Australia India Institute Vol.16, October 2019

A VERY SHORT POLICY BRIEF

Deepening health partnerships between Victoria and India

Associate Professor Nathan Grills

The Australia India Institute's A VERY SHORT POLICY BRIEF series examines key questions facing contemporary India and the Australia-India relationship. It combines in-depth academic analysis with clarity and policy relevance.

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The Australia India Institute, based at The University of Melbourne is funded by the Australian Government, Department of Education and Training, the State Government of Victoria and the University of Melbourne.

Summary

India offers some of the world's best private health care and is the world leader in production of generic pharmaceuticals. The value of India's health sector is expected to double between 2018 and 2022, from around US$185 billion to US$372 billion. Victoria's India Strategy identifies health as one of the priority sectors for engagement.

This policy brief provides an overview of India's complex health system and burgeoning health care market. It identifies the following areas for industry engagement and research collaboration between Victoria and India:

1. Primary and rural community health initiatives for achieving Universal Health Care
2. Disability and mental health policy, programs and training
3. Aged and palliative care
4. M-health and digital technology innovations
5. Antimicrobial resistance
6. Cancer prevention and management

India's health system and coverage

India's health sector is one of great contrast. Its value is expected to grow to US$372 billion by 2022.[1] It offers some of the world's best private health care, evidenced by a large medical tourism industry. It has a rapidly growing biotechnology and pharmaceuticals sector and is the world leader in production of generic pharmaceuticals.

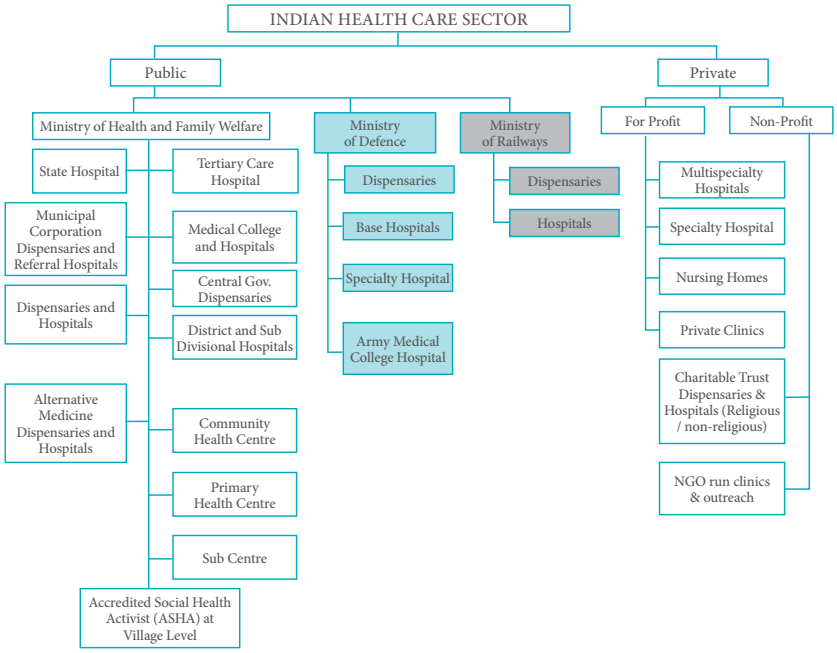
Yet, accessing quality health care remains difficult for many people in India. The highly privatized system concentrated in major cities makes health care extremely expensive and difficult to access for poor households.[2] Around 265 million people live in poverty, mostly in rural areas. There are significant health workforce shortages which are more extreme in rural areas. Out-of-pocket expenditure is around 70% of health care costs with rural households primarily depending on household income/savings (68%) and borrowings (25%) to cover their health care costs.[3] It is estimated that nearly 55 million people are pushed into poverty each year due to high healthcare expenditure.[4]

India has one of the largest health care systems in the world with a complex mix of providers including not-for-profits, private-for-profits, government public hospitals, and many in-between, such as public-private partnerships. Figure 1 presents a simplified summary of the different sectors within the Indian health system and demonstrates how India's healthcare system is characterised by multiple systems of medicine, mixed ownership patterns and different kinds of delivery structure.

The key challenges in the Indian healthcare system relate to **funding, workforce, infrastructure, out-of-pocket costs and quality and availability of services.**

1. India Brand Equity Foundation (2019) Healthcare industry in India.
2. NSSO (2014) Health in India.
3. Keane, M. and Thakur, R. (2018) Healthcare spending and hidden poverty in India. *Research in Economics.* 72 (4): 435-451.
4. Selvaraj, S., Farooqui, H. and Karan, A. (2018) Quantifying the financial burden of households' out-of-pocket payments on medicines in India: a repeated cross-sectional analysis of National Sample Survey data, 1994–2014. BMJ Open. 8 (5).

Figure 1: Sectors within the Indian health system



Source: Wennerholm and Scheutz (2013)

India spends a little over 1 percent of its GDP on healthcare. This ranks among the lowest proportions in the world and far below other similar transitional economies.[5] The primary health care system has been underfunded and inadequately supported and is unable to provide affordable and appropriate care to the entire population. Rapid urbanisation and expansion of unplanned settlements exacerbate risk factors for disease burden including child and maternal malnutrition, unsafe water and sanitation, air pollution, and metabolic and behavioural risk factors for non-communicable diseases.

There is an estimated shortage of 600,000 doctors and 6.4 million allied health workers in the public healthcare system. Although the majority of the Indian population resides in rural areas (70%), only 3.3% of all doctors work in rural public health facilities. Medical staff are concentrated in the private sector and major cities.[6]

Public funding is often used to support the private health sector. Private health is under-regulated, with patient treatment involving unnecessary diagnostic tests, treatments and over-prescription of medicines. Government health facilities increasingly rely on public-private partnerships with for-profit and not-for-profits. Even in the so-called free public facilities, people pay an average of USD $90 per episode for treatment.[7]

5. Angell BJ, Prinja S, Gupt A, Jha V, Jan S (2019).
6. Patel, V., et al. (2015) Assuring health coverage for all in India. *The Lancet.* 386 (10011).
7. Pandey, A, et al. (2018) Inequity in out-of-pocket payments for hospitalisation in India: Evidence from the National Sample Surveys, 1995–2014. *Social Science & Medicine.* 201: p. 136-147.

Current healthcare schemes and policies in India

In continuing to tackle these challenges, the Government of India has committed to increase healthcare expenditure towards 3% of GDP to rapidly expand services across rural and urban areas.

The National Health Mission (NHM) seeks to provide universal access to equitable, affordable, and quality healthcare especially for those living in rural areas. The program is a comprehensive package of promotive, preventive, curative and rehabilitative services. Policy initiatives and infrastructure under this mission have facilitated achievements like the eradication of polio and leprosy.[8]

The **Accredited Social Health Activist (ASHA)** initiative is part of the NHM, and aims at facilitating household access to healthcare. ASHAs are responsible for facilitating delivery of preventive, health promotive and curative services, especially amongst the poor. Currently there are more than 900,000 country wide, or around one per 1400 people. Studies indicate the ASHA program has helped increase health coverage.[9]

In 2018, the Government of India launched **Ayushman Bharat**, a comprehensive health cover scheme for primary, secondary, and tertiary care conditions. It has two pillars, one supply-side and one demand-side.

On the supply-side, the Indian government has committed to equipping 150,000 **Health and Wellness Centres (HWCs)**. The HWCs aim to provide free basic health services for all Indians in:

- Maternal health
- Neonatal, infant and child health
- Chronic communicable and non-communicable diseases
- Mental illness
- Dental care
- Geriatric care

On the demand-side, the **National Health Protection Scheme** aims to reduce catastrophic out-of-pocket expenditure on hospital bills, and to improve access and health outcomes for impoverished sections of the population. It will target over one hundred million poor and vulnerable families as identified in the last Socio-Economic Caste Census (SECC), to provide them health care coverage of up to 500,000 rupees ($USD 7,100) per family for secondary and tertiary hospitalization.

In order for India to move towards achieving UHC, Ayushman Bharat needs to maintain a focus on strengthening the primary health care sector, reducing out-of-pocket expenditures, and increasing health equity. It must also address the interrelated issues of governance, quality control, and stewardship for achieving this goal.

8. Patel, V, et al. (2015) Assuring health coverage for all in India. *The Lancet*. 386 (10011).
9. Scott, K, George, AS, and Ved RR (2019) Taking stock of 10 years of published research on the ASHA programme: examining India's national community health worker programme from a health systems perspective. *Health Research and Policy Systems*. 17, Article 29.

Victorian engagement with India in the health sector

The health sector has significant potential for productive collaboration and research engagement between Victoria and India. There are numerous complementarities between the Australian and Indian health sectors, with areas of strength in Australia matching areas of need in India and vice-versa. Victoria's India Strategy launched in 2018 identifies health as one of the priority sectors for engagement.[10]

Consistent with the Strategy, the Victorian Government has the opportunity to both capitalise on the burgeoning healthcare market in India whilst also promoting global health values of equity and Universal Health Coverage (UHC). A commitment to UHC is also contained in SDG 3 and is important for "peace, security and socioeconomic development, and their interdependence".[11]

Recent policy initiatives represent potential areas where Victoria can build on its engagement with India to contribute to India's push towards UHC. The MoU between the Indian Council of Medical Research (ICMR) and Australia's National Health and Medical Research Council (NHMRC) signed in 2016 has established the ground for discussions about advancing cooperation in health and medical research between India and Australia.[12]

Prime Ministers Modi and Turnbull signed a Memorandum of Understanding (MoU) in April 2017 to promote greater collaboration between Australia and India in health. The MoU identifies areas where Australia and India can cooperate in research and industry partnerships, including communicable and non-communicable diseases, digital health, mental health, tobacco control, pharmaceuticals, medical devices and health services.

There are many successful academic collaborations and exchanges between influential health institutes in India and Victoria. These have facilitated student mobility, led to collaboration and generated significant research outputs.

For example, The University of Melbourne's engagement with India has established mutually beneficial collaborations with the All India Institute of Medical Sciences (AIIMS), Christian Medical College (CMC) Vellore, Sree Chitra Tirunal Institute for Medical Sciences and Technology, the Public Health Foundation of India and the Catholic Health Association of India. It hosts the International Research Network for Development of Antibiotic Peptides, which seeks to address the problem of antibiotic resistant pathogens in Australia and India and develop a new generation of antibiotics.

Monash University collaborates with AIIMS on trauma response and stroke care, with Society for Health Allied Research and Education (SHARE) and National Institute of Nutrition on affordable primary healthcare and nutrition. Deakin University has doctoral training partnerships with AIIMS, JIPMER, Madras Diabetes Research Foundation, Sankara Nethralaya (Vision Research Foundation) for Indian medical students, academics and professionals, and industry partnerships with Biocon, Max Healthcare and Reliance Life Sciences.

10. Government of *Victoria (2018) Victoria's India Strategy: Our shared future.*
11. WHO (2018) The Astana Declaration on Primary Health Care.
12. https://www.nhmrc.gov.au/research-policy/international-engagement

Deepening Victoria-India health partnerships

The Victorian health sector is vibrant and has substantial diversity of specialisations in established and emerging fields of medical research and high levels of expertise in comprehensive healthcare. India is a world leader in generic pharmacy and innovations that have dramatically reduced the costs of traditionally expensive diagnostics, surgical procedures and devices. Australia and India can learn a great deal from each other's approaches to medical innovation and healthcare solutions. Victoria's health industry has the potential to leverage its competitive advantage in medical research and biotechnology to deepen partnerships with the Indian health sector in key areas of mutual benefit. Potential areas of collaboration include:

1. *Primary and community health initiatives*

Australia and India face similar issues in providing quality and equitable healthcare to rural and remote communities. Both agree with the WHO's Astana Declaration on providing access to effective primary health in rural areas for achieving Universal Health Care. Victorian institutions including the Royal Australian College of General Practitioners, Nossal Institute and Swinburne University of Technology all have extensive experience in developing training for the primary health care sector. The HWCs under Ayushman Bharat are an important development in promoting primary health care in India and represent an area where Victoria could helpfully partner in curriculum and training. The Victorian Department of Health and Human Services can continue its important role in bringing Victorian stakeholders and the Public Health Foundation of India to develop strategies for using Victorian expertise in primary health education and training to strengthen the development of the Health and Wellness Centre workforce.

2. *Cooperation on disability (including mental health) policy, programs and training*

Disability has become a focus for the Government of India with two recent Parliamentary Acts on Mental Health and Disability and a national Accessible India Campaign.[13] It recognises that addressing disability is a central component for achieving Universal Health Care.[14] Australia is a world leader in disability inclusive development and financing of disability (NDIS). In 2017-18 the Australian High Commission in New Delhi initiated a disability program under the Department of Foreign Affairs and Trade's (DFAT) Development4all strategy. This resulted in a bilateral MoU between India and Australia on disability, and a partnership involving the Government of India's Department of Empowerment for People with Disability, DFAT and the University of Melbourne. Future initiatives could involve more Victorian players in the disability sector such as CBM, which has existing programs in India, to work with Indian partners for improving health access and outcomes for people with disability.

13. Government of India, *The Rights of Persons with Disabilities Act, 2016.*

14. Editorial (2019) Prioritising disability in universal health coverage. The Lancet. **394** (10194).

3. The aged and palliative care sectors

Both aged and palliative care sectors are substantial and very well developed in Victoria and rapidly expanding in India. There is potential to explore opportunities for sharing Victoria's experience in service and commercial approaches to the aged care sector.[15] Victoria's tertiary and vocational education institutions offer advanced professional degrees and training in healthcare for the elderly and conduct cutting edge research on ageing in Asia. St Vincent's Palliative Care has already developed a collaborative program with the Catholic Health Association of India, and further partnerships can be developed to provide equitable aged and palliative care.

4. Working together on M-Health and digital technology solutions

Digital technology is important in improving equity of healthcare access in rural and remote areas. India is an innovator in this space, with M-Health, app-based approaches, and other platforms that are at the cutting edges of healthcare delivery. Victorian health institutions could work more closely with Indian counterparts to jointly develop new products and techniques for low cost health Digital technology at scale that can deliver significant social impact and commercial benefit. Victorian companies and institutions could establish strategic partnerships for medical technology startups in incubator locations in cities such as Hyderabad, Bengaluru, and Chennai.

5. Anti-microbial resistance (AMR)

Is a serious issue in India, and an area for mutually beneficial collaboration in terms of research and product development. In India, as in Australia, the majority of antibiotic misuse happens in the primary care setting, outside the hospital system. Victoria has a number of health institutes, university departments and general practice representative groups which have expertise on AMR and provide leadership on antimicrobial stewardship. The Victorian DHHS has established partnerships with Narayana Health and Innovation Knowledge Park in India to, amongst other activities, develop joint AMR initiatives. Whilst a focus on technical solutions in tertiary settings is important, Victorian institutions can extend their collaboration with Indian public health organisations to understand and engage with AMR at the primary /community health level.

6. Cooperating on cancer prevention and management

India is focusing on responding to and preventing a growing burden of cancer. Victoria is a recognised leader in cancer prevention, screening and surveillance. Flagship programs led by, the Cancer Council of Victoria, the Skin and Cancer Foundation, the University of Melbourne and VicHealth have included skin cancer prevention, HPV vaccine development and cervical screening. The Victorian DHHS has initiated discussions with several Indian cancer institutes and identified potential collaborations, particularly on research into in-home cervical screening self-collection. An important aspect of cancer prevention is the need for cost effective and scalable approaches to cancer screening. There is significant opportunity to combine Victorian expertise in cancer prevention and India's innovative medical technology sector to develop low-cost products and methods that can be widely deployed at the primary and community care level and easily accessible in rural and remote areas.

15. Rangan, H and Dhanji, SD (2018) Australian Vocational Education and Training (VET) engagement in India's emerging aged care sector. Melbourne: Australia India Institute.

Acknowledgements

The author is grateful for the insights provided by the staff of the Victorian DHHS, Professor Ajay Mahal and Ms Bethany Carr of the Nossal Institute for Global Health, and Associate Professor Haripriya Rangan of the Australia India Institute.

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Australia India Institute
147 - 149 Barry Street
Carlton, Victoria 3053 Australia

Australia India Institute @ Delhi
B3/70, Safdarjung Enclave
New Delhi,110029 India

Australia India Institute

aii.unimelb.edu.au australiaindiainstitute @aiiinstitute aiiinstitute