



# IAS PARLIAMENT

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## GIST OF EPW

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# **I N D E X**

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## EPW - JANUARY 2019

### 1. CARVING OUT THE COASTS

#### *Why in news?*

- The Coastal Regulation Zone (CRZ), 2018 notification approved by the MoEFCC has revoked some of its stringent provisions to permit the expansion of development activities into the environmentally sensitive areas (ESAs), hitherto deemed inaccessible by law.
- Thus it prioritises the pursuit of profits at the cost of the environment and fishers' livelihoods.

#### *What are the salient features of the new policy?*

- The new policy includes the reduction of the CRZ limits and the no-development zone (NDZ) area, and the classification of coastal zone areas, according to the density of population.
- For the setting up of "strategic projects," for defence and public utilities, even the most ecologically critical areas that fall under the CRZ I classification have not been excluded.

#### *Who would benefit?*

- The policy would not only serve to facilitate the unhindered implementation of the centre's ambitious Sagarmala project but also promote the development of infrastructure, real estate and

tourism, while permitting affordable housing along the coast.

- The utilitarian approach of the policy reveals a clear bias favouring business interests, while overriding the needs of coastal ecology, leading to commercialisation of coastal commons.

#### *What would be the impact on the fishermen's community?*

- **Loss of livelihood:** In coastal cities, such as Mumbai & Chennai, increasing urbanisation, changes in land use patterns, encroachments, construction of coastal roads, & unabated pollution have caused irreversible damage to low-lying areas, waterbodies, and the sea.
- These processes have led to a decline in fish catch, which has adversely affected livelihoods, especially of small-scale artisanal fishers.
- But, by failing to recognise the customary rights of fishers, the enactment of the new CRZ policy would make legitimate the violations of such rights.
- This would intensify conflicts over resource use, leading to the alienation of fishers from the coasts, especially in the absence of legislations protecting fishers' rights and coastal rights.



- **Displacement:** The establishment of large development projects along the coastline has displaced thousands of fishers from coastal habitats without a proper rehabilitation and resettlement policy.
- Thus, promoting the business agendas at the cost of fisher livelihoods would further impoverish a community that already has been pushed to the margins of an unequal society.

#### **What lies ahead?**

- The state, on earlier occasions too, paid no heed to the demands of fisher organisations, as it has on most occasions failed to enforce the existing CRZ rules or check violations along the coasts.
- But, the new lines of demarcation have revealed an overt political process driven by the pursuit of private profit that disregards socioecological concerns without engaging in a proper dialogue with the fishers or their organisations, such as the National Fishworkers Forum.
- In the long run, this would entail huge costs for society and, in turn, prove to be detrimental to the cause of overall development by engendering new forms of disenfranchisement.

## **2. ANCIENT INDIA, MODERN SCIENCE, AND INSECURITIES**

### **Why in news?**

- Claims made at the Indian Science Congress distract from a genuine exploration of science and technology.
- This has become a distressing trend in sessions of the ISC for the past four years.

### **Why such claims are baseless?**

- Any significant claim about our past achievements—such as the invention of *vimanas*—have been subject to critical studies, including reconstructions, by reputed scientists and found wanting.
- Science grows fairly gradually, each generation building on the achievements of the past with occasional spectacular jumps. For example, it was important to understand how objects heavier than air could be lifted into the air before aeroplanes could be made.
- The first aircrafts of the modern period were built with the internal combustion engine, an extremely complex construct derived from decades of experiments.
- None of these concepts existed in ancient India.
- We have no evidence that there was even electricity existing at the time, let alone clean rooms and molecular understanding of life.



- It is not that India has not had great achievements.
- But, as is the case with much of science, the great ideas derived through inductive studies have since been taken over by more deductive methods of European science that have scaled even greater heights.
- Hence, there is really no need to invent false achievements of our ancestors.

#### ***Why is it a problem?***

- Normally, such claims would be treated with simple questions like demanding evidence of the claim and demonstration of the existence of the necessary infrastructure.
- But, at a time when such claims are receiving respectability from the rulers of the nation, they can do severe harm to the nation in many ways.
- They will invite ridicule and discredit even genuine studies of the work of our ancestors.
- They distract India from its path forward, exploring science and technology using its limited resources.
- They set bad precedents for our coming generations by giving respectability to irrational claims.
- When subscription to such claims is considered a test of one's loyalty to the nation, they become seriously poisonous and disruptive.

#### ***What should be done?***

- Such nonsensical claims have to be removed from the mainstream Indian discourse.
- If India is serious about a proper study of its past, we need objective studies of ancient sciences, like the Needham Research Institute is doing for ancient Chinese sciences.
- Let it produce studies that are then challenged and the evidence evaluated by other scholars with no ideological undercurrents.
- While, by and large, academics have been very vociferous in opposing these retrograde movements, we do need more scientists at the highest echelons to also speak up.

### **3. HOW GENDER-SENSITIVE ARE INDIA'S ENERGY POLICIES?**

#### ***What is the issue?***

- The two flagship energy policies in India—the Integrated Energy Policy and the National Energy Policy—fail to recognise women's gendered role in production, access to energy, and formulation of energy policies and programs.

#### ***What is the current scenario?***

- An analysis of LPG use by female-headed households clearly shows that female-headed households have the



lowest uptake of LPG, much lower than SC & ST households.

- On the whole, energy programs and policies in India have prioritised household electrification over clean cooking fuel.
- Cooking being a proscribed gender role, access to clean cooking energy is a practical and strategic gender need.
- The policies have not made sufficient progress in fulfilling this need.

#### ***How gender inclusive are our policies?***

- The PM Ujjwala Yojana (PMUY) is an attempt to bridge this gap and, though it has resulted in increased LPG uptake, the low refill rates are a cause of worry for the long-term sustainability of the program.
- On the household electrification front, the Rajiv Gandhi Grameen Vidyutikaran Yojana & the Remote Village Electrification Program were have been implemented with the implicit assumption that benefits of electricity are gender-neutral.
- However women prioritise electricity for drudgery reduction in household chores, while men prioritise it for running TV and charging mobile phones.
- Empirical evidence suggests increased income earning opportunities for women in electrified households compared to men, drudgery reduction in household work, saving time and

increased hours devoted to reading for women in electrified households.

- The Saubhagya scheme has female-headed households as one of the criteria for identifying beneficiary households, the impact of which is yet to be seen.

#### ***What are the gender gaps in India's Integrated Energy Policy?***

- IEP is an attempt to tap into the “substantial scope for exploiting synergy for energy system efficiency to meet requirement for energy services.”
- It has a gender-sensitive approach which is restricted to aspects of cooking energy needs because cooking and firewood collection are seen as proscribed gender roles, but the policy treats electricity access and its outcomes as gender-neutral.
- Furthermore, the “gender-sensitive” interventions to achieve household energy security in the IEP, namely provisioning of “fuelwood plantations within one kilometre of all habitations,” reinforce gender roles.
- The policy document also fails to recognise that energy infrastructure development can have a catalytic role in the economic empowerment of women.
- The only program that has a clear targeting towards women is the recommendation to allocate community land to women's SHGs



and provide them finance and technical help to develop fuelwood plantation in convenient locations.

- This intervention, as already indicated, reinforces the gender role of women as agents primarily responsible for cooking and fuel collection.
- The IEP also fails to recognise women's strategic gender needs in terms of clean energy access for better livelihoods.

#### **How gender sensitive is the National Energy Policy?**

- The policymakers recognise the gendered role of women in firewood collection and cooking but are blind to women's productive roles and consequently, the energy requirement of women for productive purposes like agriculture and other enterprises.
- Though NEP recognises demand-side factors in the formulation of energy policy, gendered differences in energy demand are not taken into account in energy scenario building or in policy formulation.
- The policy considers price signals to be important for getting demand-side responses, but they are ineffective in the case of demand for cooking energy, especially in rural & poor households as collected fuel accounts for a large share of the cooking fuel mix.

#### **What should be done?**

- Initiatives like the RGGLV & the Shakti Gaon initiative are welcome steps in facilitating women's participation in the cooking energy supply chain.
- These efforts have to be replicated in energy supply for productive purposes and in the renewable energy supply chain.
- Policies aimed at facilitating women's landownership through joint pattas, or incentivising land transfers to women through a higher subsidy rate for energy-intensive technologies (Odisha's model), organising women into collectives to increase their bargaining position like Kudumbashree in Kerala have yielded results in women's access to clean energy technologies for productive purposes.

#### **4. MINING INTO A DEATH TRAP**

##### **Why in news?**

- The tragic death of mineworkers in the ratholes of Meghalaya put claims of inclusive development at stake.
- In the skewed process of development, certain sections are trapped in jobs that endanger their own lives, as they enter these rathole mines to dig out the "wealth" or enter manholes to clear out the "filth," for sustenance.



### **What is rathole mining?**

- Rathole mining is illegal coal mining practised in Meghalaya, mostly in the East Jaintia Hills.
- Pits of depths up to 100 metres and more, with rickety bamboo ladders, lead to tunnels resembling ratholes, dug sideways to reach the coal beds.

### **Who are the most vulnerable?**

- It is mostly migrants from Nepal, Bangladesh and Assam, and the most vulnerable amongst the locals who choose this dangerous crawling work in wet pits.
- Children as young as nine and below, and boys/men short in height are found to be suited for the underground work.

### **What are the various dimensions?**

- **Political:** Mining is the biggest source of electoral funding in the state, with many of the present ministers and legislators either owing or running the mines.
- Many candidates in the elections of 2018 had stakes in mining and transport activities.
- Not all locals benefit from mining. It has led to the privatisation of the commons and grabbing of land by a few.
- It is directly related to the increasing landlessness in the districts in which it is prevalent.

- **Economic:** It is a tragedy that coal has become the mainstay of the economy, as other sources of livelihood have dried up because of mining.
- Those with access to more capital and resources inevitably get more profits, while the locals, in whose name the extraction is done, live at the behest of coal barons.
- **Environmental:** Rathole mining has been disastrous for the environment as well.
- Jaintia Hills has come to be known as the “land of dead rivers,” as the high sulphur and metal wastes have made the rivers toxic and acidic, killing the fish and degrading the soil quality.
- Thousands of acres of forest have been cleared and fields destroyed for mining or storing the coal.

### **What lies ahead?**

- This unregulated and hazardous industry has been projected as a “cottage industry” of Meghalaya, till the time the National Green Tribunal (NGT) put a ban on it in 2014.
- However, there were no serious efforts to enforce the ban leaving the landscape disfigured and ravaged, with the uncovered abandoned pits acting as death traps



## 5. WHERE WILL THE 10% BE EMPLOYED?

### Why in news?

- The government in its recent decision has reserved 10% of jobs and seats at academic institutions for the “economically” weak upper castes.
- However the 10% quota for the upper-caste poor will not necessarily translate into employment opportunities.

### Where are the opportunities after all?

- A recent report by the Centre for Monitoring Indian Economy (CMIE) reveals that the situation in the Indian job market is bleak:
- First, unemployment is on the rise with the rate shooting up to 7.4% in December 2018, the highest ever seen in the past 15 months.
- Second, the retrenched workforce, estimated to be 11 million between December 2017 and 2018, is included in this force of the unemployed.
- Third, the incidence of joblessness is the highest among the (economically) vulnerable sectors and sections (for example, around 82% of the jobs lost are in the rural sector, already facing the agrarian crisis, and almost 80% of the joblessness is borne by women)
- Recruitment in the government sector is tardy, wherein a third of the backlog vacancies is already of the “reserved” category.

- Simultaneously, the unorganised and informal sector that had been a source of employment, historically, is evidently reeling from the “surgical strikes” of demonetisation and the GST.

### What do studies reveal?

- The ILO’s **World Employment and Social Outlook: Trends 2018** has classified almost four-fifths of the employment in India as “vulnerable,” with less than a fifth of the workers being regular salaried employees and another two-fifths perceiving themselves to be underpaid.
- **State of Working India 2018** report by Azim Premji University adds that low-wage employment to be a problem even in the organised sector, not to mention in the unorganised sector.
- Despite a 3% annual growth of the inflation-adjusted wage rates in 2015, 82% men and 92% women, mostly in non-government sectors, were earning an average monthly income that is almost 40% lower than the minimum salary recommended by the 7<sup>th</sup> Pay Commission.
- Concurrently, there is an ever-widening divergence between labour productivity and wages.
- For instance, labour productivity in organised manufacturing is estimated to have increased by six times over



the past three decades, whereas wages increased by only 1.5 times.

### **What lies ahead?**

- With all of this evidence, one may alternatively argue that the current unemployment in India, and particularly youth unemployment now, could be “potential” rather than “actual” unemployment.
- That is, youths willing to work are not making efforts to find jobs because the existing jobs do not fulfil their expectations for payments and privileges.
- The increasing preference among the youth for salaried jobs, especially in the government sector, can provide an alibi for transferring the onus of joblessness on to the jobless themselves.
- But, it cannot take away from the fact that, whether it be actual unemployment, underemployment or potential unemployment, all have a strong association with low or no job creation.
- And, that it is incumbent upon the government to recognise and address the structural bottlenecks that weaken the relationship between economic growth and employment generation.
- Concurrently, it is hard to dismiss the government’s hypocrisy of pushing (increasing) “reservations”—which in

essence signifies the protection of an individual at the extreme point of vulnerability—into a job market that is already distraught with susceptibility.

- However, even if the high unemployment rate among the youth, particularly the highly educated, is explained off as being a matter of choice, the government cannot wash its hands of from making such choices path-dependent.
- Every false promise of safeguards to the electorate triggers a vicious cycle of failed expectations, which are simultaneously lulled by tall commitments and threatened by juxtaposing policies that heighten “vulnerability,” resulting in the politically expedient demands for more of such promises.

## **6. ISN'T UNIONISING WORKERS A POLITICAL PROJECT?**

### **Why in news?**

- The Bharatiya Mazdoor Sangh (BMS)—the labour wing of the Rashtriya Swayamsevak Sangh (RSS)—has formed the Confederation of Central Trade Unions (CONCENT) as a “non-political” trade union front.
- In this context, the relevance of a “non-political” trade union are discussed.



### ***What are the challenges?***

- Trade unions in India are facing two kinds of challenges that perhaps are the worst in contemporary times.
- Apart from worsening employment and working conditions, they also have to face the government's "labour reforms," which are anything but worker-friendly.
- And second, if solutions to the present issues and dilemmas facing workers and their organisations can be thought of as apart from the larger and graver political situation in the country.

### ***What is the current situation?***

- Barely 8% of the country's workforce is in the formal sector.
- The working and living conditions of the remaining 92% in the informal sector cry out for attention from the unions as well as the government.
- Organising those in the informal sector is a task beset with hurdles.
- The labour composition itself has undergone rapid and near drastic changes.
- The expanding informal sector is dominated by youth and women, the IT sector has thrown up unique employment issues, and the transport field has changed almost overnight with drivers of private taxis (Ola and Uber, particularly) grappling with

problems that have not been witnessed in India before.

- Most of the public sector undertakings have had to contend with the political interference of successive governments, but the workers and unions are hardly ever consulted even on issues that involve them, such as revival packages.
- The "fixed-term employment" contract, which has now been extended to all sectors after it was allowed in the apparel manufacturing sector in 2016, is ostensibly meant to facilitate ease of doing business and offer "flexibility" to the employer.
- According to the fixed-term employment contract rules, regardless of the period for which the worker is contracted (from a week to the duration of a project), no termination notice is required.
- Trade unions have been grappling with the scourge of contract work since the late 1970s when companies, including multinationals, began contracting out entire departments.

### ***What lies ahead?***

- Trade unions face a complex and gargantuan task in making the concerns of the working class a public concern by showing that the labour reforms are an assault on democratic rights apart from



leading to closures and retrenchments.

- One of the ways of doing this would be to reach out to progressive political and social movements.
- Indian trade unions are facing a crisis of membership given the jobless growth.
- With the government's obduracy in refusing to debate or discuss its labour policies in Parliament or outside it, trade unions have no option but to take their cause to the people and once again reiterate the importance of collective bargaining.
- For this, they need to grapple with governance and political issues, which questions the relevance of the CONCENT.

## 7. A NATIONAL LAW FOR URBAN TREES

### *What is the issue?*

- The draft National Clean Air Program has recognised the need for trees as a means to control pollution.
- However, unlike forest, wildlife, water, and air, there exists not even a single central legislation for the protection of trees in areas that are not a part of the forestland.

### *What are the legal safeguards currently available to trees?*

- Unlike in the case of forests, with a central legislation in the form of the Forest Act, 1980, there is no central legislation for the preservation of trees.
- Laws with respect to protection of trees have been enacted only by the various state legislatures.
- One common feature of almost all the tree preservation laws is the constitution of a tree authority as well as the designation of a tree officer.
- The most important power given to the tree officer is the power to decide on applications filed by individuals seeking permission for felling of trees.
- Though most of the state laws provide for a tree authority, the authority has no role in deciding whether trees should be felled or not. In a sense, it is the tree officer who exercises the real authority.
- It, therefore, becomes important to examine the role of the tree officer.

### *What are the judicial insights?*

- The Bombay HC emphasised the fact that it is incumbent on the tree officer to pass a **reasoned order** since "in the cases where grant of permissions of great magnitude are in question, reasons bring transparency in the decision making."



- A similar view was taken by the Karnataka HC which emphasized that a Tree Officer is required to apply his mind and consider the question whether the permission sought to fell the trees must be granted is with reference to the nature of the trees, location of the trees and other relevant factors with reference to the trees, and it is not with reference to the status of the person who makes an application.
- Despite a plethora of judicial pronouncements on the “duty to give reasons,” administrative authorities, including those performing quasi-judicial functions, fail to record reasons for their decisions.
- **Structural flaws:** Also, the tree officer is equipped to deal with permissions for felling of a single tree or a few trees at the most.
- The law, unfortunately, is not designed to deal with permissions for the felling of a large number of trees.
- The tree officer neither has the technical capacity nor functional autonomy to deal with such applications for felling permits.
- Being usually a junior officer in the forest department, the tree officer rarely has the ability to say no to permissions sought by other government departments and big private agencies.
- The tree authority in reality lacks any authority and has only advisory powers.
- In such a situation, even without a basic inquiry, approvals are mechanically granted for felling of trees.

#### **What are the issues in the laws?**

- **Doctrine of Fait Accompli:** India’s environmental laws require prior approval from the competent authority before a regulated activity/project can take place.
- However, applications for felling permissions are usually filed after project investments and contracts materialise and third-party rights get created.
- The option before the tree officer then remains to only negotiate the details of compensatory measures, rather than decide whether the trees should be felled or not.

#### **What should be done?**

- A law can never be the only solution to a problem.
- Nevertheless, Citizens’ movements across India on saving trees must direct their focus on the enactment of a comprehensive national legislation for the protection of trees, a legislation which recognises the ecological, aesthetic, life sustaining and



irreplaceable role of trees, both individually and collectively.

- Such a national legislation must recognise the uniqueness of each tree and the role it plays in shaping both the life and the identity of cities and making living in cities possible.
- The law should create institutions that have an ability to serve as a caregiver and guardian of trees and to ensure that the life of a tree must not be dependent on the whims and fancies of any single institution or officer.
- As cities the world over are judged in terms of how “liveable” they are, focusing on urban trees and developing a comprehensive legal edifice to protect each and every tree will make cities a better place to live.

## 8. THE SUPREME COURT'S DEATH PENALTY FOCUS: REFLECTIONS ON SENTENCING DEVELOPMENTS

### Why in news?

- The last two months of 2018 saw judgments being delivered in 11 death penalty cases, all of which resulted in commutation to life imprisonment.
- The SC has in these cases clarified the role of certain individual mitigating factors and in that sense cleared some of the confusion surrounding death penalty sentencing.

- However, despite these clarifications on individual factors, there are procedural and normative questions that need urgent resolution.

### What are the aspects of the sentencing framework in India?

- A criminal trial in India is divided into a guilt determination and a sentencing phase, and a judge has to conduct separate hearings for these phases.
- While all sentencing decisions require judges to give reasons, the CrPC requires “special reasons” to be provided for imposing the death sentence.
- The SC in ***Bachan Singh v State of Punjab (1980)*** mandated individualised sentencing for each accused person by considering **aggravating and mitigating circumstances** of both the crime and the accused during a sentencing hearing.

### What are the gaps in the framework?

- Aggravating circumstances of the crime are available in sufficient detail as they form part of the case record.
- This is not the case with mitigating circumstances of the accused pertaining to their life history which becomes relevant and is to be presented for the first time only at the sentencing hearing after the guilt has been established.



- The foremost substantive gap in the framework was the lack of a theoretical basis explaining the underlying purpose of mitigating factors in a sentencing exercise.
- A lack of definitional clarity about mitigating circumstances offers little guidance to courts to be able to identify unique circumstances of an accused person which is central to the individualised approach of sentencing in death penalty cases.
- Without such normative guidance from the SC, judges are left with the option to even deny the relevance of mitigating factors.
- This unguided discretion in determining the mitigating factors that will enter sentencing exercise is a major site for arbitrariness.

#### **What are the consequences?**

- A significant proportion of prisoners sentenced to death in India are from marginalised socio-economic backgrounds and receive extremely poor legal representation.
- This fact coupled with the lack of a quality standard in place often results in defence lawyers offering no or scanty information about the accused person without contextualising it.
- Since there are no standards in place, lawyers do not ask for sufficient time between guilt pronouncement and

the sentencing hearing which is at the core of individualised justice.

- The deplorable state of compliance with these mandatory requirements is a flagrant violation of an accused person's constitutional right to fair trial.

#### **How the recent decisions have helped in filling the gaps?**

- The recent decisions in the 11 death penalty cases by the SC have reaffirmed the role of important mitigating factors like young age and reformation by clarifying their scope in sentencing.
- The judgment in *Rajendra Prahladrao Wasnik v State of Maharashtra* goes on to clarify that the standard for the prosecution when proving that the accused cannot be reformed has to be one of "probability" and not one of "impossibility" or "possibility."
- The Bachan Singh judgment did not list socio-economic circumstances and lack of criminal history of the accused as mitigating circumstances; they were however introduced to death penalty sentencing through subsequent judgments.
- In the recent cases, both were endorsed as relevant mitigating factors.
- Importantly, the judgment in *M A Antony v State of Kerala* also explored the link between the discriminatory



imposition of the death sentence on the poor possibly owing to their lack of access to justice and effective legal aid.

### ***What lies ahead?***

- In a context where the role of mitigating factors have been pushed to the periphery, it has been encouraging to see the recent judgments endorse and expand on the aforementioned mitigating factors.
- However, by giving a miss to the larger foundational questions about the “why” and “how” of mitigating circumstances, the court does not go very far in mending the doctrinal problems that were left behind by the Bachan Singh case.

## **9. FLAWS OF INSURANCE-BASED HEALTHCARE PROVISION:**

### ***The Tamil Nadu Healthcare Model***

#### ***What is the issue?***

- In light of the centre’s recent move to launch insurance-based targeted healthcare provision, its important pay attention to building public health infrastructure based on Tamil Nadu’s experience with healthcare provisioning.

#### ***How is the public health infrastructure in TN?***

- TN has a well-run public health network at the primary, secondary,

and tertiary levels, with many services being provided free of cost.

- It has launched a public non-contributory targeted health insurance scheme called CM Kalaingar Insurance Scheme/ CM’s Comprehensive Health Insurance Scheme (CMCHIS), to address out-of-pocket (OOP) expenditure on hospitalisation.

#### ***What are the concerns?***

- Coinciding with the introduction of the scheme in 2009 that covered hospitalisation expenditure, there is a decline in the use of public hospitals for hospitalisation by 7.9% points between 2004 and 2014.
- While proximity, perception of quality, and better behaviour from staff could be reasons for higher use of private hospitals in urban areas, one cannot discount the role of the insurance scheme in driving this change given that this trend is observed mainly with respect to hospitalisation.
- This shift could result in a spurt in unnecessary surgical interventions and reduced commitment to strengthen public hospitals.

#### ***Expenditure on Treatment***

- Household medical expenditure on outpatient treatment or OOP expenditure was the lowest in TN & Kerala, where the government



subsidises healthcare to a larger extent.

- Given that OOP expenditure in private hospitals was nearly 20–25 times that of public hospitals for outpatient treatment and nearly 42 times for hospitalised treatment, it is clear that public health facilities play an important role in keeping OOP expenditure on medical treatment down in TN.
- The data also shows that nearly 3/4<sup>th</sup> of the population that incurred health expenditure on hospitalisation did not receive any form of health expenditure support and less than 20% were covered by government-funded health insurance in TN.
- This could be due to the continued reliance on public health providers.

#### ***What are the issues in insurance based targeted healthcare?***

- The limitations of a targeted insurance-based approach are evident even at the national level, with less than 10% of the bottom quintile and more than 15% of the top quintile households' health expenditure being supported by government-funded health insurance schemes.
- Targeting is particularly problematic.
- The government-funded health insurance scheme has further resulted in financing private health providers at the expense of the

government and resulted in the private hospitals lobbying to increase the budget in AP.

- It must also be borne in mind that most insurance schemes are discriminatory in that they exclude certain conditions like psychiatric disorders.
- In addition, for a state like TN, which has a high epidemiological transition level, the dominance of non-communicable diseases (NCDs) necessitates long-term expenditure on outpatient treatment, which is not covered by government-funded health insurance schemes.

#### ***What lies ahead?***

- The large share of treatment in the private health sector has established path dependence, with new strategies being designed to strengthen this approach, as evident in TN with increased use of private hospitals for hospitalisation after the introduction of the scheme.
- Policy shifts towards an insurance-based healthcare provision can, therefore, downplay the role of the public health sector.
- The insurance-based approach to universal health coverage is not only inadequate, but importantly can also incentivise the private insurance sector lobby to exert pressure on the



government to prevent any dilution of this strategy.

- Further, health insurance schemes ignore outpatient care.
- TN provides highly subsidised outpatient care, which is important as the state has a high prevalence of NCDs.
- With many states having developed their own approaches to universal health coverage based on responses to regional specificities, the centre's scheme can undermine spaces for such innovative responses by states and weaken public health infrastructure.