



## Regulating Private Hospitals

### Why in news?

\n\n

India's drug pricing authority, National Pharmaceutical Pricing Authority (NPPA), has stressed the need for better regulation of the country's massive private healthcare industry.

\n\n

### What is the need?

\n\n

\n

- **Pricing** - NPPA has made significant reduction in prices of knee implants and cardiac stents in the recent months.

\n

- This is to cut the cost of procedures such as angioplasty and knee surgery and make it more affordable.

\n

- However, several hospitals have hiked prices of related services which are an essential part of such surgeries like doctors' fees and hospital stay costs.

\n

- This is done primarily to make up for the cost of price caps imposed by NPPA, defeating the very purpose of the price control measures.

\n

- **Healthcare** - India spends roughly 1% of its GDP on healthcare which is among the lowest in the world.

\n

- This has resulted in a broken public healthcare system that few trust and nearly 70% of healthcare delivery being in the hands of private players.

\n

- On the other hand, the efforts to make healthcare accessible and affordable are hampered by the tactics of unregulated private hospitals.

\n

\n\n

## What should be done?

\n\n

- \n• The regulator thus calls for a better oversight of private hospitals as there is no legal framework at present to regulate hospital charges.  
\n
- Private hospitals should be regulated to make the billing process more transparent.  
\n
- The health ministry could also look at standardising the cost of certain treatments, so that the prices don't vary across hospitals.  
\n
- Instead of privatisation of healthcare services, which even NITI Aayog has suggested, improvements in the public health infrastructure could prove to be more inclusive.  
\n

\n\n

\n\n

**Source: Business Standard**

\n



**IAS PARLIAMENT**  
*Information is Empowering*

A Shankar IAS Academy Initiative