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For India's healthy billion

Sketching out pentacles for 2019 in healthcare with action points for policymakers and industry



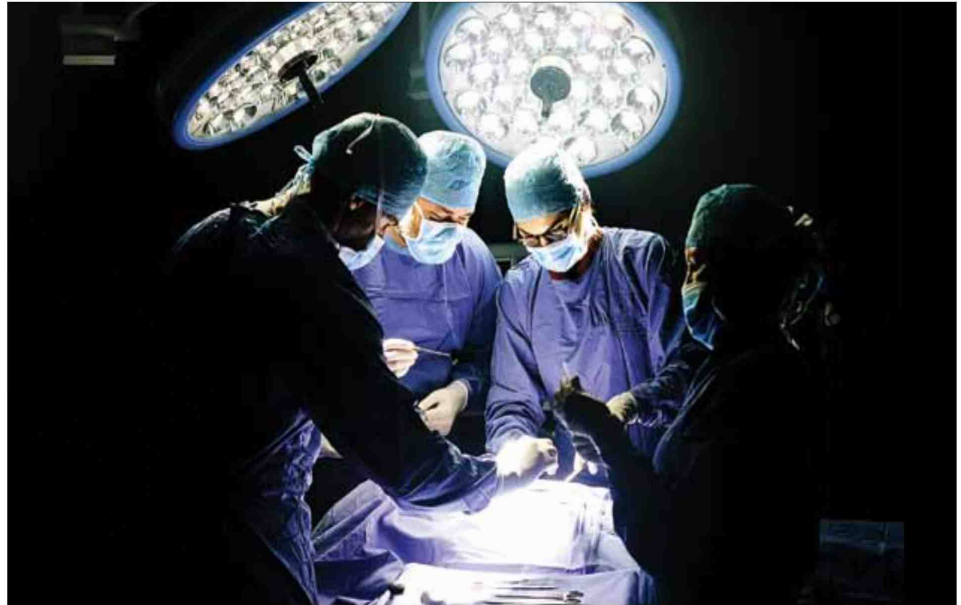
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Joan Robinson, the Cambridge economist, once told Amartya Sen, her student, that "the frustrating thing about India is that whatever you can rightly say about India, the opposite is also true." This is probably

still true for India today, more so for its healthcare context. Consider for example that India is supposedly an affordability model to the West but locally healthcare continues to remain unaffordable and out-of-pocket dominated. Or that India's doctor-patient ratio is less than the WHO prescribed 1:1000 whereas Indian medical brains are jewels of pride overseas. How then does one move forward given these paradoxes in Indian healthcare?

Some events from 2018 raise hope, others perpetuate disappointment. The roll-out of PMJAY-Ayushman Bharat scheme, for example, is evidence of serious political will, but naysayers have also started pointing to the kerfuffle around optimal pricing of packages here. Others have pointed out government efforts to eradicating encephalitis in Gorakhpur, but children have continued to die in the region. In addition, the country continued to report vulnerabilities in the face of pandemic shocks while the burden of non-communicable lifestyle diseases keep rising. To top it all, price controls kept innovators and science-driven firms (domestic or foreign), on the edge in 2018 and one is now left pondering on what is happening to quality affordable healthcare in India.

A brave person thus ventures to sketch out a wish list for 2019 in this complex world of Indian healthcare, here is an attempt nonetheless. First, let's dwell on the commotion around price controls in India. While economics 101 will show how price controls are socially inefficient, given India's context, this is probably needed and one cannot see it going away in the foreseeable medium term with 2019 elections approaching as well. That said, what is it doing to the quality of healthcare products and services and related health outcomes in the country is worth pondering. Even Biocon, India's star science-driven biopharmaceutical firm, which has focused on making insulin affordable, the other day went public with its decision to move away from India as a focal market, probably disappointed with India's pricing policy melee. This is more than a red herring. One hopes that more nuanced thinking will prevail in 2019 such that the tradeoffs between access today is indeed balanced with incentives for innovation tomorrow in healthcare. Absent this, one will only have to prepare for a flight of



Policymakers in Delhi could do well to brainstorm with stakeholders and create an AI strategy for Indian healthcare — ISTOCK

healthcare entrepreneurship, science and serious innovation from India and along with that health outcomes can be expected to deteriorate further in the country.

That said, it is also true that desires for quality in healthcare from the industry, comes with its attendant responsibilities for paying attention to affordability as well. Firms and industry could also try to a priori devise responsible differential pricing approaches to attend to the affordability concerns. Business model innovation could also be a way forward as a quid pro quo with the regulator to attend to healthcare at the base of the pyramid.

Third, the situation around human capital is boiling over. Trust deficit of patients and society with doctors are at an all-time low; India's medical colleges of repute are collapsing and one would like to see determined efforts from Delhi towards resolving this. With an abysmal doctor or nurse per capita ratio, this is soon going to be an albatross, else, especially given emerging suggestions that doctors should be complemented with informal healthcare providers in many primary healthcare contexts. Research is also starting to show up that they may be doing not too bad after due training, as a 2016 study in *Science* demonstrated with the Liver Foundation in Kolkata. But here is the worrying part. Training costs of such providers and change management will be non-trivial, patients may not trust such providers, like Chinese barefoot doctors

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such informally trained providers could become the instruments of state agenda and most importantly, the country's deep legacy of quacks could completely hijack well-intentioned efforts here. A senior healthcare leader once mentioned to this author that if one surveys the doctors and their children in India, one may not elicit too much keenness to see their next generation become doctors. What kind of serious policy interventions on a war footing might be warranted here to restore medicine as a profession of dignity, trust, aspiration and choice in today's youth? In addition, this is also a para-medical staff issue. How can nurses be generated, trained and incentivised so that we don't lose them to overseas destinations?

A fourth point comes from the use of technology, not just in the old telemedicine or the new wearable *Fitbit* kind of a way, but also with futuristic AI to structurally leapfrog the supply-demand gap in healthcare. China has already made substantial investments here and some Indian healthcare entrepreneurs and multinational firms like Microsoft and Amazon are

watching the space with interest if not having already made quiet dents into it. Policymakers in Delhi could do well to brainstorm and create an AI strategy for Indian healthcare attending to innovation incentives, entrepreneurship, ethics, privacy and pricing around it, complementarily laying out health technology assessment protocols as well.

A final word is warranted around political economy beyond the baseline expectation that share of spending for healthcare needs to go upwards of 5% of GDP. For long, policymakers have worked around the issue that health is a state subject and yet the Centre tries to implement healthcare policy in a centralized way. This creates obvious market failure problems and inefficiencies. Witness for example how irrational combination medicines continue to be sold in some states but not in others or how even in PMJAY there are some states which are not signed on yet to the national mandate. It is time to revisit this clause in the Constitution and debate in Parliament ways to update it so as to harmonize and geographically homogenize healthcare. And with that we have now arrived at the Pentacles for 2019 in Indian healthcare. There are action points here both for policymakers and industry and one hopes with these steps and other well intentioned ones already ongoing, one will achieve more than a healthy billion tomorrow in India.

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