

Union Budget 2018- Quality care demands heavy investment

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We urge the Government to adopt Universal Health Insurance at viable rates for all players



Ms Suneeta Reddy, MD, Apollo Hospitals

The budget must acknowledge that quality of healthcare delivery is non-negotiable. The public sentiment in India should understand that quality care demands heavy investment of capital, and more importantly, skilled manpower, both of which are in short supply, leading to an acute crisis in healthcare delivery. It is critical that all stakeholders – the public, Government and the private sector come together now to create a partnership of trust, which empowers the private sector to create and

build capacity.

According to National Priority Status for healthcare, the Government can signal its intent to put in place an enabling environment that will attract capital – both financial and intellectual, and stimulate the creation of high-quality capacity. Several approaches in combination can be used for this – in public-private partnership (PPP) models, or purely by incentivising the private sector with carefully structured tax benefits.

The Payor problem demands urgent attention – We urge the Government to adopt Universal Health Insurance at viable rates for all players, and to incentivise the consumers through higher tax deductions for healthcare expenditure and insurance payments. Zero rating of health care services and health care insurance premiums under the GST regime would be most important to ensure that the cost of care remains protected for the consumer.

It is important to note that healthcare is the fifth largest employer and has the potential to generate 7.5 million direct jobs by 2022. Every hospital bed creates 5 direct jobs, and an exponential number of indirect jobs. But more importantly, it is the only sector that takes responsibility for the health of the nation.