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## Common goods for health (CGH)

### What is the issue?

- The Common Goods for Health (CGH) is a project launched by the World Health Organization (WHO).
- There is now a direct fiscal impetus to do more on the population-scale interventions in CGH.

### What is “Common Goods for Health”?

- CGH, introduced by WHO, aims to bring fresh energy back into the foundations, in **population-scale public health**.
- In the technical lingo of public economics, this covers market failure in the form of ‘public goods’ and ‘externalities’.
- The phrase “Common Goods for Health” is more **easily understood**.
- It avoids the near-universal confusion associated with the terms ‘public health’, ‘public good’, and ‘public health expenditure’.

### What is needed now?

- There is a need to do more on CGH - The **population-scale interventions** which reduce the disease burden.
- This reflects new threats such as pandemics and air quality, and also the unfinished agenda of traditional public health in India.
- Given the growing fiscal exposure of the government to health care expenses, there is now a **direct fiscal impetus** to do more on these population-scale interventions.
- At the foundation of health policy is the debate on prevention vs health.
- While the health care community focuses on curing people, there are important reasons in favour of prevention and not cure.

### Why the foundations of public health need to be strengthened?

- The dangers are **global pandemics** such as Ebola, the problems of **air quality in India**, or the **health consequences** of environmental

degradation and climate change.

- These have adverse consequences for hundreds of millions of people.
- Merely focusing upon health care is an inefficient response.
- We should go upstream, and **combat these problems at the root**. This calls for strengthening the foundations of public health.
- The political and governance systems prioritise the urgent over the important. So, these foundations tend to get overlooked.
- Doctors, politicians and victims attach inadequate value to the invisible public health work, through which fewer people get sick in the first place.
- It is in the nature of the governance process to **creep away from public health towards health care**.
- In India, a lot remains to be done on the old agenda of public health, like water and sanitation, communicable disease surveillance, and the institutional capacity for dealing with epidemics or natural disaster.
- A fresh look at the conditions prevalent today adds new elements to this public health agenda, including air quality, road safety, drug safety, etc.,

### What is the connection between CGH and public finance?

- Improvements in public health will reduce the extent to which people get sick, thus giving reduced health care expenditures.
- This will in turn reduce the fiscal burden associated with government programmes which pay for health care.
- This justifies an enhanced focus upon CGH for governments worldwide, even if the main consideration was public expenditure and not the happiness of the populace.
- Whether the government pays a health care provider or an insurance company, ultimately the magnitude of these payments is linked to covered health care events.
- Doing better on CGH is a stepping stone for the financing and thus the feasibility of Universal Health Coverage (UHC).

### What is the status in India?

- When it came to the health care expenses, the Indian state was traditionally in the periphery, in the last decade.
- The **fiscal exposure** to health care expenses has raised sharply through the launch of government-sponsored health insurance schemes (GSHIS).
- There are concerns about the **magnitude of the implicit debt** associated with the health insurance promises made by the Indian state.
- A fresh focus upon CGH will help reduce the expenditures and the financial risk associated with the promises that have been made about health care.
- The **CGH agenda cuts across many ministries** and agencies of

government.

- As an example, problems like air quality or road safety have a major impact upon health care expenses in India, and these problems lie outside the Ministry of Health.
- There is a **need for coordination mechanisms** that cut across various elements of the Indian state that have to discharge these responsibilities.
- This is similar to the problems of disaster risk resilience, which cut across many parts of the Indian state.

### What amplifies the importance of CGH?

- In India, we have many **difficulties in health care**.
  - This amplifies the importance of CGH: It is better for a person to not get sick, as compared with going into a faulty health care system.
- The Indian state is **increasingly exposed to health care expenditures**.
  - This amplifies the importance of CGH: To the extent that people do not get sick, the fiscal burden associated with a given set of promises made by the government will be smaller.
- Global health policy is a super tanker and there won't be substantial change in the short run.
- However, the CGH project is a push in the right direction, and is likely to slowly bring about a shift in health policy worldwide.
- It is particularly important in India, where the traditional public health agenda has obtained inadequate attention, and the disease burden is consequentially high.

Source: Business Standard



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