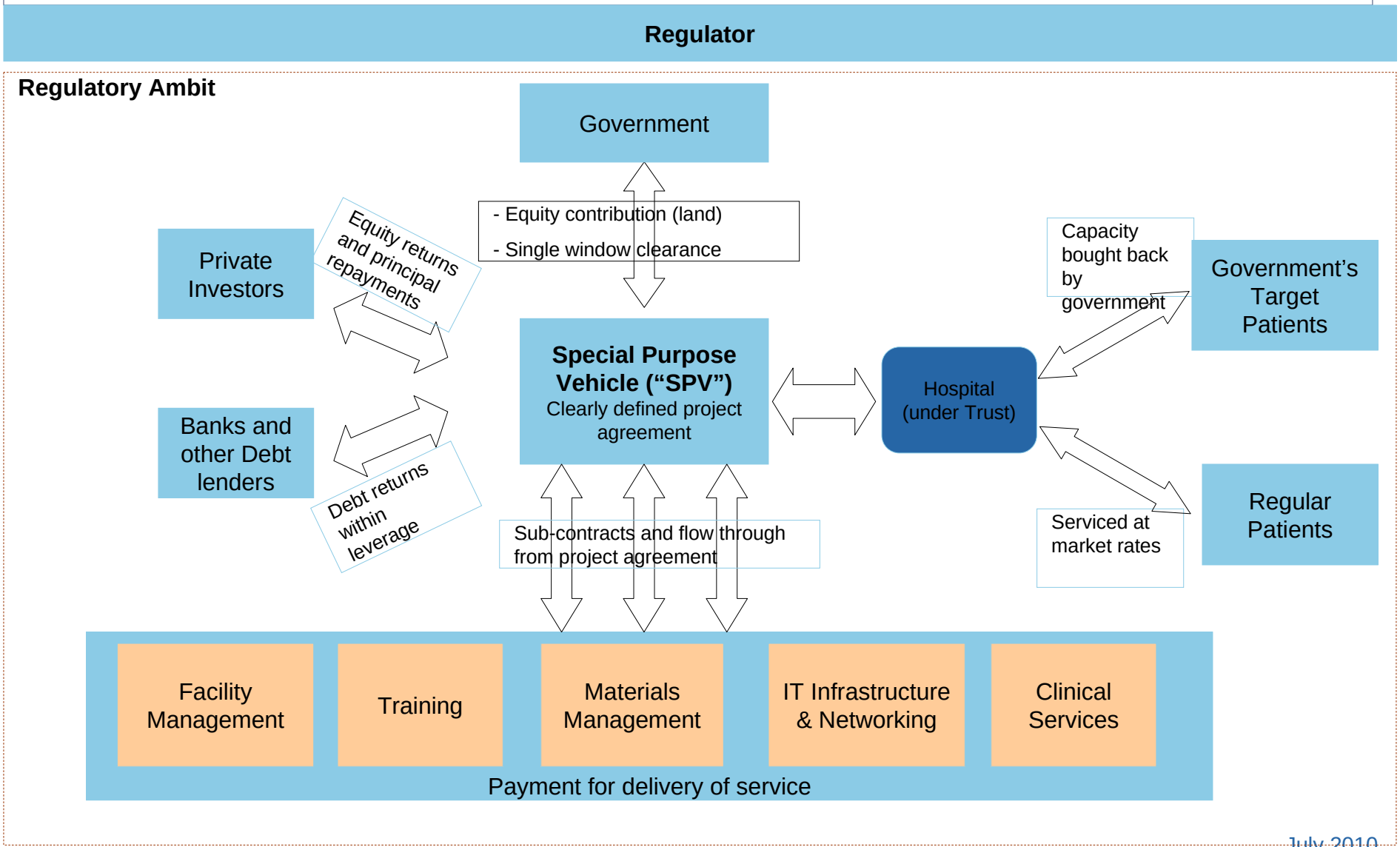
Learnings from South African Model

- Well defined legal framework for PPP
- Effective role of Nodal Agency (National Treasury)
- 3 clear objectives for PPP
  - Affordability
  - Value for Money
  - Appropriate risk transfer

Learnings from South African Model (contd..)

- Transparent PPP project cycle
  - Inception
  - Feasibility
  - Procurement
  - PPP Procurement Management
- Model PPP agreement
- Black Economic Empowerment in
  - Equity
  - Management & Employment
  - Sub Contracting
  - Local Socio Economic impact

Recommended Healthcare PPP Model for India…



Designing PPP pricing framework

Key features of robust pricing

The pricing policy should balance between the public sectors objective of **delivering healthcare services to the deprived portions** of the society and private sectors objective of **profit making.**

Differentiated pricing model based on location and patient category

Pvt partner to pay **lease rental** in lieu of land provided by Govt. The **Corpus** created by such payment to be used by the Govt to **buy back capacity** for providing treatment to Govt nominated patients.

Govt nominated patients to be priced at **CGHS** prices, to be reimbursed by the government to Private player through such corpus / state insurance schemes

Market governed pricing mechanism for other categories of patients

Commercial exploitation rights provided to private sector to operate allied services like Pharmacy etc

Agenda for Action

- Formulate PPP policy within a stipulated timeframe
- Define a pilot PPP project
- Engage with private sector to define pricing mechanism
  - e.g. rate of return formulae for the private sector
- Collaborate with the center to establish governments stand on incentives for PPP projects
- Appointment of an advisor by the government to assist with the PPP rollout
- Set up an independent and empowered regulatory body for PPP projects

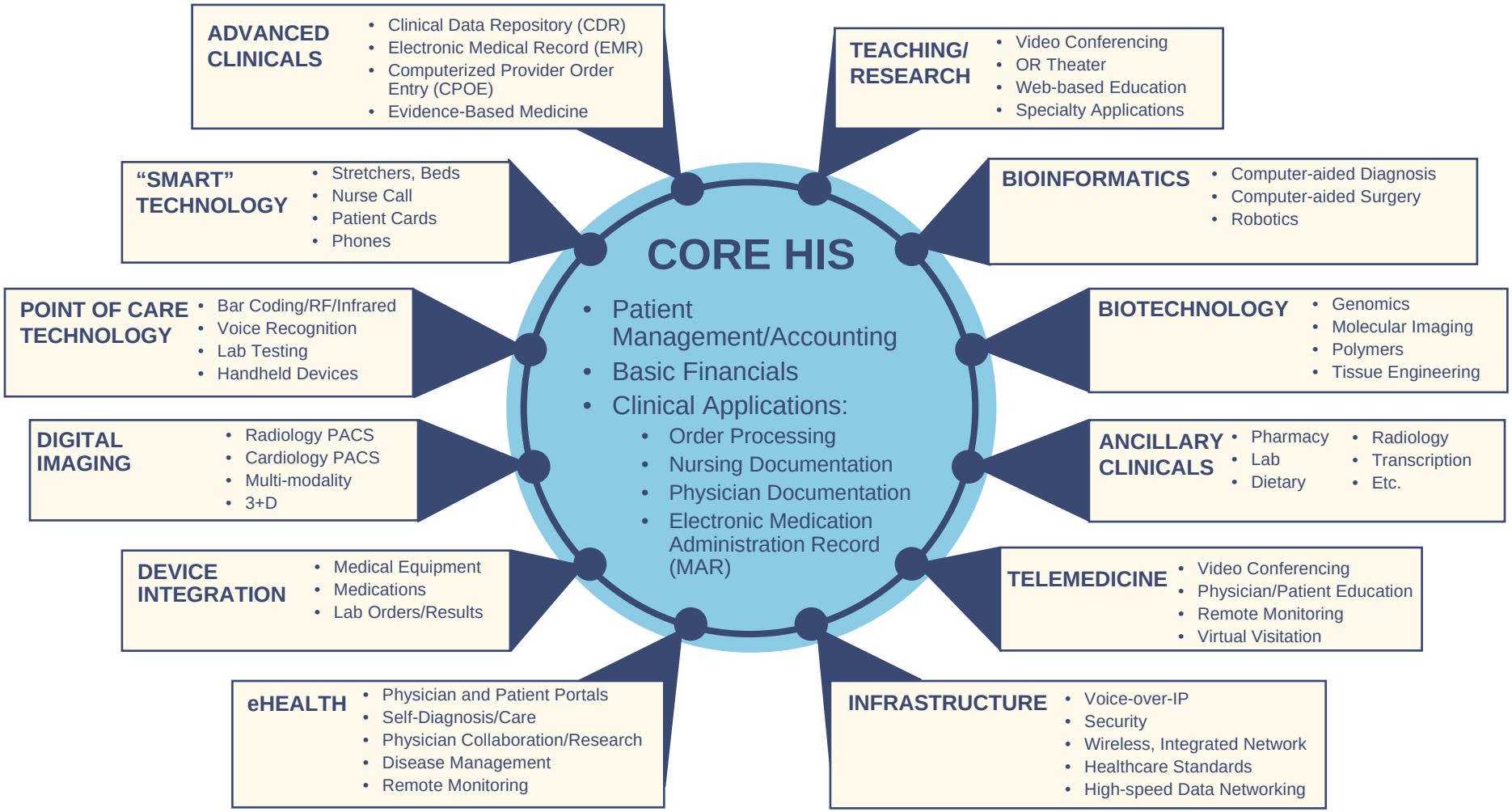
Define and Enforce Minimum Healthcare Standards

- An internationally acceptable and credible accreditation system is a necessary prerequisite to ensure quality healthcare delivery to all (Dr Parag Rindani)
- Gujarat needs to address weak physical infrastructure which is ill-maintained, non-availability of medicines and supplies and inadequate budgets for repairs and maintenance (Dr. Dileep Mavlankar)
- Gujarat has taken the lead and signed a MoU with QCI for NABH accreditation for public health institutions in Gujarat – Goal to have all public health institutions accredited by 2015 (Minister of Health)
- GoG realizes that International Accreditations are key to attract medical tourists (Minister of Health)
- Need to address ethics and governance issues including grievance redressal mechanisms (Dr Satia)
- Need to revamp city health departments in urban local bodies (Dr. Dileep Mavlankar)
- Need to improve dialogue between private and public sectors on regulation (Keyur Parikh)

Build Capacity of Quality Manpower

- Recognizing the significant shortage in healthcare manpower, GoG has taken proactive steps to augment the capacity of doctors in various specialties by announcing plans to open a total of 12 medical colleges in the next five years thereby creating 4000 new seats (Minister of Health)
- Focus on public health – Indian Institutes of Public Health under Public Health Foundation of India including one in Gandhinagar (Minister of Health)
- Need to focus on producing more nurses and quality paramedical staff along with specialized areas like nursing care for the geriatrics (Dr Satia)
- Need to augment management capacity for managing programs (Dr. Dileep Mavlankar)
- Need to improve HR management – remove ad-hoc approach (Dr. Dileep Mavlankar)
- Need to have skills development, continuing professional development for doctors and centres for excellence in nursing education (Dr Satia, Dr Pawar)
- Need to have course in communications skills and soft skills for doctors (audience)
- Need to have affiliations between private medical hospitals and medical colleges (Dr Keyur Parikh)

Leverage technology to improve service delivery



Leverage Technology in improving care

Computerization of Medical Records (Health Commissioner)

ERP in Public Healthcare (Health Commissioner)

Health Card for each Gujarati (Health Commissioner)

Increasing use of handheld devices (Minister of Health)

Nursing staff also to be trained on information technology (Dr Pawar)

Health Insurance Penetration

- Costs of healthcare are rising making healthcare unaffordable to masses (Dr. Dileep Mavlankar)
- Ensure effective implementation of RSBY to benefit BPL population
- Can Gujarat replicate the Rajiv Arogyasree Model adopted by AP, by building in learnings from that model?
- Can Gujarat come up with innovative ideas to increase the Private Health insurance penetration which is less than 2% in India? For example, consumer awareness programmes, mandatory accreditation of healthcare facilities, facilitating a connect between delivery network and insurance companies, setting up a data and information exchange, effective partnering with private health insurance companies (Tabassum)
- Significant need to focus on wellness Vs sickness Care (preventive vs reactive)

Summary

Gujarat Government does not only talk, it ACTS and it is this pro-activeness that will propel Gujarat to a new height of medical excellence