Health Sector Reforms

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Health Sector Reforms

- What do we mean by reforms?
- What are the essential components of reforms?
- How do reform differ from normal evolutionary system changes?

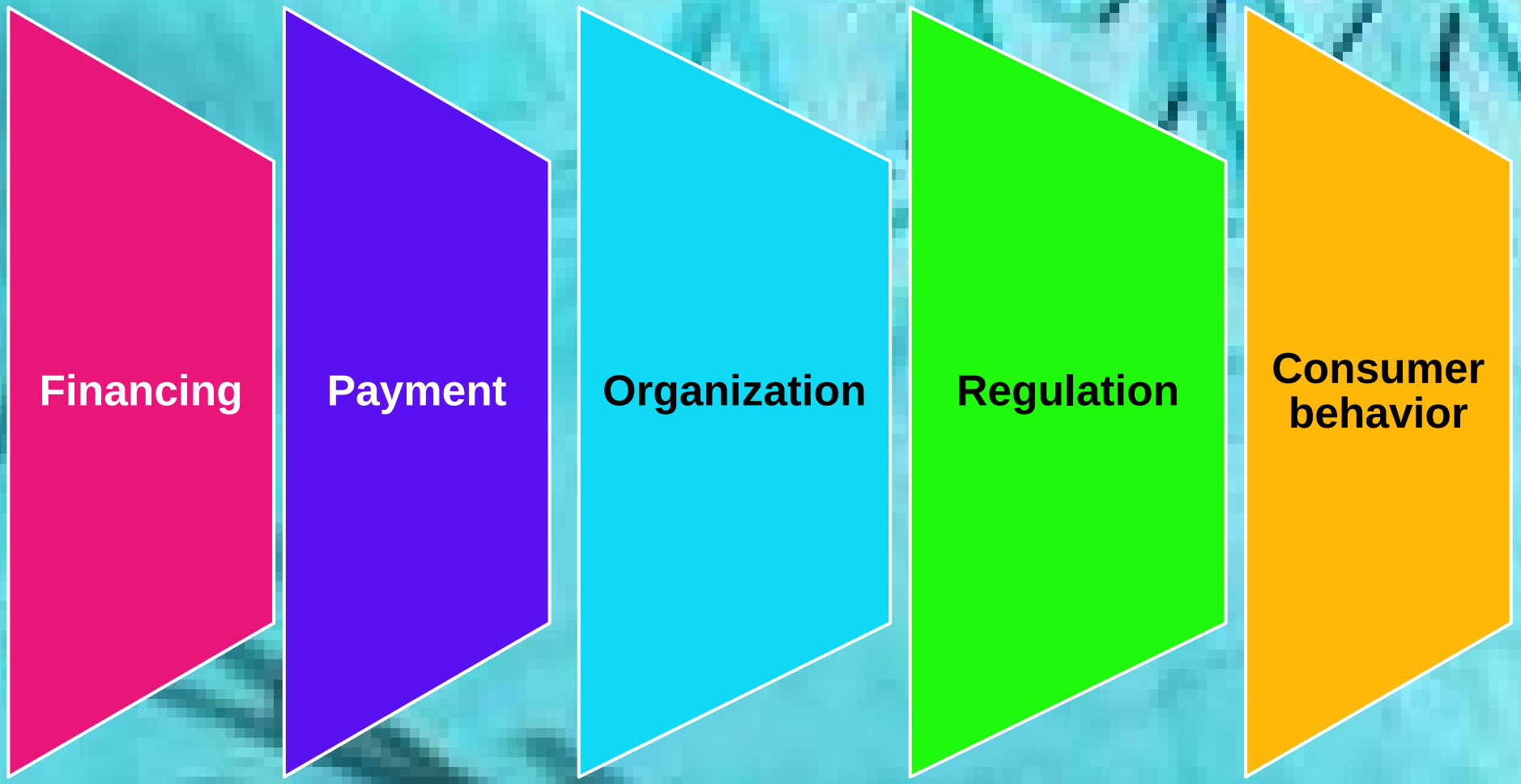
Health System: Challenges

- Stagnant public spending on health
- Between 75-90% spending by states
- Curative public services favor the rich
- Hospitalization frequently means financial catastrophe
- Poor outcomes
- HR shortage
- Cost

Genesis of HSR: WDR 1993 – Approaches

- Fostering environment enabling households to improve health
- Improving Government spending on Health
- Promoting diversity and competition

Hsiao's 5 Control Knobs, 2000



Health Sector Reforms
Definitions

- Sustained, purposeful, Fundamental change to improve the efficiency, equity and effectiveness of the health sector.
  Berman,1995

- A process that seeks changes in health sector policies, financing, and organization of services, as well as the role of government, to reach national health objectives.
  Population Council,1998

Health Sector Reforms
Definitions

- Health sector reform includes:
  - Improving the performance of civil service
  - Decentralization of power and resources
  - Improving function of national health ministries
  - Broadening health financing mechanisms
  - Introducing managed competition
  - Privatization

Cassels (1997)

HSR

- Health sector reform is deliberate, planned and intended to make long term, permanent changes, rather than ad hoc or emergency action

Plurality of Definitions

- “Health sector reform is nothing more than projects that have been put together and it is tied to loans from the World Bank.” (Interview former Secretary of MOHFW May 2002).

Plurality of Definitions

- A senior official of The World Bank views health reforms as a “group of projects that includes communicable diseases, Reproductive and Child Health program and Health Systems” The motivation for health sector reform as seen by the World Bank is to “promote economic efficiency, quality, reform of public sector” (Interview with Senior Bank Official, The World Bank Delhi Office, March, 2002).

Plurality of Definitions

- The EC - health sector reform is nothing more than a “mixed bag of donors, projects and the government of India. Overall there is a singular lack of vision among all these actors when it comes to health sector reform.” (Interview with Senior Official, European Commisssion, Delhi office, March 2002). They consider the World Bank to be setting the agenda guided by “some North American consultants to introduce privatisation and have designed the components of the health sector reform agenda for the country”. (Interview with Sr. official, EC Delhi office, March, 2002)”

Dynamics of HSR

- Shift in international thinking – public to private provision
- Explore possibility of private sector participation
- Reduction in Government expenditure
- User charges
- Contracting out services
- Tax reforms

Major Issues

- Definition—incremental not fundamental
- The ‘project approach’ to health sector reform
- Spaces are available for negotiations at both the central and state levels with multilateral agencies.
- Fiscal crisis at state governments - health is not a high priority area of investment,
- Loans from bank- poor repayment capacity.
- Reform process is a ‘top-down approach’. There is little consultation with the personnel at different levels of the health

Major Issues

- Little co-ordination among donors(own priorities and agendas) on health sector reform.
- Duplication and adhocism
- ‘ rights based approach’ (RCH) after ICPD not effectively transferred to the different levels of providers.
- New budget?

HSR: Principles

- Overseeing the needs of the entire population – pro-poor; gender sensitive and client friendly.
- Looking forward to the health transition
- Removing the blind spot to the private sector
- Focusing efforts – by ensuring quality, efficiency and accountability of health services

HSR Influencers

- Epi. Transition-Changing health scenario
- Macroeconomic situation
- Political environment
- Policy changes
- Increasing expectations
- Reducing resources and external influences
- Donor initiatives

Key Issues in HSR

- Equity
- Effectiveness
- Efficiency
- Quality
- Sustainability in provisioning
- Defining priorities
- Refining policies
- Reforming institutions

HSR: Key Elements

- Structural rather than incremental/evolutionary change;
- Change in policy objectives followed by institutional change, rather than redefinition of objectives alone;
- Purposive rather than haphazard change;
- Sustained and long term rather than one off change;
- Political top down process led by national, regional or local government.

What Needs to be Addressed

- Human resource
- Fiscal allocations
- Capacity building
- Process monitoring

Functions Covered by HSR

- Governance
- Provisions
- Financing
- Resource Generation

Basic Dilemmas in HSR: HR

No.
Distribution
Courses
Intake

Output
Graduates & PG?

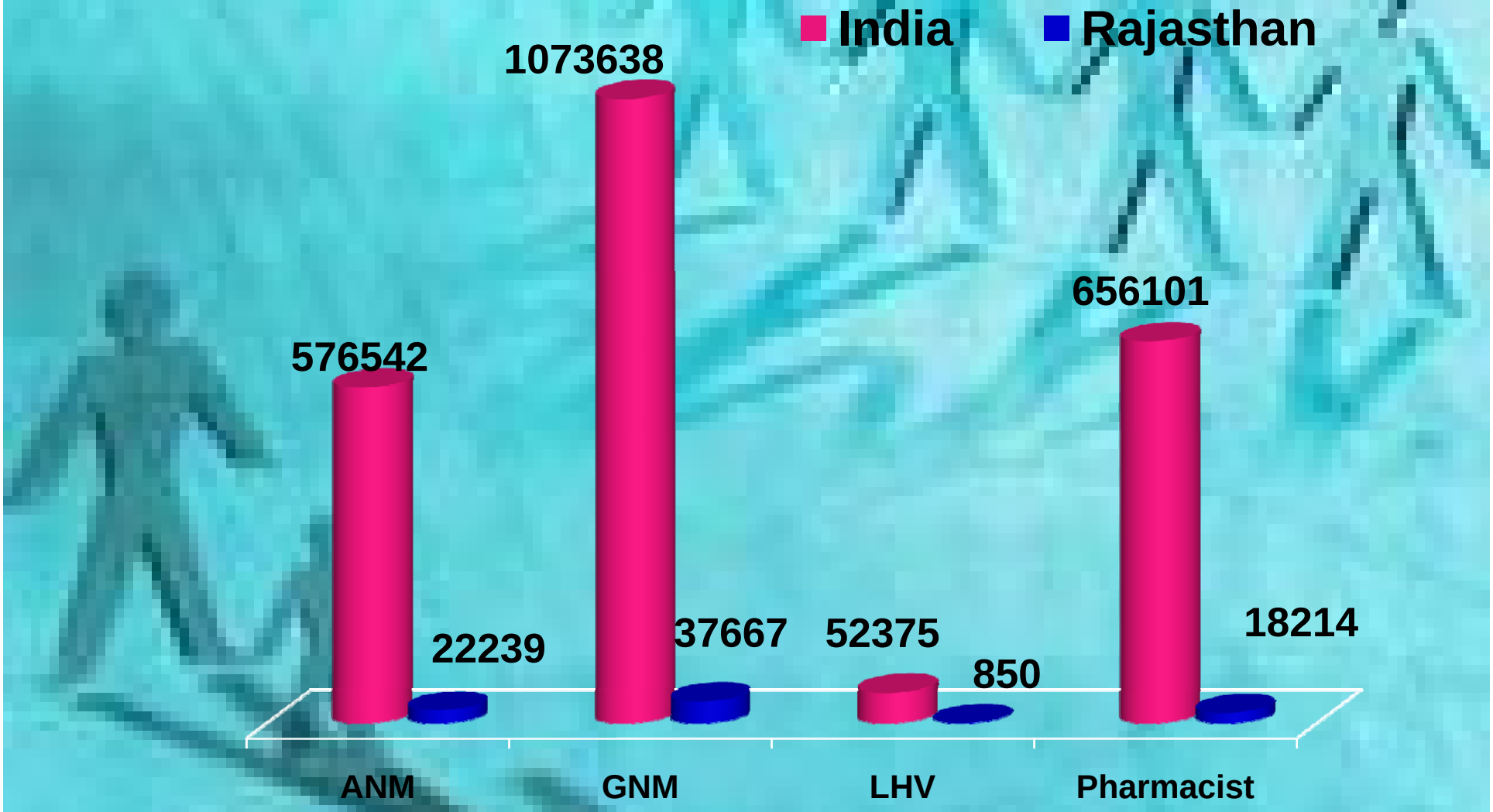
IPHS

PHC

CHC

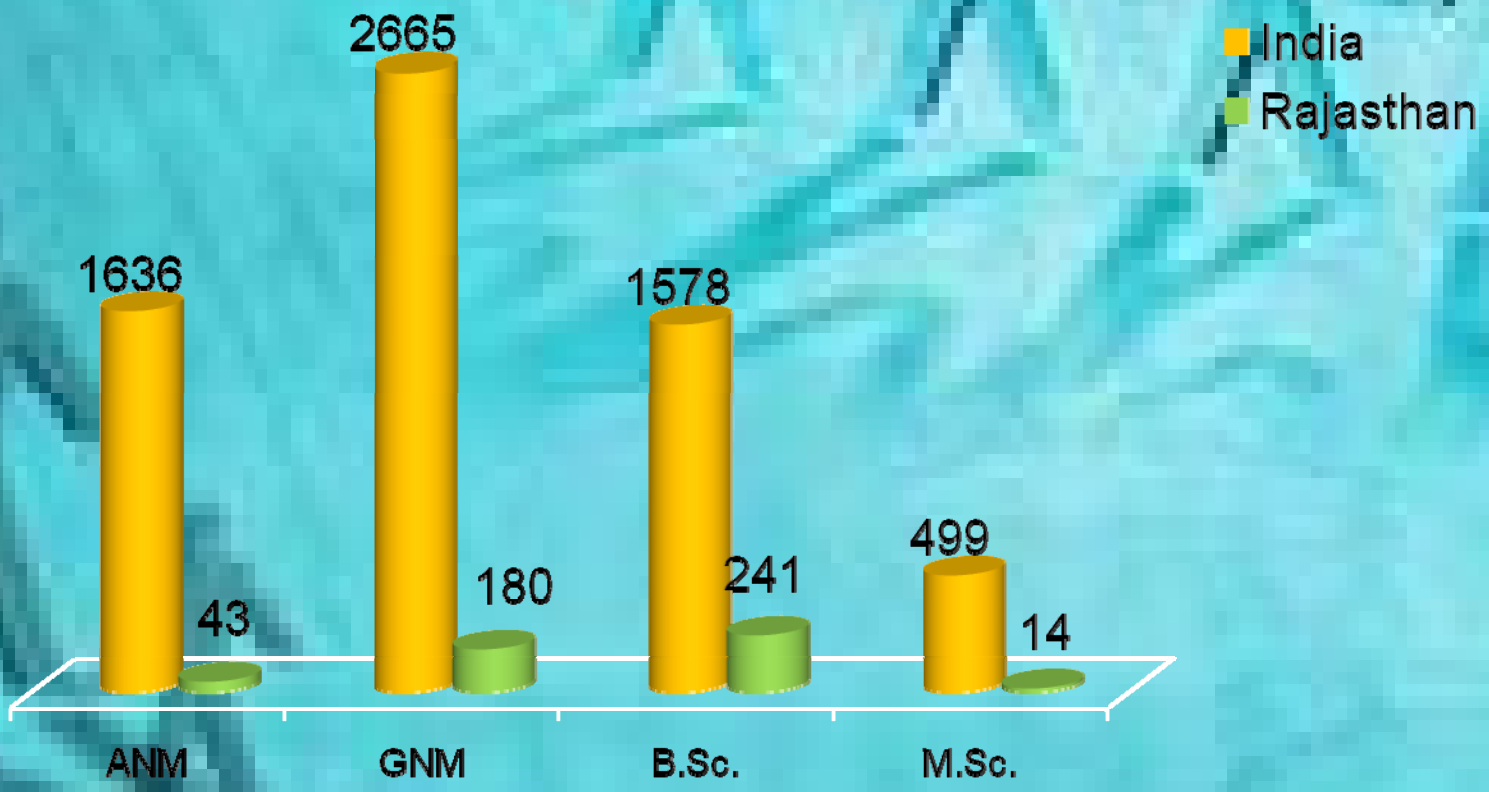
DH

Health Manpower



Source: NHP - 2010

Nursing Schools



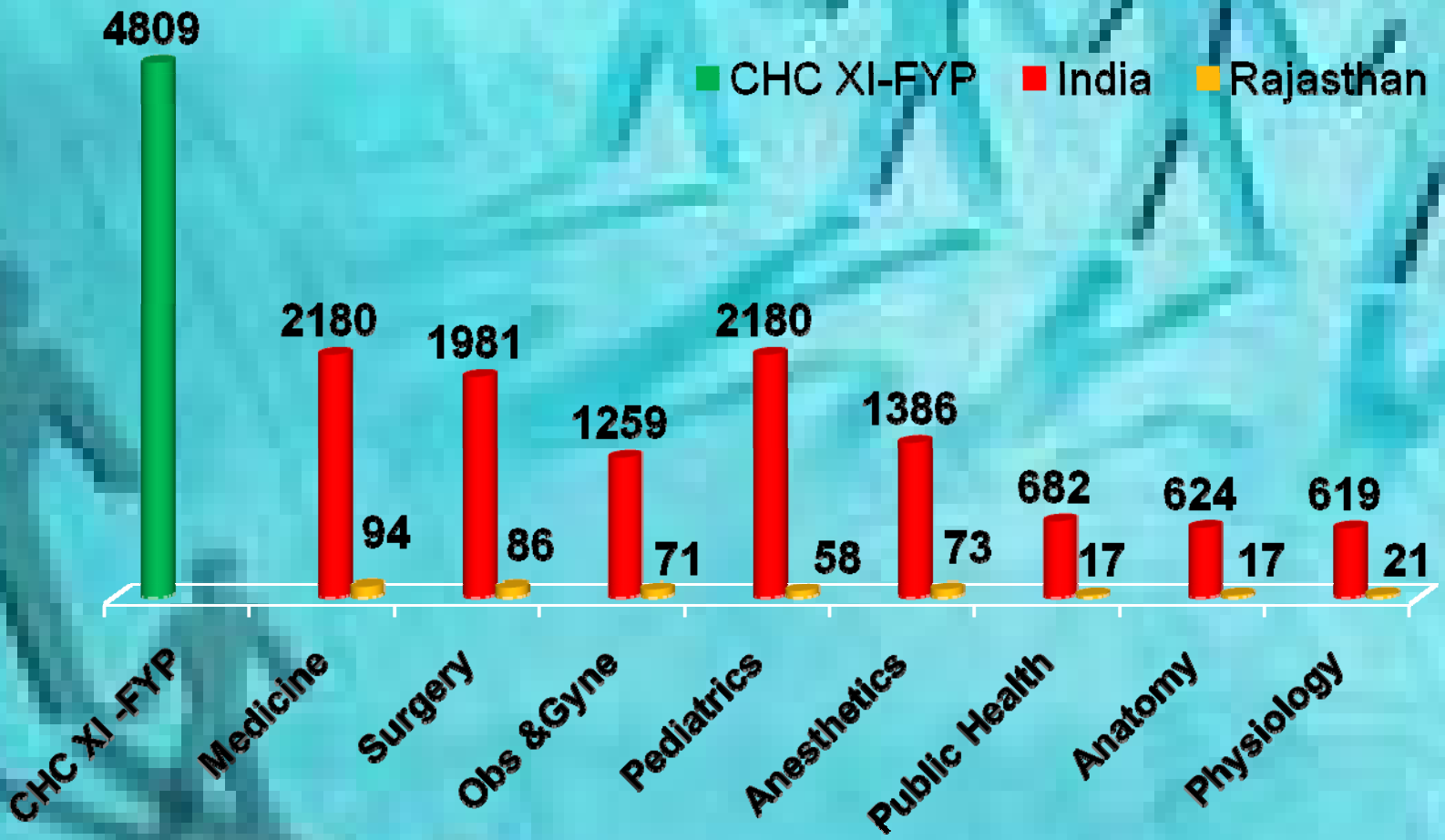
Source: www.indiannursingcouncil.org (Nov 2012)

Medical Education

	India	Rajasthan
Medical College	**336**	**10**
Recognized	255	8
Non-recognized	81	2
Dental College	**294**	**10**
Recognized	213	7
Non-recognized	81	3

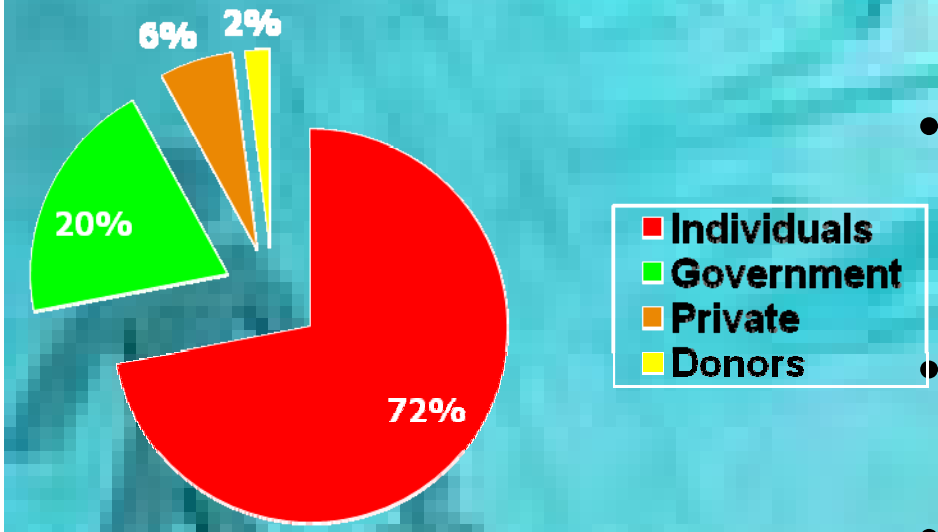
Source: MCI/DCI (2012)

CHC– XI FYP vs. PG seats



Source: RHS 2011/ MCI, 2012 (www.mciindia.org)

Basic Dilemmas in HSR: Financial allocations

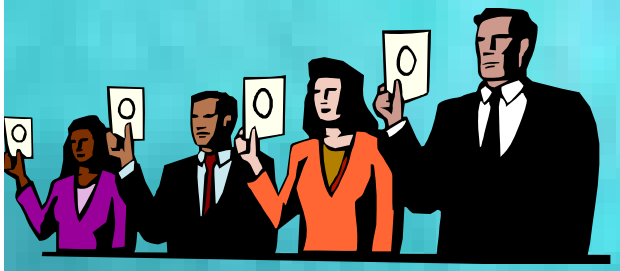


- States – 10% of GDP. Not in a position to increase allocations
- Loan repaying capacity of states – increase financial burden.
- Frequent leadership changes affecting reforms.
- Corruption - an additional impediment to sustainability of reforms
- Need for more effective donor coordination

Approach for HSR:
Change in Financing Mechanism

- User charges
- Community financing
- Insurance
- Private participation
- Increasing resource allocation

Governance Related HSR



- Evolving standard protocols for care at Pri./Sec./Tert. care settings
- Quality assurance mechanism
  - Consumer Protection Act
  - Citizens charter for hospitals;
- Appropriate delegation of power to PRI's.

Approach for HSR

- Public sector reforms
- Downsizing Public sector
- Productivity improvement
- Competition
- Improving geographic reach
- Increasing role of local Govt.(PRIs)

Approach for HSR:
Changes in Health system Organization & Mgt.

- Decentralization
- Public private mix
- Contracting out of services

HSR in India

- Started in early 1990's
- Piecemeal and incremental
- Gradual shift in the organization, structure and delivery of health care

HSR in India

8th FYP

- Free medical care
- User chargers
- Private sector promotion

9th FYP

- Enabling PRI
- Focus on public, private and voluntary sector

HSR in India

10th FYP

- Equity
- Financing health care
- Health insurance for BPL
- HRD
- Capacity building
- Integration – single society
- Quality assurance
- PRI empowerment
- PPP
- NRHM

HSR: India

- NRHM
- Architectural corrections in delivery systems in reform agenda
  - Promote equity, efficiency, quality and accountability
  - Enhance community based approaches to health
  - Ensure public health focus
  - Promote new innovations, methods & new approaches
  - Decentralize and involve local governing bodies
- District health societies
- NGO involvement
- Integration of ISM(AYUSH)

HSR: Areas

- Decentralization
- Human Resources
- Financial reform
- Re-organization & re-structuring through mgt. input
- Communitization
- Quality assurance
- Convergence
- Public Private Partnership
- Governance
- Innovation/ initiatives

Decentralization

- Devolution of authority and responsibility
- Delegation of responsibility and functions
- Shifting power from the central offices to peripheral offices
- Merger & formation of Societies, VHSC, RKS
- Decentralization of Planning Process
- Decentralization of Financing mechanism
- NGO participation in National Health Programs

HSR: HR Reforms

- IPHS norms
  - 2 ANMs/sub-center and 1 male MPW.
  - 3 nurses/ANMs per PHC, 2 MO
  - AYUSH staff
  - 9nurses/CHC plus 5 specialists & 3 to 4 MO
- Expanding available skilled human resource
  - Teaching institution through PPP
  - More government seats in private medical colleges
  - Reviving ANM and MPW training centers

HSR: HR Reforms

- Compulsory rural postings
- Rural health service cadre in rajasthan
- Contractual appointments
- Fair transfer policy- rotational postings
- Incentives for difficult areas
- ‘Pooling’ of medical officers
- Multi skilling option for existing staffs

Financial Reforms

- Raise the public expenditure on health from 1% of GDP to 2-3% of GDP
- Currently increased from .9% to 1.4%
- New financing mechanisms of untied funds, breaking the traditional Treasury route, Flexi pool
- Society mechanism for fund transfer
- Untied grants to village, PHC, block, district

Financial Reforms

- Demand side finance through Insurance RSBY,
- Conditional cash transfers (JSY)
- Flexible financial resources to ensure service guarantees
- State Government's increase their allocation by 10 % every year and also contribute 15% to NRHM.

HSR: Structural Re-organization

- Creation of Societies- bypass regular government
- Procedure
- National/ State level technical support organization like– NIHFW, NHSRC, SHSRC, SIHFW
- SHSRC established/ in process at Chhatisgarh, Gujarat, Uttarakhand, Punjab, Karnataka, AP, Rajasthan
- Emergency response systems- 108, EMRI

HSR: Structural Re-organization

- Procurement initiatives – TNMSC, KMSC, Assam, UP
- National HMIS
- Meaningful partnerships with the non-governmental
- providers for reaching quality health care
- Co location of AYUSH in 7244 PHCs/CHCs/District Hospitals

Communitization

- Community accountability through RKS/RMRS and community monitoring process
- Community Health volunteer – ASHA
- PRI involvement in health care
- Village health & nutrition days (VHND)

HSR: Quality Assurance

- New standards for government facilities
  - IPHS
  - ISO process, NABH & NABL standards
  - Focus on service guarantees

HSR: Convergence

- Bridging the gaps between link dept
- Envisaged horizontal and vertical linkages within Health sector
- Intra sectoral and Inter sectoral integration
- Mainstreaming of AYUSH

HSR:PPP Options as HR Solutions

- Contracting-in options –
  - Specialists (MP)
- Contracting-out options –
  - PHCs to Karuna trust in Arunachal Pradesh, Bihar(diagnostics & district planning); Gujarat (CHIRANJEEVI);Punjab(village level dispensaries)

HSR: Rajasthan

- Jan Mangal Project 1992
- Population Mission
- Strengthening FRU's 1994-2001
- Decentralized District Planning since 1995-96
- RMRS- Cost recovery mechanism- user charges since 1995-96
- Life line fluid stores
- Mukhya Mantri Jeevan Raksha Kosh
- BPL medicare cards

HSR: Rajasthan

- Devolution of Powers to PRI's - 90's
- Population Policy, 2000
- Preparation of EDL, 1996,2000
- "Policy to promote private sector in Health care facilities-2006"
- Policy for contracting out PHC/ CHC to private sector

- Special recruitment drive with hard duty allowances
- Sanjivani scheme -specialist services in tribal and desert areas through health camps
- Swasthya Chetna Yatra
- Mukhya Mantri Balika Sambal Yojana
- Free Medicines to senior citizens, BPL and pregnant women in up to 50 bedded CHCs
- Promotion of generic medicines

- Doctor aap ke Dwar Yojana: 52 MMUs
- Charak Aapke Dwar Yojana: free surgical services at rural areas
- Rajasthan University of Health Sciences
- MoU with North Shore Hospital, New York for up gradation of infrastructure in health care institutions and medical research cooperation

- Telemedicine (ISRO support), 6 medical college hospitals with 32 district hospital and 1 block
- Policy to promote private investment in Health Care Facilities
- Contractual appointments
- 3 Months anesthesia training
- Rural Health service cadre
- Mukhya Mantri Nishulk Dawa Yojana
  - RMSCL for purchase of drugs

Thank You

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