

Critically analysing privatised healthcare, Regulation and social action for protecting people and Promoting publicness in health systems

Dr. Abhay Shukla

People's Health Movement, India
and SATHI – Hub on Accountability and
Regulation of Private Sector (HARPS)



NEWAGE Bangladesh

Private hospitals continue to refuse COVID-19 patients in Chattogram

GOV'T SAYS PRIVATE HOSPITALS CAN'T CHARGE COVID-19 TREATMENT

BANGKOK — The government on Saturday banned private hospitals from charging coronavirus patients for their treatments.



Private hospitals, clinics told to offer suitable prices for Covid-19 treatment

SRI LANKA Guardian
Since 2007
Beyond The News

Health care profiteering in COVID times

DAWN

CJP raps private hospitals for overcharging patients

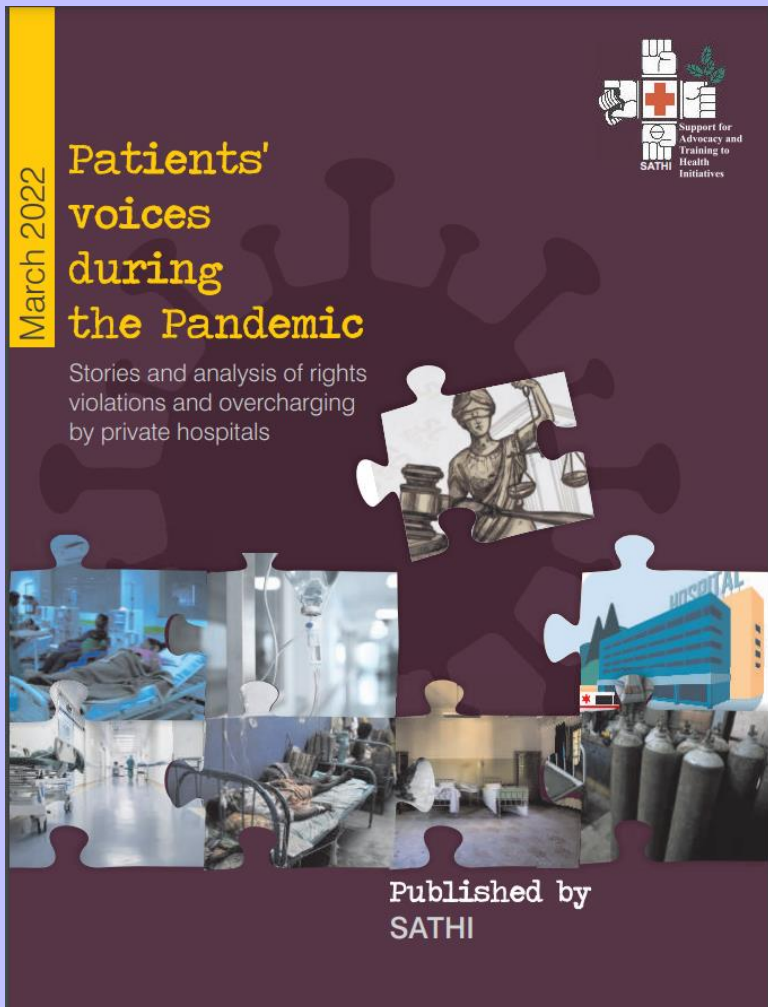
Colossal human cost extracted by privatised healthcare during COVID

- Chhattisgarh, India study - *59% of private hospitalisations resulted in catastrophic expenditure*
- *Indian households collectively spent 3.6 times more on COVID-19 treatment compared to Govt: huge price of privatisation paid by people*
- In *Indonesia* study, average charges for Covid treatment in Private hospitals was \$17,559 while average cost to the hospitals was \$1,205 – *overcharging by nearly 15 times!*
- Study by Transparency International *Bangladesh* (TIB) shows that *treatment cost was more than 12 times higher in private hospitals than that in public healthcare facilities*; average treatment cost was Tk 4,58,537 in private hospitals



Globally COVID healthcare costs have driven 500 million people into extreme poverty: WHO

'Normal' times – Market failure; COVID times – Market disaster

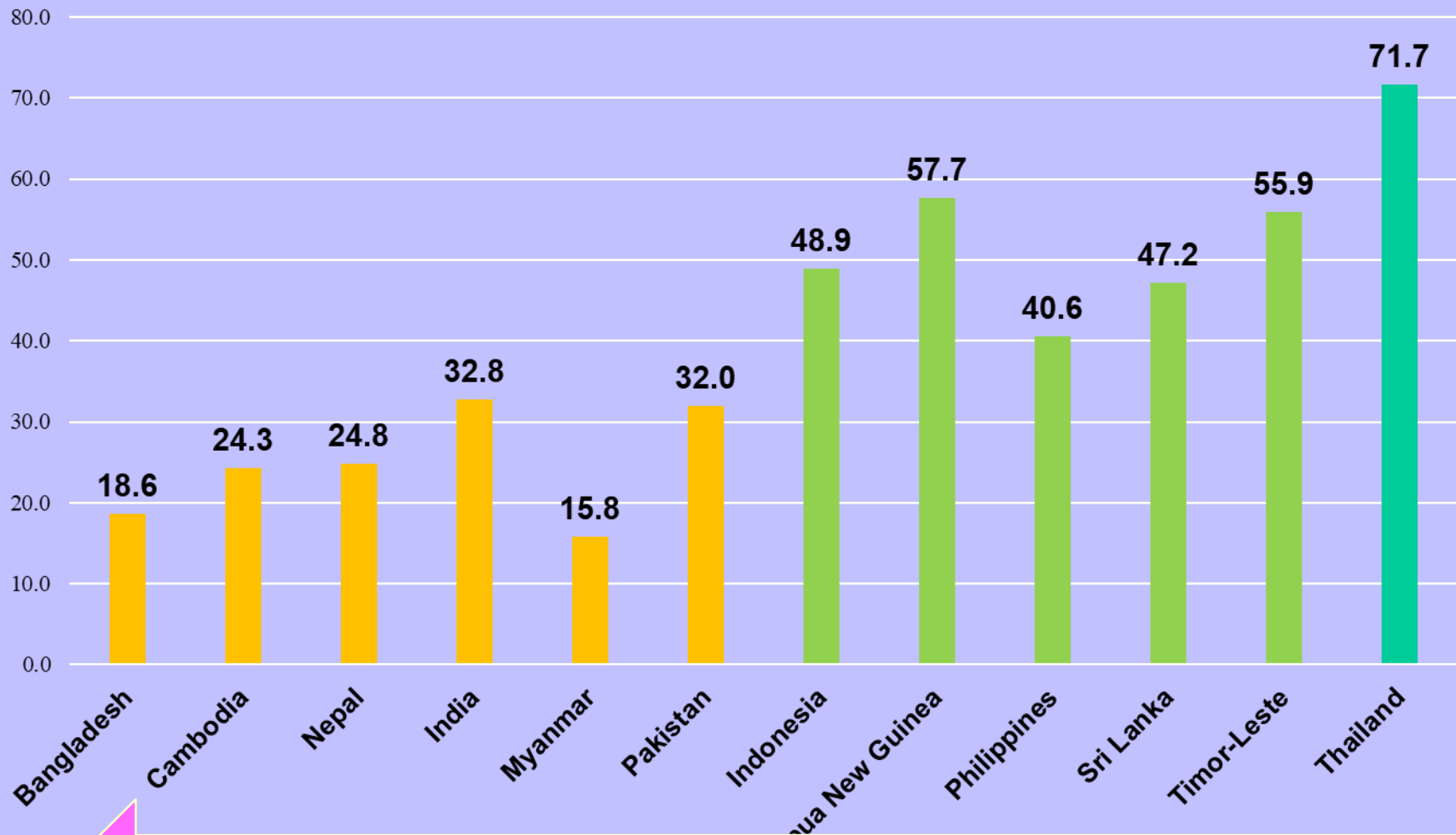


SATHI conducted **in-depth interviews of 30 COVID patients during first wave, revealing-**

- Financial exploitation of patients with overcharging
- Major loans to pay hospital expenses
- Lack of transparency and insulting behaviour by private hospital staff
- Violations of basic patient rights e.g. extortion based on illegal detention of dead body
- Uphill struggle to avail Health insurance entitlements, private sector did not respect ad hoc regulations by state government

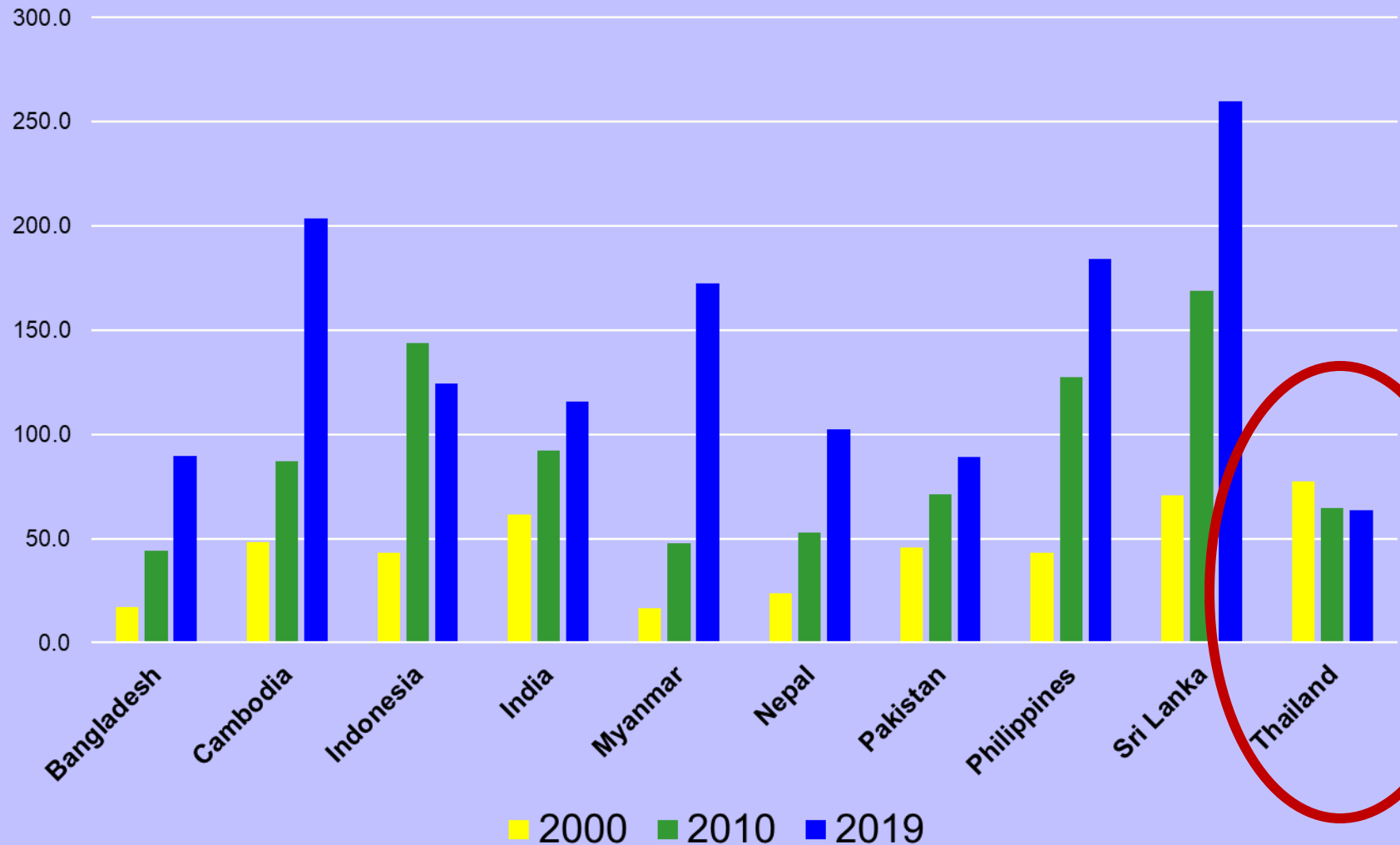
SATHI's in-depth study of 120 COVID hospitalisation bills from COVID second wave shows total medical expenses in critical COVID patients were 400% to 500% higher than expected package

Public health expenditure as % of Total health spending



← LOWER PUBLIC SPENDING, MORE PRIVATISATION

Growing per capita out of pocket spending on Healthcare, PPP (current international \$)



Reality of Private sector dominated Mixed Health Systems Syndrome

Unregulated, predominant private sector

**Underfunded,
weakly managed
Public sector**

**Absenteeism,
neglect**

**Weak referral
linkages within
public system**

**Lack of medicines
and diagnostics,
poor maintenance**

**Legal and illegal
private practice**

**Patients channelised to
private hospitals**

**Flourishing private
diagnostic centres
and medical stores**

**Inadequate quality of
public health services**

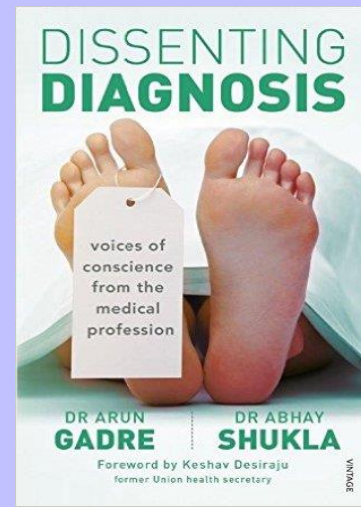
**High costs and irrationality
in private medical care**

Consequences of unregulated, privatised health care

Under-funded public sector has contributed to increasingly **privatised provisioning** resulting in inefficient, inequitable, inadequate quality care.

Unregulated, commercial behaviour of private providers includes:

- **Pricing health care to maximise profits**, arbitrary and high charges
- Variable quality and often inappropriate care (unnecessary investigations, medications and **excessive operations like caesareans and hysterectomies**)
- **Unethical practices like commissions and kickbacks**
- ***'Dissenting Diagnosis'*** interviews 78 whistleblowing doctors who expose ***large scale malpractices in profit making private sector***



**Global Pharma
industry**



**Private
Medical
Colleges**

**Unethical
Promotion,
irrational
medicines**

**Growing number of
profiteering
doctors**

**Private
Medical
Sector**

**'Targets',
Profiteering
driven
malpractices**

**Commercial
Health insurance
Schemes**

**Corporate
hospital
Industry**

**MEDICAL
INDUSTRIAL
COMPLEX**



**Health
Insurance
Industry**

Corporatisation of Healthcare: Growing dominance of corporate hospitals and practices

- **Corporatisation:** Growth of large private Healthcare companies; Healthcare infrastructure becoming concentrated among small number of private corporations
- Investors including multinational finance enter lucrative areas of provisioning, cater to the wealthy and growing middle-class
- Self-owned hospitals replaced by larger and corporate hospitals
- **In India, five large chains** – Apollo, Fortis, Narayana, Max India, and Healthcare Global had combined reported revenues of Rs 129 billion in 2017, an **increase of about 80% over five-year period from 2012**
- Loss of physician autonomy, ‘targets’ for performing procedures, massive increase in costs to patients

Growing Corporatisation of Private Healthcare in India and its Implications

Key insights from a collaborative study conducted by SATHI, Pune, India and King's College, London



Rising multinational investments in Private healthcare

- Large scale Foreign Direct Investment (FDI) and Venture capital has entered private healthcare industry in South and South East Asian countries
- Capital investments from US, Japan, Western European countries in South and Southeast Asian healthcare sectors on large scale. Includes major official agencies like IFC, CDC and DEG
- Apollo and Fortis (India), IHH (Malaysia), Siloam (Indonesia), Bangkok Dusit (Thailand) are large private hospital chains within the region with transnational presence
- Financial intermediaries like Quadria Capital (HQ at Singapore) aggregate capital from global markets and invest in South and Southeast Asian private hospitals



What we knew before the COVID pandemic

- Robust public health systems are essential for society, privatisation of healthcare is hazardous to health
- *Commercialisation paves the way for corporatisation* – both are injurious to health
- Given large scale market failure in healthcare, *regulation of private healthcare is urgently necessary*
- Current commercial health insurance based schemes and PPPs serve the private sector better than they serve people



What the COVID pandemic has taught us

- Much touted Government funded *health insurance schemes failed or faltered* for people in time of crisis
- **On positive side:** Governments have often been *forced to act ... 'Political will' for regulation*, which was non-existent since decades, *has materialised overnight*
- *Ordinary people have become much more aware* and vocal about violations, need to regulate private sector
- **On negative side:** Govt. solutions to harness private providers are generally piecemeal, ad hoc and temporary in nature, using outdated or inadequate legal instruments

Urgent need for action on regulation of private healthcare

I. Legal regulation

- **Ensure proper and effective implementation of the existing Laws (such as Clinical Establishment Act, 2010 in India)**
- **Expansion and strengthening of regulatory acts to improve their effectiveness** - inputs from social stakeholders, lessons from the COVID

II. Strengthening public regulatory capacity

III. Universal implementation of Patient Rights Charter and Patient grievance redressal mechanisms

IV. Developing multi-stakeholder governance platforms while promoting social accountability of regulatory framework

V. Regulation integrated with major public health system strengthening, movement towards Universal Health Care

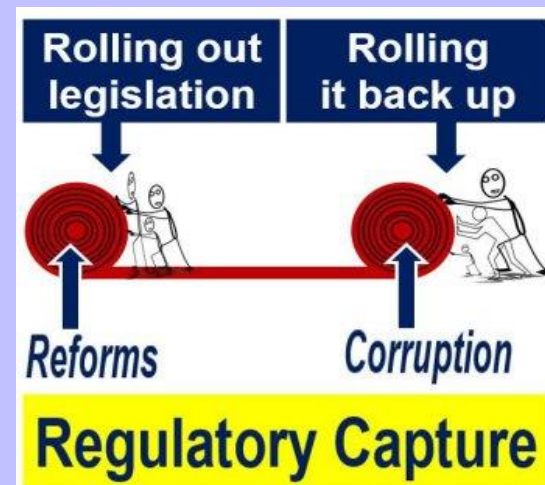
Problems with existing regulation:

Regulatory capture and failure

- **Regulatory capture, failed self-regulation** – Medical Councils dominated by private medical profession
- **Nominal or limited regulation** – limited to registration and minimal standards, not dealing with quality and costs of care
- **Biased regulation** – focussed on infrastructural standards, often favours large and corporate providers
- **Corrupted regulation** – deviates from core social goals, rent seeking

Corrupt / biased regulation leads to resistance from doctors, providers

Failed regulation promotes apathy on regulation among the general public



Need for socially reoriented regulatory strategy

Governments need to move from 'legalistic' approach to more hands-on 'interventionist' approach, by involving various stakeholders for regulation with social objectives

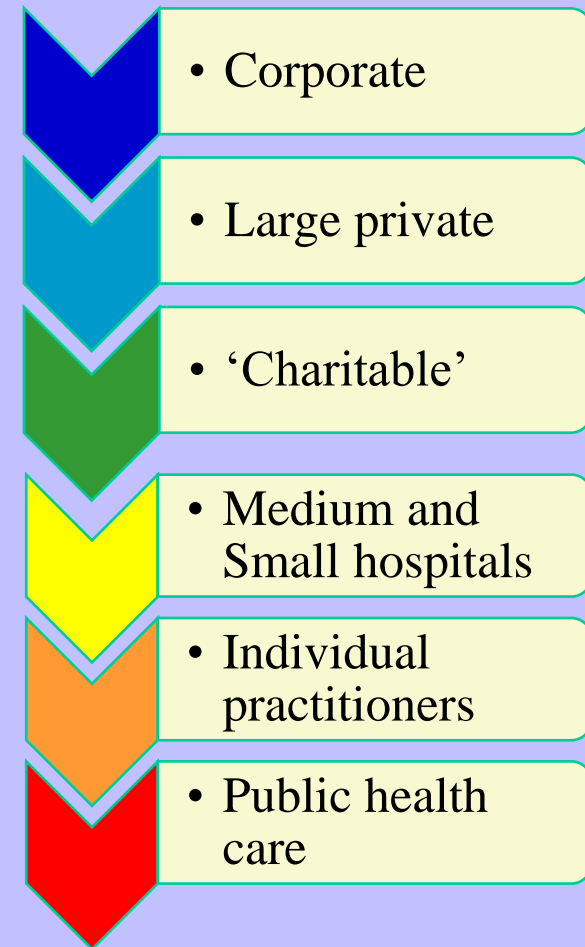
- **Oriented towards people –**
 - including rate transparency, rate standardisation and penalising catastrophic overcharging, strengthening patients' rights
 - including patient friendly grievance redressal mechanism
- **Inclusive of Civil Society-**
 - By providing stronger representation to diverse civil society groups in regulatory councils at various levels.
- **Fair towards individual practitioners, smaller and genuinely non-profit providers**
 - ensuring that infrastructural standards are not 'corporate oriented', allowing transition period, representation to individual practitioners and small hospital owners in regulatory councils

Implementing Charter of Patients Rights

1. Right to information
2. Right to records and reports
3. Right to Emergency Medical Care
4. Right to informed consent
5. Right to confidentiality, human dignity and privacy
6. Right to second opinion
7. Right to transparency in rates, and care according to prescribed rates
8. Right to non-discrimination
9. Right to safety and quality care according to standards
10. Right to proper referral and transfer
11. Right to choose alternative treatment options
12. Right to choose source for obtaining medicines or tests
13. Right to protection for patients in clinical trials, biomedical research
14. Right to take discharge of patient, or receive body of deceased
15. Right to Patient Education
16. Right to be heard and seek redressal

Taking a differentiated approach to Various sections of healthcare providers

- Growing differentiation with spectrum from individual practitioners to small and medium hospitals, to charitable providers, to corporate hospitals.
- Different types of providers have variety of responses to regulation, hence need for approach with common principles but differential impacts
- Regulation of rates might evoke a differentiated response, may be most resisted by corporates
- While quality is important, but overly demanding infrastructural standards would favour corporates and large private hospitals but would be difficult to fulfill for rural and small town setups
- Unlike private hospitals, sub-standard public facilities cannot be shut down, must be upgraded



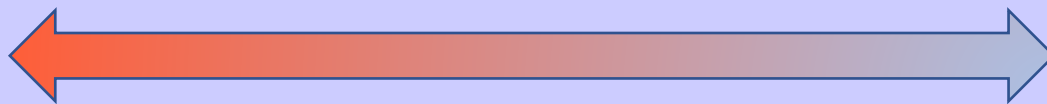
Question for discussion

Many countries have government supported health insurance-based schemes to arrange healthcare access for some sections of people. These usually involve commercial private providers.

Based on your experiences, do you think such schemes are a desirable arrangement for ensuring healthcare access for all? What are the problems?

Models of Public engagement with Private Health care

**Healthcare as
public good**



**Healthcare as
commodity**

Public health engagement

- Mandatory involvement
- Rates regulated for all
- Free service environment
- Rationalisation of treatment practices
- Control of admissions with public system
- Universal with inclusion
- Effective social accountability

Market based engagement

- Optional involvement
- Market rates remain dominant
- Fee for service environment
- No rationalisation of treatment practices
- Control of admissions remains in private hands
- Targeted with exclusions
- No / weak social accountability

Universal Health Care
Public regulation and harnessing of private providers

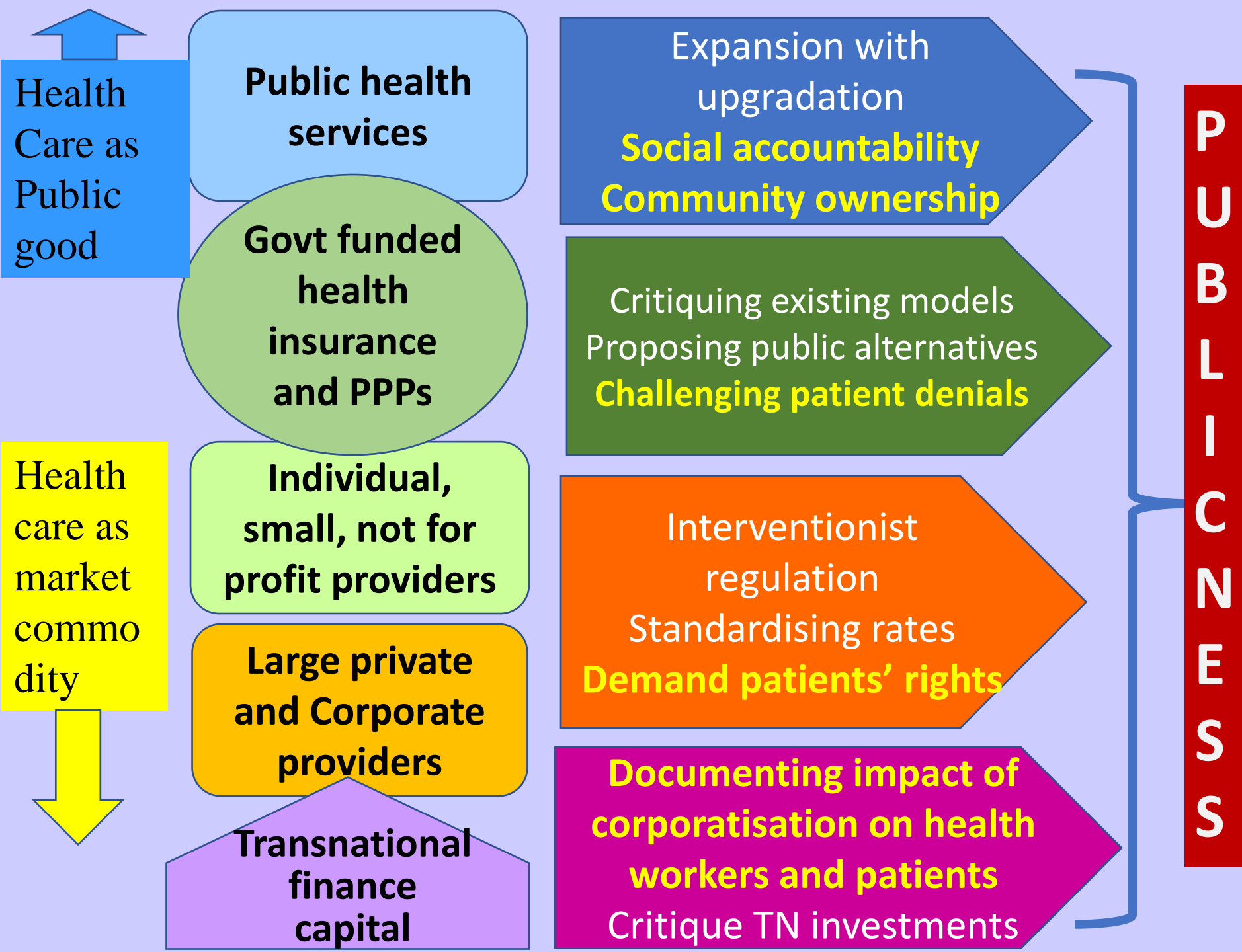
COVID period arrangements
Rate capping, Referrals, Temporary takeover

PPPs

Health insurance schemes



Socialisation of Healthcare



Need for multiple strategies to deal with privatised healthcare

Break the chain of commercialisation of healthcare!

Learning from COVID experiences, moving forward we can work for:

- ***Social mobilisation to defend Patients' rights***, preventing overcharging and violations by private hospitals
- ***Demanding interventionist regulation*** of private healthcare, including standardizing rates for services and grievance redressal
- ***Challenging moves for further privatisation*** of health systems
- ***Critiquing existing State-supported health insurance schemes*** while proposing public –centred alternatives
- ***Analysing and challenging corporatisation of healthcare*** including building alliances with medical professionals and smaller, not-for-profit providers who experience negative impacts of corporatisation
- ***Scrutinising transnational investments in healthcare***, exposing role of institutions which are fuelling privatisation and commercialisation

Action points for social regulation and accountable healthcare in post-COVID situation

- Documenting market failure during COVID; recording and highlighting stories of denial and violation related to private sector
- Demanding patients' rights in private hospitals
- Exposing irrational care and related exploitation during COVID
- Campaigns for regulation of private healthcare, with focus on rate regulation, including expanded public regulatory capacity and social accountability mechanisms
- Interrogating State funded health insurance schemes – exposing their failure to respond during COVID
- Demanding transformation of current market-oriented arrangements, into public-centred regulation and harnessing of providers

Placing Health rights and Universal Health Care on the socio-political agenda!



**Example of social action on private
healthcare sector:**

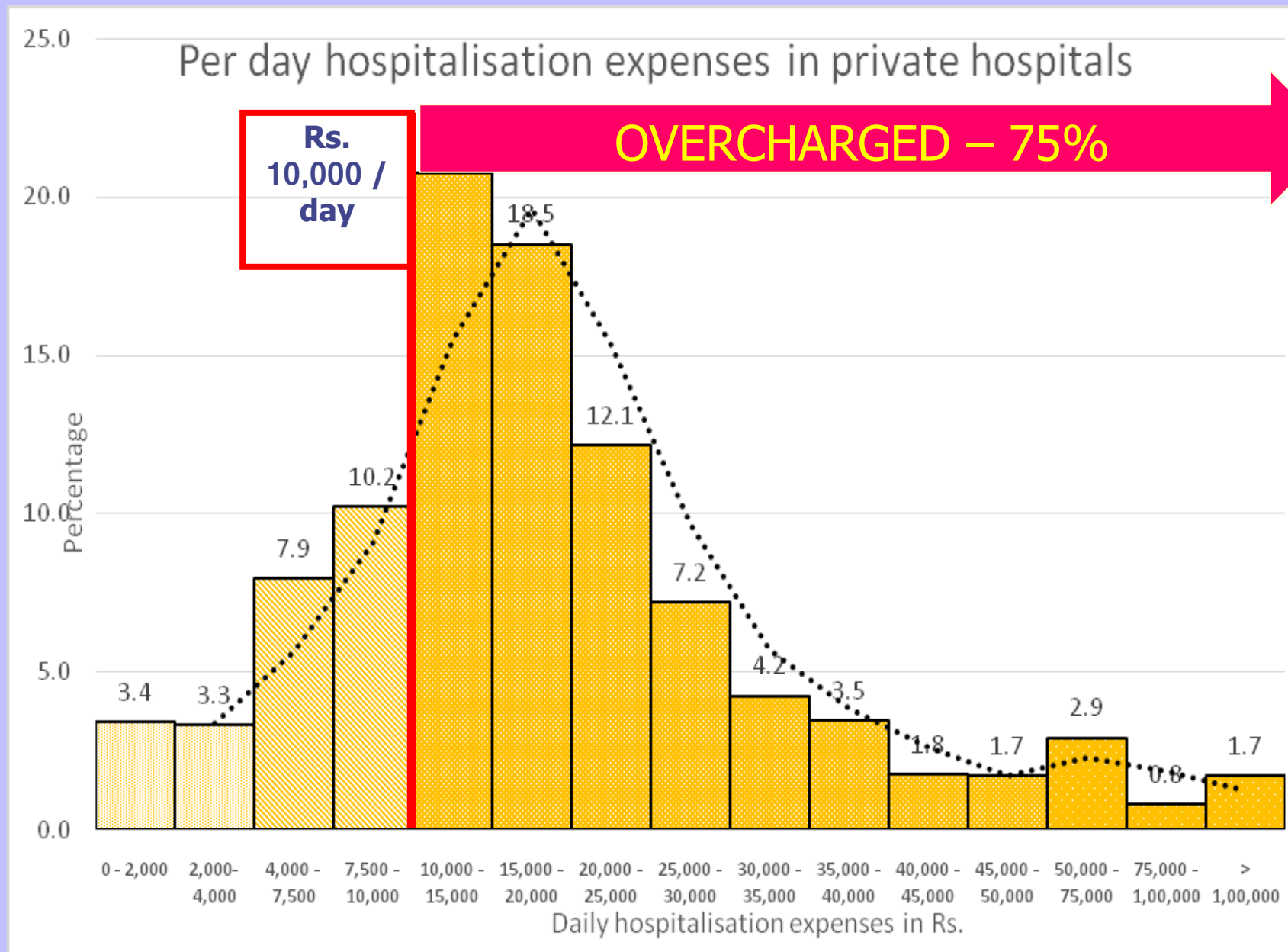
**Campaign and audit for
Refund of excess charges by
Private hospitals during COVID –
in Maharashtra, India**

Public hearing on Patients' experiences in Private hospitals during COVID – Feb. 2021

- Jan Arogya Abhiyan (PHM Maharashtra in India) organised a State level hybrid Public hearing allowing patients and caregivers to share experiences in private hospitals during COVID – attended by around 130 participants
- **Documentation and presentation of 30 patient testimonies**
- Major complaints of overcharging, violating government regulations during COVID, denial of free care under schemes and violation of basic patients' rights (not giving records, detaining dead body etc.) – followed up with social media campaign



State level civil society survey of 2579 COVID widows, family members on overcharging for COVID treatment



Organisation of 'Anger Assemblies with testimonies from COVID widows and families of COVID patients affected by overcharging

JOIN HANDS FOR JUSTICE!

Listen to voices of COVID widows & patient families
Sharing of survey findings on massive overcharging
of COVID patients by private hospitals

29th Sep. 2021

1 to 4 pm

Kusumagraj
Pratishthan,
Nashik

State level survey in Sep. 2021 has covered over 2500 COVID patients & over a thousand women who lost their husbands to COVID. Personal stories of exploitation in private hospitals, striking findings of the survey & campaign demands will be shared in 'Join hands for justice' program.

Join Zoom Meeting

<https://us02web.zoom.us/j/89323087260>

Meeting ID: 893 2308 7260

Corona Ekal Mahila Punarvasan Samiti, Jan Arogya Samanvay Samiti Nashik,
Jan Arogya Abhiyan

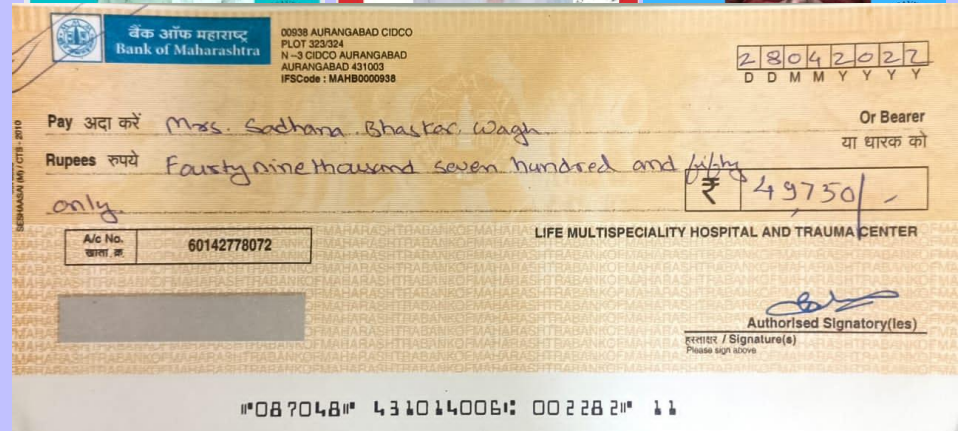
Heramb Kulkarni 8208589195, Adv Vidya Kasabe 91566 76502

Girish Bhav 9819323064, Santosh Jadhav 9552519677



PHM Maharashtra and SATHI lead campaign for audits of private hospital bills, guidance to complainants and advocacy with officials

Ensures refund for 63 COVID patients so far from private hospitals related to COVID overcharging (avg. refund per patient >INR 25,000)



Let us challenge privatisation of healthcare everywhere, and struggle for public-centred alternatives!

माझा पेशंट
त्याचे अधिकार व जबाबदाऱ्या

सरकारने जाहीर केलेली 'रुग्ण हक्क सनद' आणि नियम समजून घेऊयात...*

रुग्णाचे हक्क

- आजार, तपासण्या, काळजी, उपचार, परिणाम, अपेक्षित खर्चाची पुरेशी माहिती मिळण्याचा हक्क
- हॉस्पिटलच्या मुख्य दर्जाची भागात दरम्यान ठळकपणे लावणे. उपचार व सुविधांचा हक्क
- रुग्णाच्या नोंदी, केसपेपर, तपासण्याचे सविस्तर बिल व रिपोर्ट्स रिपोर्ट्स मिळण्याचा हक्क
- माहिती, रेकॉर्ड्स सह सेकंड ओपिनियन घेण्याचा हक्क
- रुग्णाची गोपनीयता, खासगीपणा व मानवी प्रतिष्ठा जपली जाण्याचा हक्क
- पुरुष डॉक्टर, महिला पेशंटची शारीरिक तपासणी करताना स्त्री कर्मचारी/नातेवाईक सोबत असणे
- रुग्ण एचआयव्ही पॉझिटिव्ह असल्यास भेदभावहित उपचाराचा आणि चांगणुकीचा हक्क
- रुग्णाला नोंद-वहीत तक्रार लिहिण्याचा हक्क, तक्रार निवारण अधिकाऱ्यांकडे तक्रार करण्याचा हक्क
- हॉस्पिटल कुठल्याही कारणास्तव रुग्णाचा मृतदेह अडवू शकत नाही. तसेच फी दिली नाही म्हणून रुग्णाला ताब्यात ठेवू शकत नाही. हॉस्पिटल मृतदेह अडवू शकत नाही. डिस्चार्ज घेण्याचा हक्क

रुग्णाच्या जबाबदाऱ्या

- आरोग्याशी संबंधित सर्व माहिती देणे.
- तपासणी आणि उपचारांदरम्यान डॉक्टरांना सहकार्य करणे.
- सर्व सूचनांचे पालन करणे.
- डॉक्टर आणि इतर वैद्यकीय कर्मचाऱ्यांच्या प्रतिष्ठा मान देणे, आदर करणे.
- कधीही हिंसेचा अवलंब न करणे.

रुग्णाला घेऊन येण्याची सहाय्यी झालेली फी वेळेत भरणे.

संदर्भ: १५/११/२०११ रोजी मराठी भाषेत प्रकाशित झालेल्या रुग्ण हक्क सनद आणि नियम सनद, २०११. कडक: १५/११/२०११ रोजी अनेक वेळा अद्ययावत करून घेतलेली सनद आणि नियम सनद. कडक: रुग्णातील सर्व सहाय्यी व सहाय्यी रुग्णांसाठी रुग्णाला घेऊन येण्याची सहाय्यी झालेली फी वेळेत भरणे.

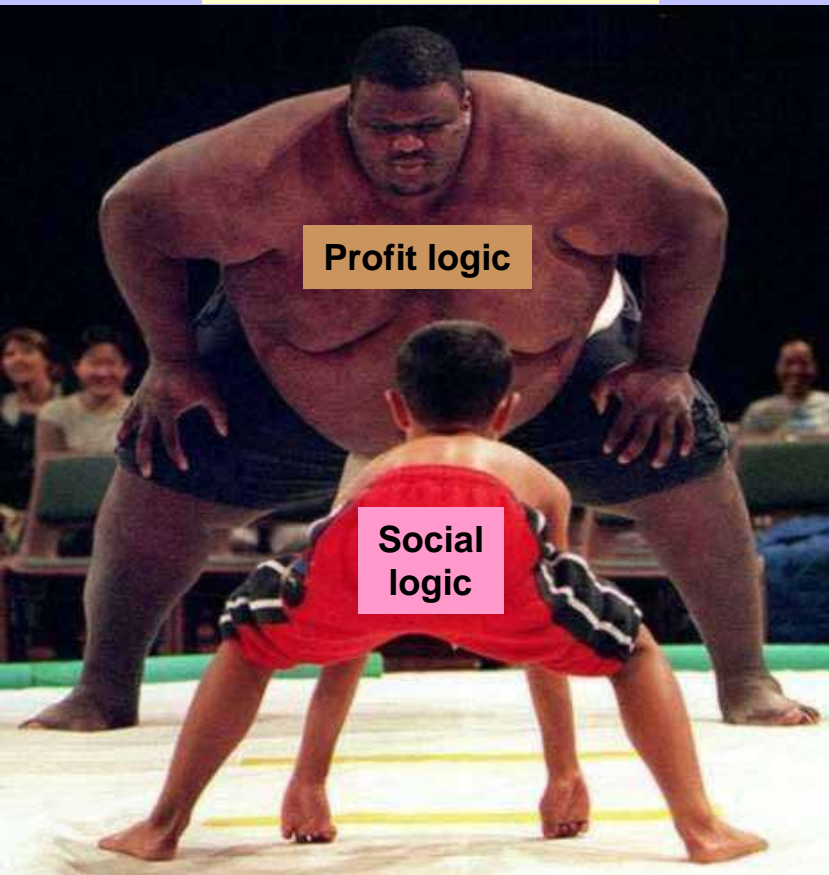
प्रकाशक - सार्थी (Support for Advocacy & Training to Health Initiatives)
फ्लॅट नं. ३ व ४, अपर ई स्टोर सोसायटी, इण्डियन कॉलनी, कोयंबटूर, पुणे-३८
Phone : ०२०-२५४२३२५ / २५४७३५६५; Email : sathichehat@gmail.com
Website : www.sathichehat.org



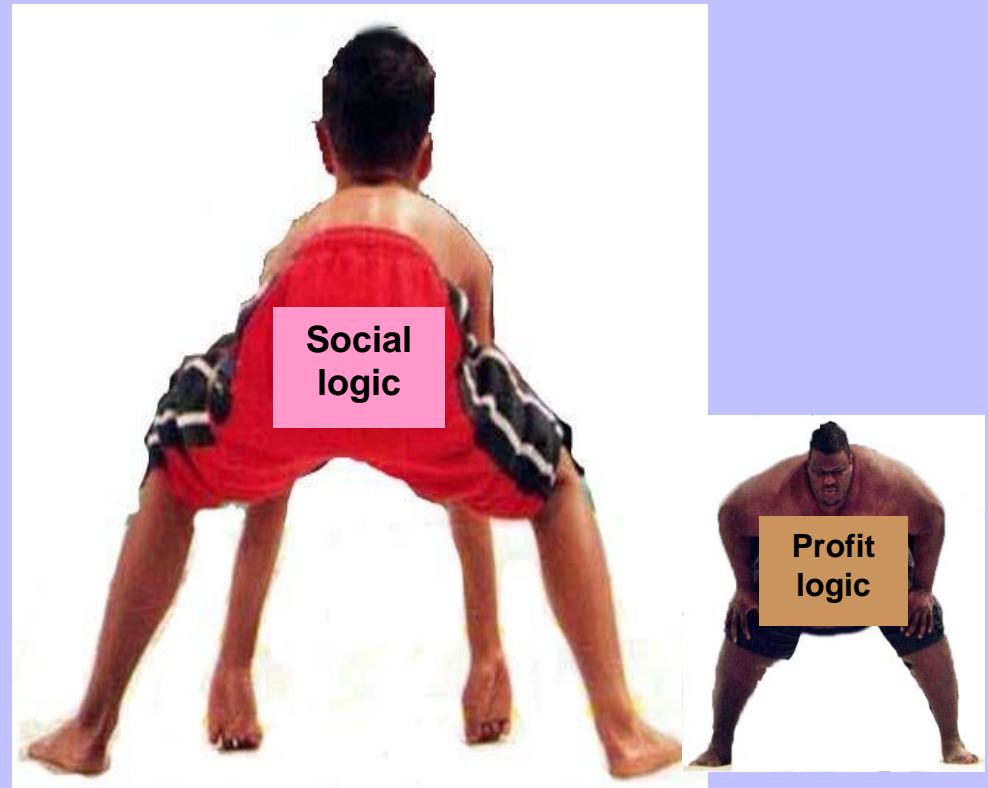
Strengthen public health systems – regulate private healthcare –
empower patients and communities - halt privatisation –
ensure Public-centred Universal Health Care!

The change we want to see in our health systems

Before COVID



After
COVID



RECONSTRUCTION TO A PUBLIC CENTRED, UNIVERSAL SYSTEM –
NOT **RETURN** TO THE PRIVATISED, COMMERCIALISED SYSTEM!