



Jan Swasthya Abhiyan



All India Peoples Science Network

**Statement on the role of the Private Health Sector during the Covid-19 pandemic:  
Need for government to bring private and public health sectors under a common command structure**

Jan Swasthya Abhiyan and All India People's Science Network  
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In India it is the public health sector that has borne most of the burden of providing testing and medical care for the detection and treatment of over 20,000 Covid-19 positive patients. Considering the significant presence of the private health sector in India, there were expectations that private hospitals and facilities would step up and make major contributions towards managing the Covid-19 pandemic. The private sector has grown significantly in the last two decades, due to government subsidies and policies that actively promoted the privatisation and commercialisation of healthcare. Even under the Pradhan Mantri Jan Aarogya Yojana (PMJAY) of Ayushman Bharat, nearly two-thirds of the claims amounts have gone to the private sector. The government has also been actively pursuing policies to hand over districts hospitals to corporate ownership under public-private partnership deals. It was therefore expected that the private sector would be especially useful in critical care, as they may have more critical-care facilities such as ICU beds and ventilators, and more specialists. It was also expected that they would fill the gap created in non-Covid-19 related health services due to the public sector's focus on Covid-19 care, especially making use of public financing under PMJAY.

However, what we actually find is that ***at this time of crisis when health services are needed the most, the for-profit private sector has been missing-in-action and of the few private facilities that remain functional, many are profiteering.*** Some of the closures of private facilities are no doubt due to the loss of clientele due to the lock-down, and some due to their own staff getting infected. But in many places, doctors and management have preferred to play safe and temporarily suspended even essential healthcare.

***Private labs have done very little testing compared to public ones.*** Despite their much-vaunted network of labs, they are testing only in a few metro cities, with many of their state branches refusing to test (as seen in Chhattisgarh). Even one month after the central government fixed a very high rate of Rs.4500 per test, many private labs that were accredited have not got activated. Irregularities in their functioning have also emerged. Some hospitals have even made Covid-19 testing mandatory for all admitted patients irrespective of ailment, and some have inflated the price by adding additional charges. Most people will not be able to afford this amount for testing, nor is it a rational use of a limited resource. A package for the test is now available under PMJAY, but very few private hospitals are providing this service and labs are not empanelled under PMJAY, so this will probably remain a non-started.

The other task private health facilities should have undertaken is of surveillance and reporting of routine severe acute respiratory infection (SARI) or influenza like illness (ILI) cases in order to alert the system about clusters where there may be an increase in such cases. But this would only be possible if they were providing routine services. ***Most for-profit private hospitals have reduced or completely shut down their out-patient and in-patient services, and therefore unable to contribute to surveillance.*** In fact, ***shutting down hospitals is a violation of Essential Services Maintenance Act (ESMA) and an abdication of their professional responsibility.*** Even though some states have issued orders for private sector to resume their OPD services, it has not



happened. Essential routine services have been halted even in the public sector as many leading tertiary care hospitals that are the only source of hospitalisation for the poor are being converted into dedicated Covid-19 hospitals. These patients are forced to seek care in the private sector, which is either not available or not affordable.

Among those private facilities that are functioning, instances have come to the fore of denial of healthcare to patients who are suspected to be Covid-19 positive. There are reports of private hospitals evicting such patients. National data shows that **very few private hospitals** are engaged in providing critical care for Covid-19 positive patients. Even in such cases there have been reports of **hospitals overcharging and patients having to pay exorbitant bills** of as much as Rs. 12 lakh. While states like Kerala have managed to negotiate provision of free Covid-19 care from them, West Bengal has announced it will cover costs at fixed rates, Punjab has capped prices at CGHS rates, Maharashtra is only now contemplating capping hospital rates, and Delhi has allowed private hospitals to charge as much as they want!

By current norms, existing packages under PMJAY for pneumonia, respiratory failure and other conditions may also be used for Covid-19 patients. However, latest data shared by the Nation Health Authority has shown that the number of PMJAY claims for SARI and ILI has reduced significantly in April. This clearly shows that the private sector has stopped working on SARI and ILI cases. The deafening silence of the private sector in demanding a Covid-19 claims package under PMJAY also shows that they are not at all interested in providing these services. ***PMJAY, that is seen as flagship policy and main vehicle for free treatment has till now proven to be a failure and irrelevant in combating the Covid-19 crisis.***

While corporate hospitals continue their profiteering, the impact of this crisis will be felt keenly by health workers and patients. Hospitals will lay off staff, reduce salaries, increase working hours and undertake cost-cutting measures by compromising quality. On the other hand, they have asked for tax relief and benefits on the grounds that they are going into loss.

Recognising the need for a centrally coordinated effort and that, only the public health sector is currently managing the surge and needs a rapid expansion of its capacity to do so, countries such as Spain and Ireland have brought private sector hospitals under government control for the duration of the pandemic. In India on the other hand, though some states made efforts in this direction, the main thrust has been to displace poor patients from existing public hospital beds and ear-mark these for Covid-19 care.

In light of the above, we recommend the following for India:

- Government needs to ***urgently take control of the situation and invoke its powers to bring part or all of select private hospitals, facilities and services under common public health command***, at its own terms and conditions, and delegate tasks to them.
- All ***testing and treatment related to Covid-19 should be free of cost to the patient*** and available as close to district level as possible. States may reimburse private facilities as per fixed rates for their services, while taking care that it should not involve transfer of excessive public budgets to the private sector.



- For the **management of mild and moderate cases**, private nursing homes, hostels and hotels should be requisitioned to serve as isolation hospitals.
- For **managing critical cases**, part or all of very select private sector hospitals who have such capacity could be converted into dedicated Covid-19 hospitals and brought under public authority. Such arrangements would have to be negotiated with private managements, who may continue to undertake many management and staffing functions and be reimbursed at suitable rates.

The current moves to re-purpose well functional secondary and tertiary level government hospitals, into Covid-19 hospitals by pushing out a large number of poor patients are unacceptable and must be discontinued immediately. Where government hospitals are the only option for Covid-19 critical care, only a part of the hospital should be re-purposed, leaving other essential care in place, or as has been done in many countries, **new public hospitals should be rapidly built up** in available or new infrastructure.

- Clear **guidelines on reporting, costing, treatment and administrative protocols** should be laid out and their implementation ensured in both public and private hospitals.
- Private hospitals which are not involved in Covid-19 care **must remain open and continue with all health services** without increase of rates and with due precautions against spread of infection. They should strengthen notification of diseases and regular reporting of service delivery as required under clinical establishments act and disease surveillance systems
- Government should ensure and monitor that the private sector **follows government guidelines for personal safety, infection risk management and the use of personal protective equipment with respect to health worker safety and to prevent spread of infection to non-Covid-19 patients**. Government must also take necessary steps to ensure that these hospitals are able to access the necessary PPE and test-kits.
- **Privacy and confidentiality** of all patients should be maintained in the private sector, especially if they are Covid-19 patients, and no personal information should be shared with public or public authorities, except as required by law.
- **A helpline for grievances, both of patients and health workers** in the private sector should be started.
- As the public sector is taking most of the burden, **corresponding increases in HR, minor equipment, and major equipment and skills** are needed for government facilities.

The Indian government **should learn its lessons from the failure of the for-profit private sector and PMJAY to provide any meaningful response during the Covid-19 epidemic** and stop promoting the private healthcare sector. **Annual health budgets need to increase** and the Government should **invest money in adding to the capacity of public healthcare facilities** and infrastructure instead of giving subsidies to the private sector. This crisis should be a **turning point in India's health policy making**, and bring back the **centrality of the public health system in ensuring universal health care**.

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