An Overview of the Health Care Status in India

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Abstract

India's major thrust in the health care sector has been to improve the health status of her population through principally bringing down morbidity, fertility and mortality rates. Over the past sixty years, development planning has helped to create an immense health infrastructure at the primary, secondary and tertiary care levels in the government, voluntary and private sectors in India.Despite huge achievements and improvements in health care since Independence, India's public health sector suffers from underfunding. The amount of public expenditure that India spends on healthcare is very small compared to other emerging countries of the world. Only drastic measures can pull the public health sector out of the current mess and help build a stronger and effective public health care system in India.

Keywords

Health, indigenous medicine, western medicine, public spending, private spending, out-of-pocket spending (OOP), GDP, public-private partnership (PPP), corporate health care, multi-speciality and super speciality hospitals

Introuction

The health status of a nation is a vital indicator of its economic progress. Since Independence, India's major thrust in the health care sector has been to improve the health status of her population through principally bringing down morbidity, fertility and mortality rates. Over the past sixty years, development planning has helped to create an immense health infrastructure at the primary, secondary and tertiary care levels in the government, voluntary and private sectors in India. Commendable achievements have been accomplished to improve health standards such as increase in life expectancy, decrease in infant and maternal mortality, eradication of small pox, guineaworm and leprosy. Several epidemic and communicable diseases have been brought under control. Yet malnutrition, non-communicable diseases, chronic and lifestyle diseases affect a large proportion of the population especially women, children and older people. Avery high proportion of the population continues to suffer and die from newer diseases

apart from the existing ones. Even after six decades of development and health planning, the Indian health care system has fallen short of the expectations in ensuring a decent, healthy living for a vast majority of her people. Between 1995 and 2014 India's public health expenditure rose only from 1.1 percent of GDP to 1.4 percent. India has one of the lowest public health spending levels in the world. This study contemplates to throw light on the changing character of the healthcare system in India.

"It is health that is real wealth and not pieces of gold or silver," said Mahatma Gandhiji. 'Health' is defined by the WHO, as a "state of complete physical, mental and social well-being and not merely the absence of disease or infirmity." Health is a dynamic process resulting from the body's constant adjustment and adaptation in response to stresses and changes in the environment for maintaining an inner equilibrium called homeostasis. Good health is central to human happiness, development and well-being.

Traditionally health care in India was a voluntary service which thrived on indigenous medical knowledge and natural medicinal cures. The art of healing was held in high esteem in ancient India. It was given a divine status. Ancient medicine dealt with plants, minerals, spirits, stars, voodoo, energy, appeasing gods and more. There were priests, herbalists, magicians, sorcerers and heads who spread their intuitive arms around the patient(s) to diagnose, cure and heal. Knowledge of this art spread among such 'healers' who roamed from place to place providing healing service. These medicos over the passage of time came to be called as vaidyas and hakims. The health care system of these times was not about illness treatment alone. It was a combination of many concepts such as diet, climate, beliefs, supernatural, empirical and culture into treatment of the patients. Thus Siddha, Ayurveda and herbal medicines came into existence as the indigenous system of health care. Indian system of health care was based on these multi-dimensional approaches.

With the advent of British Colonial rule in India, the situation changed. Indigenous medical practices were considered as superstitious and an antithesis to western medicine. Western medicinal practices were vigorously promoted and they gradually made in-roads into the conventional system of health care almost replacing the system completely. The history of western medicine in India dates back to 1600, when the first medical officers arrived in India along with the British East India Company's first fleet as ship's surgeons. In 1757, the East India Company established its rule in India, which led to the development of civil and military health services. The modern Allopathic system of medicine owes its existence to the British rule and the East India Company, which instituted dispensaries for their military troops, Company servants and their own civilian people. Epidemic diseases that had devastating effects during that period were plague, leprosy, cholera and malaria. The British government took great efforts to prevent such diseases but due to insufficient medical personnel and required funds, the major target was to alleviate suffering and render curative services.

Health care was solely a state responsibility during that period with hardly any volunteer or private sector organizations. In due course the dispensaries turned into hospitals and the hospitals gave way to the development of medical colleges and related services.

Soon after Independence, the Government of India took up the responsibility of providing health care through emphasis on primary health care services. The Public Health System in India consists of a set of state-owned health care services funded and managed by the Government of India (both central and state governments). It consists of a three-tier delivery structure made up of primary, secondary and tertiary health care. Every Five Year Plan had targets, fund allocation and priority programmes for health care in the country. Tremendous achievements have been made in the health care sector since the initiation of the Five Year Plans. With the help of health care planning major epidemic and communicable diseases have been either eradicated or brought under good control. Continuous efforts towards improving the access to and utilisation of health care services have led to a steep fall in morbidity, mortality and fertility rates.

Health is a primary human right and has been accorded due importance in the Constitution of India under Article 21. The Indian Constitution emphasises on health care as a State subject where the Central and State governments are equally responsible for providing public health care to the people of the country. The Directive Principles of State Policy enshrined in the Constitution clearly says that, the raising of the level of nutrition, the standard of living and the improvement of the health status of the people are among the primary duties of the states.

The health sector in India encompasses an unfinished agenda of infectious diseases, malnutrition and the challenge of an escalating trend of non-communicable diseases. To overcome this dual challenge, a concerted public health care action plan that will ensure the efficient delivery of cost effective interventions for health promotion, disease prevention and affordable diagnostic health care is an inevitable need. Health spending is considered as a clear merit good because of the existence of substantial externalities which lead to market failure and this requires solutions through the public sector. But in the recent decades public health expenditure in India has been on the decline and health expenditure has been dominated by private spending.

Public spending on health care in India is at one per cent of GDP and amongst the lowest in the world. India remains among the five countries with the lowest public health spending levels in the world (World Health Organisation, Country Cooperation Strategy: At a glance, India, 2013). The public health care system is not able to meet the growing demands for health care. The gap between demand and supply of health care is being bridged by the private health care providers and this has facilitated the emergence and growth of corporate health care in India.

Table 1: Year-wise date on Health Expenditure in terms of percentage of GDP in India from 1995 to 2014

Year	Health Expenditure (% of GDP)		
	Public	Private	Total
1995	1.05	2.97	4.02
1996	1.01	2.89	3.90
1997	1.07	3.18	4.25
1998	1.10	3.19	4.30
1999	1.13	2.90	4.03
2000	1.11	3.15	4.26
2001	1.08	3.42	4.50
2002	1.03	3.38	4.40
2003	0.98	3.31	4.30
2004	1.02	3.20	4.22
2005	1.13	3.15	4.28
2006	1.11	3.14	4.25
2007	1.10	3.13	4.23
2008	1.16	3.18	4.34
2009	1.22	3.15	4.38
2010	1.16	3.12	4.28
2011	1.18	3.16	4.33
2012	1.18	3.21	4.39
2013	1.29	3.24	4.53
2014	1.41	3.28	4.69

Source: WHO, Global Health Expenditure Database

From Table-1, it is clear that the annual public health expenditure i.e., the average of 20 years is at a dismal low of 1.13 per cent of GDP while the private health expenditure stands at 3.17 per cent of GDP over the same period. Private health expenditure is nearly two and a half times more than public expenditure which goes to prove that nearly 70 per cent of the total health expenditure is funded by private financing. This also confirms that health expenditure in India is dominated by the private sector and there is an inadequacy in public spending on health care. Between 1995 and 2014 India's public expenditure on health care rose only from 1.1 per cent of GDP to 1.4 per cent. The data above provides evidence that public health expenditure in terms of percentage of GDP has not crossed 2 per cent of GDP at any time during the twenty years taken into consideration.

Table 2: World Development Indicators - Health Systems

Country	Total % of GDP 2014	Public % of GDP 2014	Out of Pocket % of total 2014	External sources % of total 2014	Per capita $ 2014	Per capita PPP $ 2014	Health Workers		Hospital beds per 1000 people (2007-12)
							Physicians/ 1000	Nurses Midwives /1000	
Brazil	8.3	46.0	25.5	0.1	947	1318	1.9	7.6	2.3
Russian Federation	7.1	52.2	45.8	–	893	1836	4.3	8.5	–
India	4.7	30.0	62.4	1.0	75	267	0.7	1.7	0.7
China	5.5	55.8	32.0	–	420	731	1.9	1.9	3.8
South Africa	8.8	48.2	6.5	1.8	570	1148	0.8	5.1	–
World	9.9	60.1	18.2	1.2	1601	1276	1.5	3.3	–
South Asia	4.4	31.2	61.5	2.3	67	234	0.7	1.4	0.7
Low Income	5.7	42.4	37.2	33.2	37	91	0.1	–	–
Low Middle Income	4.5	36.4	55.7	3.3	90	270	0.8	1.7	–
Upper Middle Income	6.2	55.2	32.2	0.2	516	926	2.0	3.0	3.3
High Income	12.3	62.3	13.3	–	5251	5193	2.9	8.6	4.2

Source: World Bank World Development Indicators Table 2.15 (2014); Country Income Groups - World Bank Classification 2015.

Table-2 consists of Health system development indicators of BRICS nations and countries grouped under South Asian, Low Income (31 countries like Nepal, Cambodia and Sub-Saharan Africa), Low middle income (51 countries like Papua New Guinea, Bangladesh and Indonesia), Upper middle income (53 countries like Panama, Maldives, Peru and Paraguay) and High income categories (80 countries like UK, US, France, Japan and Australia). It gives a comparative status of health systems in various countries around the world.

In comparison with the BRICS countries and the other categories of countries in Table-2, it is clearly noticed that India has one of the least per capita health expenditure (75 $) in 2014. WHO estimates that India has a very high out-of-pocket expenditure (62.4) on health compared to many other countries. Looking at the availability of health care labour force, again India fairs very poorly compared to the world level availability of health manpower.

Similarly, the availability of hospital beds is at an incredible low score of 0.7 compared to the global availability of 2.6. Government spending on health care is only 1.41 per cent of GDP which is 30 per cent of the total health sector public expenditure.

The health sector private expenditure together with the public spending stands at 4.7 per cent of GDP in the year 2014. This goes to show that the total public expenditure on health care in India is very poor in proportion to the population and that people have to pay a very high price for the utilisation of health care services. The high Out-Of-Pocket (OOP) expenditure is in itself an indication of the predominance of the private health sector in the country.

From Table-3, the health allocation out of the total plan outlay and the percentage of health expenditure under each Five Year Plan shows that health expenditure allocation is at a dismal low level with the exception of a few of the Plans. The ambitious plans and programmes for the health sector were inefficiently implemented due to inadequacy in the allocation of financial resources to this sector and that is clear from the percentage share of health expenditure out of the total outlay in each Plan.

The percentage change in health expenditure from one Five Year Plan to the next also shows that Public health expenditure is very poor in India and that the planners of the Five Year Plans did not prioritise the health care sector with the due importance that it required.

The percentage change in health expenditure has seen a very significant improvement from the Eighth Five Year Plan onwards mainly due to the implementation of "Health for All", National Rural Health Mission (NRHM) and National Urban Health Mission (NUHM) Programmes especially after the adoption of the Millennium Development Goals at the United Nations General Assembly.

Table 3: The Five Year Plans and Health expenditure in India

Five Year Plan	Total Outlay for the plan (in Rs. Crore)	Total Health Outlay (In Rs. Crore)	Percentage of health expenditure	Percentage change of total health expenditure
First Plan (1951-56)	2356.00	140.00	5.9	0.002
Second Plan (1957-61)	4800.00	225.00	5.0	0.003
Third Plan (1961-65)	7500.00	342.00	4.3	0.005
Annual Plans (1966-69)	6756.00	316.00	4.7	0.004
Fourth Plan (1970-75)	16774.00	1156.00	7.2	0.017
Fifth Plan (1975-79)	37250.00	3277.00	8.8	0.048
Sixth Plan (1980-85)	97500.00	1822.00	5.4	0.027
Seventh Plan (1985-90)	180000.00	3392.00	1.9	0.050
Annual Plans (1990-92)	133834.90	2146.40	1.6	0.031
Eighth Plan (1992-97)	798000.00	7576.00	9.5	0.112
Ninth Plan (1997-2002)	859200.00	10818.00	1.25	0.161
Tenth Plan (2002-07)	921291.00	9253.00	1.0	0.137
Eleventh Plan (2007-12)	3644718.00	174776.00	4.7	2.604

Source: Planning Commission of India

Table 4 clearly shows that health has been a priority sector only in the Sixth and Eleventh Five Year Plans. This does not mean that the Government has done nothing for the health sector in the other Five Year Plans. This shows that the Government of India does not rank health sector as a prime sector that is vital for economic progress. Health sector should have been made a ***compulsory priority sector*** throughout all the Five Year Plans that have been implemented thus far.

Table 4: Major Areas Addressed during the Five Year Plans

Five Year Plan	Period of the Plan	Major areas addressed
I	1951-1956	Infrastructure
II	1957-1961	Industry
III	1961-1965	Panchayat, Green Revolution
IV	1969-1974	Agriculture
V	1974-1979	Agriculture
VI	1980-1985	Health, Technology
VII	1985-1989	Poverty, Agriculture, Justice
VIII	1992-1997	Poverty, Agriculture, Population
IX	1997-2002	Basic facilities, Employment
X	2002-2007	HRD, Industry, Technology
XI	2007-2012	Education, Health, Empowerment

The first three Five Year Plans and the following Annual Plans concentrated on the control and the eradication of communicable diseases, population control and improving primary health care. Priority was given to achieving improvements in demographic indicators like mortality, morbidity and fertility rates. The Fourth and Fifth Plans emphasised on special programmes of public health care in areas such as Mother and Child, Universal immunisation, Child Development Programmes, Family Planning, Health Insurance, increasing healthcare infrastructure and manpower and providing integrated health care in rural areas were given importance. The Sixth Plan focused on creating and eradicating transmittable diseases like STDs, HIV and AIDS. The Seventh Plan gave importance to primary health care for all with attention to urban areas for the first time through primary, secondary and tertiary health care. Attention was given to non-communicable diseases health care for the first time in the history of health planning in India. The Eighth Plan prioritised health planning towards improving the accessibility, capacity and availability of health care services to all people especially in hilly, remote and tribal areas. The Ninth Plan gave high priority to building health care infrastructure, medical colleges, nursing colleges, research institutions and integrating AYUSH (alternative systems of medicine) with the aim of Growth with Social Justice and Equity. The Tenth Plan initiated the National Rural Health Mission, 2005, (NHRM), AYUSH outreach programmes and launched Integrated Disease/Health Surveillance Programmes. The NRHM was extended to the urban areas through National Urban Health Mission(NUHM) in 2013, which aimed at improving all indicators of health status by strengthening the health care delivery system and upgrading infrastructure through Public Private Partnership (PPP). It also emphasised on bio-medical research, E-health,

telemedicine and integrating AYUSH with the mainstream Allopathic system of medicine.

Despite huge achievements and improvements in health care since Independence, India's public health sector suffers from underfunding. The amount of public expenditure that India spends on healthcare is very small compared to other emerging countries of the world. This goes to show that the governments of the day have been unable to provide policy directions and resource allocations to the health sector which could improve the abysmal state of the public health system in the country. Only drastic measures can pull the public health sector out of the current mess and help build a stronger and effective public health care system in India.

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