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Shifting Health to the Concurrent List

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Why in News

Fifteenth Finance Commission Chairman N.K. Singh said that **health should be shifted to the Concurrent list** under the Constitution. Presently, 'Health' is under the State List.

He also pitched for a **Developmental Finance Institution (DFI)** dedicated to healthcare investments.

Key Points

- **Arguments for Shifting 'Health' to the Concurrent List:**
 - **Centre with Greater Flexibility:** Bringing health into the Concurrent list would give the **Centre greater flexibility to enact regulatory changes** and **reinforce the obligation** of all stakeholders towards providing better healthcare.
 - **Rationalisation and Streamlining of the Multiple Acts:** There is a multiplicity of Acts, rules and regulations, and mushrooming institutions, yet the regulation of the sector is far from adequate.

With the health in the concurrent list, uniformity of acts can be ensured.
 - **Centre Expertise to States:** The Central government is also **technically better equipped** to come up with the health schemes because it has the assistance of **multiple research bodies and departments** dedicated to the management of public health.

States on the other hand do not have the technical expertise to independently design comprehensive public health policies.

- **Arguments Against Shifting ‘Health’ to the Concurrent List:**
 - **Right to Health:** It is neither necessary nor sufficient to guarantee the provision of accessible, affordable and adequate healthcare for all.
 - Besides, the **right to health** is, arguably, already provided for via the Constitution’s **Article 21** that guarantees protection of life and liberty.
 - **Challenges Federal Structure:** Shifting ever more subjects from the states to the Centre would erode India’s federal nature and impair efficiency by abandoning the **principle of subsidiarity**, which holds that any task should be left to the level of government best placed to do it.
 - Trust Cooperative Federalism:** The centre must direct its energies to designing policy that would help states deliver on their constitutional mandate to provide adequate, accessible and affordable healthcare for all.
 - **More Burden With Centre:** The Centre has onerous responsibilities of its own, for which it struggles to find resources. Taking more functions would help neither the states nor the Centre discharge their constitutional obligations.
 - **Encourage States:** The Centre **devolves 41%** of the taxes it collects to the states. The Centre should encourage the states to do what they are supposed to do, while the Centre optimises use of its own resources, focusing on its obligations.
 - Health being a state subject does not preclude the Centre offering constructive support.
 - The NITI Aayog’s Health Index, financial assistance through the insurance-based programme Ayushman Bharat, improved regulatory environment for healthcare providers and medical education are examples of such support that can nudge states in the right direction.
- **Developmental Finance Institution (DFI) for Health Care:**
 - A health sector-specific DFI is much needed on the same lines as that of DFIs for other sectors like **National Bank for Agriculture and Rural Development - NABARD (agriculture), National Housing Bank- NHB (Housing) and Tourism Finance Corporation of India Ltd. - TFCI (tourism)**.
 - Such a **DFI would increase health care access in tier-2 and tier-3 cities** and also come with **technical assistance** that ensures proper usage of funds.

- **Other Suggestions by N.K. Singh:**

- Increase the **government spending on health to 2.5% of GDP by 2025.**
- **Primary healthcare** should be a fundamental commitment of all States in particular and should be allocated **at least two-thirds of health spending.**
- To have a **standardisation of health care codes for both the Centre and states.**
- Forming an **All India Medical and Health Service.**

Given the inter-state disparity in the availability of medical doctors, it is essential to constitute the Service as is envisaged under Section 2A of the **All-India Services Act, 1951.**

- Emphasised the importance of **universalising healthcare insurance**, as a large section of the society still remain uncovered.

- **Need for Universalisation of Healthcare Insurance:**

- **Existing Insurance Coverage:** The **Pradhan Mantri Jan Arogya Yojana (PMJAY)** covers the **bottom two income quintiles** and **commercial insurance largely covers top-income quintiles**, thereby creating a **'missing middle'** class in between.
- **Missing Middle:** This refers to people in the middle two income quintiles, where the population is not rich enough to afford commercial insurance and not poor enough to be covered under government-sponsored health insurance schemes.

Concurrent List

- The subject-wise distribution of legislative power is given in the three lists of the **Seventh Schedule** of the Constitution:
 - **List-I- the Union List**
 - **List-II- the State List**
 - **List-III- the Concurrent List**
- Both, the **Parliament and state legislature can make laws** with respect to any of the matters enumerated in the **Concurrent List.**
- It includes the matters on which **uniformity of legislation throughout** the country is desirable but not essential.
- However State legislation operates to the extent that it is not in conflict with the Central legislation. At times, the very presence of a central legislation can negate the state's ability to legislate.
- This list has **at present 52 subjects** (originally 47) like criminal law and procedure, civil procedure, marriage and divorce, population control and family planning, electricity, labour welfare, economic and social planning, drugs, newspapers, books and printing press, and others.
- The **42nd Amendment Act of 1976** transferred **five subjects to Concurrent List from State List** i.e education, forests, weights and measures, protection of wild animals and birds, and administration of justice; constitution and organisation of all courts except the Supreme Court and the High Courts.

Development Finance Institution

- These are specialized institutions set up primarily to provide development/ Project finance especially in developing countries.
- These DFIs are usually majority-owned by national governments.
- The source of **capital of these banks** is national or international development funds.
- This ensures their creditworthiness and their ability to provide project finance at a very competitive rate.

Source: TH