

NITI Aayog's prescription for health sector

OUR BUREAU

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Government think-tank NITI Aayog released a report titled 'Health Systems for a New India: Building Blocks – Potential Pathways to Reforms,' on Monday in New Delhi.

The report, the culmination of a year-long exercise, was released by NITI Aayog Vice-Chairman Rajiv Kumar in the presence of Bill Gates, Co-founder of Microsoft and Co-chairman of Bill and Melinda Gates Foundation.



(from left) Bill Gates, Co-founder of Microsoft and Co-chairman of Bill and Melinda Gates Foundation, with NITI Aayog Vice-Chairman Rajiv Kumar, and CEO Amitabh Kant at an event to release the health report in New Delhi on Monday KAMAL NARANG

Focus areas

The report identified five focus areas of future health system – delivering on unfinished public health agenda; changing health financing away from out-of-pocket spend into large insurers; integrating service delivery vertically and horizontally; empowering citizens to become better buyers of health; and harnessing the power of digital health.

The report at the outset criticises the multiplicity of health schemes saying, "Imagine a billion transactions every year where individual patients seek care from a million healthcare providers dominated by the private sector, negotiating their own prices for the proced-

ures they undergo. Even among organised players, there are multiple schemes. Multiplicity of purchasing platforms, apart from fragmenting risk pools into sub-optimal sizes, prevents standardisation of purchasing procedures and imposes a huge compliance burden on the providers."

Recommendations

NITI Aayog has recommended that the structure of health system financing should be changed in such a way that predominant undesirable out-of-pocket expenditure is reduced and spending is directed towards larger risk-pools with strong strategic purchasing

capabilities. It has stressed on best practices adopted by the Suvarna Arogya Suraksha Trust of Karnataka launched in 2010, which went on to empanel hospitals from neighbouring States, for patients living in border areas, for the health insurance scheme, and is now aiming to extend the cover to the entire 6.4 crore population. Karnataka is also looking at bringing all schemes under a single umbrella. Another State that has been cited as an example for its best practices is Meghalaya.

Though the report has not outright suggested that the Pradhan Mantri Jan Arogya Yojana (PM-JAY), the government's cashless health insur-

ance scheme covering 10 crore poor families for ₹5 lakh annually, should be extended to the whole country, it said PM-JAY should be considered with an eye on its potential to influence the overall healthcare transformation in India, beyond its current explicit mandate.

"At a systems level, overcoming the challenges of fragmentation, across healthcare financing and service delivery, will help us optimise both quality and access. India now needs to build on its many opportunities to achieve further progress on the health of its citizens and respond to the growing aspirations and needs of a new India," said Rajiv Kumar.

Bill Gates said: "Primary healthcare is extremely important for all. India is in a very hopeful situation and is set to be an example for other countries." The private sector needs to be involved to meet key challenges and the Gates Foundation through its initiatives will extend all possible help, he added.

With insights to transform the Indian health system in the 21st century, the report presents a preliminary menu of strategic choices available before India to reform its healthcare system.