



Mains Practice Question

Q. The private sector in healthcare can play a pivotal role in achieving the UN Sustainable Development Goals. Examine. (250 words)

25 Feb, 2019 GS Paper 2 Social Justice

Approach:

- Give some data related to the healthcare sector of India and write the relevant SDG Goal-3.
- Examine (pros, cons, opportunity) how the private sector can play a pivotal role in achieving UN SDG.
- Give a balanced conclusion on the need of both the sectors.

Introduction

- Goal 3 of the UN Sustainable Development Goals (SDG) is to “ensure healthy lives and promote well-being for all at all ages”.
- Over the past decade, courtesy changing demographics and lifestyles, India has been witnessing shifting disease prevalence in terms of the largest causes of morbidity and mortality.
- One of the central problems has been the low levels of public spending on health and as a result the poor access to affordable and good quality healthcare for the majority of India’s population. The public expenditure on health at about 1.2% of the GDP is amongst the lowest in the world.

Body

The private sector in healthcare can play vital role in: -

- **Lack of resources/infrastructure with Public sector:** Public health facilities suffer from poor infrastructure and human resource inadequacies. For instance, according to the Rural Health Statistics 2017, only 11% of sub-centres and about 13% of primary health centres (PHCs) are functioning as per Indian Public Health Standards (IPHS). There is therefore an urgent need for more resources to be allocated for public healthcare along with measures to strengthen the delivery of health services.
- **Secondary & Tertiary health services:**
 - While one may not foresee a great presence of the private sector in providing primary healthcare services, areas such as ambulance services and value-based care delivery can be promoted through this sector.
 - Ayushman Bharat seeks to improve the network of the government’s first-point-of-contact health centres. For higher levels of services, the private sector can be incorporated by creating linkages between public health infrastructure and private providers through a hub-and-spokes model.
- **Source of capital:** A legally mandated way to provide this is through Corporate Social Responsibility. Companies above a certain annual turnover (Rs. 1,000 crore), net worth (Rs. 500 crores) or annual net profits (Rs. 5 crore) have to earmark 2% of their net profits of the past three years to CSR projects, which may include healthcare projects.

Some challenges with Private sector healthcare system

- **High cost of treatment:** Private players may bring wide disparity in access to healthcare due to its high cost of treatment in absence of government regulation.
- **Neglect of Rural Population:** The private sector may not give preference to the rural and remote areas. It may evolve largely a service based on urban hospitals. Moreover the private doctors may be unwilling to serve in rural areas.

Conclusion

- The precondition is to create an ecosystem where partnerships between the private and the public sector can thrive. This must start with trust and stated common objectives. Once the ecosystem is more conducive, complementarities need to be identified.
- As India strives to ensure availability, affordability and accessibility to quality healthcare for its people, both private and public stakeholders need to come together.

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