

Budget 2017: "Make universal health coverage a reality"

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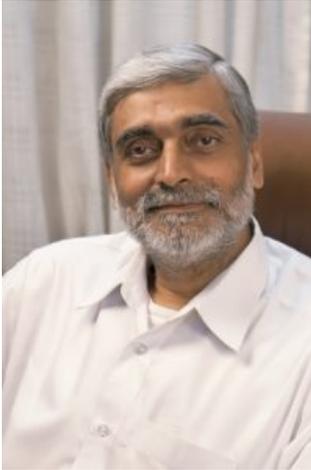


New Delhi: Close to 70 million people in India fall below the poverty line due to out-of-pocket expenses for catastrophic illness of a family member. The country needs a financially sustainable and operationally feasible plan for Universal Health Coverage (UHC). It should aim to cover 75 percent of the Indian population over the next decade, with a provision of primary and secondary care of up to Rs 30,000 and tertiary care of up to Rs 100,000 for each citizen.

Dr Prem Nair, Medical Director, Amrita Institute of Medical Sciences, Kochi, Kerala in his budget expectations mentioned, "My wish list from this Budget is Universal Health Coverage and zero percent GST / VAT on biomedical equipment manufacturing, essential drugs and consumables (implants)."

"The Government should cover insurance premium for the poor, while those with the ability to pay can partially or fully fund their own premium for treatment, with liberal tax incentives on healthcare premiums. This hybrid model is the key for a successful UHC program," added Dr Nair, "Both supply-side funding and demand-side contributory payment have been tried successfully in developing nations such as Thailand, Vietnam, Sri Lanka and Indonesia. This hybrid model uses existing

infrastructure, human resources and technology and stitches together a framework with needed checks and balances.”



“There is an urgent need for Government investment both directly and through Public-Private partnership (PPP) route to enhance skills training in allied health sciences via a centrally designed curriculum and provision of low-interest study loans”

“In the existing scenario in India, subsidized contributory insurance under RSBY with appropriate and timely reimbursement for providers to ensure return on investment, will bring relief to millions of Indian households. It will be a vast improvement over the current Out of Pocket Payment System.”

“The Government also needs to encourage a Make in India campaign in the biomedical equipment and consumables sector by third-party foreign investors, which are already licensed to market in India. They must manufacture the products in our country using Indian workers and at an affordable cost for the Indian market,” said Dr Nair.

Among the list of demands, Dr Nair expects the government to take steps for boosting the industry. “For start-ups engaged in healthcare infrastructure and manufacture of biomedical equipment, the budget must provide a tax holiday of 5 to 10 years. The healthcare industry also needs to be exempted from GST and VAT. Essential drugs and biomedical equipment and consumables (implants) should be charged VAT / GST at zero percent. Also, the private healthcare sector is growing rapidly on the supply side, yet there is no clear policy on its role. The government should immediately look for ways to promote a harmonised public and private delivery system.”