Public-Private Partnership's in India

Public-Private Partnership or PPP in the context of the health sector is an instrument for improving the health of the population. PPP is to be seen in the context of viewing the whole medical sector as a national asset with health promotion as goal of all health providers, private or public. The Private and Non-profit sectors are also very much accountable to overall health systems and services of the country. Therefore, synergies where all the stakeholders feel they are part of the system and do everything possible to strengthen national policies and programmes needs to be emphasized with a proactive role from the Government. The report encapsulates the successful PPP experiences in India.

Yeshasvini Health scheme in Karnataka

The Yeshasvini Co-operative Farmer's Healthcare Scheme is a health insurance scheme targeted to benefit the poor. It was initiated by Narayana Hrudayalaya, super-specialty heart hospital in Bangalore, and by the Department of Co-operatives of the Government of Karnataka. The Government provides a quarter (Rs. 2.50) of the monthly premium paid by the members of the Cooperative Societies, which is Rs.10 per month. The incentive of getting treatment in a private hospital with the Government paying half of the premium attracts more members to the scheme. The cardholders could access free treatment in 160 hospitals located in all districts of the state for any medical procedure costing upto Rs. 2 lakhs.

The premium is deposited in the account of a charitable trust, the regulatory body for implementing the scheme. A Third Party Administrator – Family Health Plan Limited that is licensed by Karnataka's Insurance Regulatory and Development Authority. The FHPL has the responsibility for administering and managing the scheme on a day-to-day basis. Recognized hospitals have been admitted to the network throughout Karnataka, which are called as network hospitals (NWH). These hospitals offer comprehensive packages for operations that are paid by Yeshasvini. A Yeshasvini Farmers Health Care Trust is formed to ensure sustainability to the scheme, which comprises of members of the State Government and the network hospitals. The Trust monitors and controls the whole scheme, formulates policies, appointed the TPA and addresses the grievances of the insured members or doctors.

Arogya Raksha Scheme in Andhra Pradesh

The Government of Andhra Pradesh has initiated the Arogya Raksha Scheme in collaboration with the New India Assurance Company and with private clinics. It is an insurance scheme fully funded by the government. It provides hospitalization benefits and personal accident benefits to citizens below the poverty line who undergo sterilization for family planning from government health institutions. The government paid an insurance premium of Rs. 75 per family to the insurance company, with the expected enrollment of 200,000 acceptors in the first year.

The medical officer in the clinics issues a Arogya Raksha Certificate to the person who undergoes sterilization. The person and two of her/his children below the age of five years are covered under the hospitalization benefit and personal accident benefit schemes. The person and/oor her/his children could get in-patient treatment in the hospital upto a maximum of Rs. 2000 per hospitalization, and subject to a limit of Rs. 4000 for all treatments taken under one Arogya Raksha Certificate in any one year. She/he gets free treatment from the hospital, which in turn claims the charges from the New India Insurance Company. In case of death due to any accident, the maximum benefit payable under one certificate is Rs. 10,000.

Telemedicine initiative by Narayana Hrudayalaya in Karnataka
The Government of Karnataka, the Narayana Hrudayalaya hospital in Bangalore and the Indian Space Research Organization initiated an experimental tele-medicine project called 'Karnataka Integrated Tele-medicine and Tele-health Project' (KITTH), which is an on-line health-care initiatives in Karnataka. With connections by satellite, this project functions in the Coronary Care Units of selected district hospitals that are linked with Narayana Hrudayalaya hospital. Each CCU is connected to the main hospital to facilitate investigation by specialists after ordinary doctors have examined patients. If a patient requires an operation, s/he is referred to the main hospital in Bangalore; otherwise s/e is admitted to a CCU for consultation and treatment. Tele-medicine provides access to areas that are underserved or un-served. It improves access to specialty care and reduces both time and cost for rural and semi-urban patients. Tele-medicine improves the quality of health care through timely diagnosis and treatment of patients. The most important aspect of tele-medicine is the digital convergence of medical records, charts, x-rays, histopathology slides and medical procedures (including laboratory tests) conducted on patients.

Contracting in Sawai Man Singh Hospital, Jaipur
The SMS hospital has established a Life Line Fluid Drug Store to contract out low cost high quality medicine and surgical items on a 24-hour basis inside the hospital. The agency to operate the drug store is selected through bidding. The successful bidder is a proprietary agency, and the medical superintendent is the overall supervisor in charge of monitoring the store and it's functioning. The contractor appoints and manages the remuneration of the staff from the sales receipts. The SMS hospital shares resources with the drug store such as electricity; water; computers for daily operations; physical space; stationery and medicines. The contractor provides all staff salaries; daily operations and distribution of medicine; maintenance of records and monthly reports to SMS Hospital. The SMS Hospital provides all medicines to the drug store, and the contractor has no power to purchase or sell medicines himself. The contractor gains substantial profits, could expand his contacts and gain popularity through LLFS. However, the contractor has to abide by all the rules and regulations as given in the contract document. The SMS Hospital has also contracted out the installation, operation and maintenance of CT-scan and MRI services to a private agency. The agency is paid a monthly rent by the hospital and the agency has to render free services to 20% of the patients belonging to the poor socio-economic categories

The Uttaranchal Mobile Hospital and Research Center (UMHRC)
It is three-way partnership among the Technology Information, Forecasting and Assessment Council (TIFAC), the Government of Uttaranchal and the Birla Institute of Scientific Research (BISR). The motive behind the partnership was to provide health care and diagnostic facilities to poor and rural people at their doorstep in the difficult hilly terrains. TIFAC and the State Govt. shares the funds sanctioned to BISR on an equal basis.

PHC's in Gumballi and Sugganahalli, Karnataka
Management of Primary Health Centers in Gumballi and Sugganahalli was contracted out by the Government of Karnataka to Karuna Trust in 1996 to serve the tribal community in the hill y areas. 90% of the cost is borne by the Govt. and 10% by the trust. Karuna Trust has full responsibility for providing all personnel at the PHC and the Health Sub-centers within its jurisdiction; maintenance of all the assets at the PHC and

addition of any assets if required at the PHC. There has been redeployment of the Govt. staff in the PHCs, however some do remain in deputation on mutual consent. The agency ensures adequate stocks of essential drugs at all times and supplies them free of cost to the patients. No patient is charged for diagnosis, drugs, treatment or anything else except in accordance with the Government policy. The staff salaries are shared between the Govt. and the Trust. Gumballi district is considered a model PHC covering the entire gamut of primary health care – preventive, promotive, curative and rehabilitative

Emergency Ambulance Services scheme in Tamil Nadu

The Government of Tamil Nadu has initiated an Emergency Ambulance Services scheme in Theni district of Tamil Nadu in order to reduce the maternal mortality rate in its rural area. The major cause for the high MMR is anon-medical cause - the lack of adequate transport facilities to carry pregnant women to health institutions for childbirth, especially in the tribal areas. This scheme is part of the World Bank aided health system development project in Tamil Nadu. Seva Nilayam has been selected as the potential non governmental partner in the scheme. This scheme is self-supporting through the collection of user charges. The Government supports the scheme only by supplying the vehicles. Seva Nilayam recruits the drivers, train the staff, maintain the vehicles, operate the program and report to the government. It bears the entire operating cost of the project including communications, equipment and medicine, and publicizing the service in the villages, particularly the telephone number of the ambulance service. However, the project is not self-sustaining as the revenue collection is lesser than anticipated.

Urban Slum Health Care Project, Andhra Pradesh

The Urban Slum Health Care Project the Andhra Pradesh Ministry of Health and Family Welfare contracts NGOs to manage health centers in the slums of Adilabad. The basic objectives of the project are to increase the availability and utilization of health and family welfare services, to build an effective referral system, to implement national health programs, and to increase health awareness and better health-seeking behaviour among slum dwellers, thus reducing morbidity and mortality among women and children. To serve 3 million people, the project has established 192 Urban Health Centers. Five ‘Mahila Aarogya Sanghams’ (Women’s Wee-Being Associations) were formed under each UHC, and along with the self-help groups and ICDS workers mobilize the community and adopt Behaviour Change Communication strategies.
The NGOs are contracted to manage and maintain the UHCs, and based on their performance, they are awarded with a UHC, or eliminated from the program. Additional District Magistrates and Health Officers supervise the UHCs at district level and the Medical Officer is the nodal officer at the municipality level. The District Committee approves all appointments made by the NGOs for the UHC staff. The Govt. of Andhra Pradesh constructs buildings for the UHCs; provide honoraria to the Project Coordinators of the UHCs, medical officers and other staff; train staff members; and supply drugs, equipment and medical registers.

Rajiv Gandhi Super-specialty Hospital, Raichur, Karnataka

The Rajiv Gandhi Super-specialty Hospital in Raichur Karnataka is a joint venture of the Government of Karnataka and the Apollo hospitals Group, with financial support from OPEC (Organization of Petroleum Exporting Countries). The basic reason for establishing the partnership was to give super-specialty health care at low cost to the people Below Poverty Line. The Govt. of Karnataka has provided the land, hospital building and staff quarters as well as roads, power, water and infrastructure. Apollo provided fully qualified, experienced and competent medical facilities for operating the hospital. The losses anticipated during the first three years of operation were

reimbursed by the Govt. to the Apollo hospital. From the fourth year, the hospital could get a 30% of the net profit generated. When no net profit occurred, the Govt paid a service charge (of no more than 3% of gross billing) to the Apollo Hospital.

Apollo is responsible for all medical, legal and statutory requirements. It pays all charges (water, telephone, electricity, power, sewage, sanitation) to the concerned authorities and is liable for penal recovery charges in case of default in payment within the prescribed periods. Apollo is also responsible for maintenance of the hospital premises and buildings, and maintains a separate account for funds generated by the hospital from fees for registration, tests and medical charges. This account is audited by a Chartered Accountant engaged by Apollo with approval of the Governing Council. Likewise, Apollo maintains separate monthly accounts for all materials used by patients below the poverty line (including diagnostic services), which are submitted to the Deputy Commissioner of Raichur for reimbursement. Accountability and responsibility for outsourcing the support services remain with the Apollo.

Community Health Insurance scheme in Karnataka

The Karuna Trust in collaboration with the National Health Insurance Company and the Government of Karnataka has launched a community health insurance scheme in 2001. It covers the Yelundur and Narasipuram Taluks. Underwritten by the UNDP, the Karuna Trust undertook the project to improve access to and utilization of health services, to prevent impoverishment of the rural poor due to hospitalization and health related issues, and to establish insurance coverage for out-patient care by the people themselves. The scheme is fully subsidized for Scheduled Castes and Scheduled Tribes who are below the poverty line and partially subsidized for non-SC/ST BPL. Poor patients are identified by field workers and health workers who visit door-to-door to make people aware of the scheme. ANMs and health workers visiting a village collect its insurance premiums and deposit them in the bank.

The annual premium is Rs. 22, less than Rs.2 a month. If admitted to any government hospital for treatment, an insured member gets Rs. 100 per day during hospitalization – Rs. 50 for bed-charges and medicine and Rs. 50 as compensation for loss of wages – up to a maximum of Rs.2500 within a 25-day limit. Extra payment is possible for surgery. The insurance is valid for one year. If members want to continue the coverage, they must renew their membership and pay the full premium.

Conclusion:

Apart from the above examples of successful PPP's instrumented by healthcare sector in India there are numerous examples wherein innovative models are being envisaged to provide a robust healthcare framework in the country. Some of the projects in the pipeline include setting up of the diagnostic centres at the district hospitals of Pithoragarh and Kotdwara in Uttaranchal, establishing 200 bedded secondary level hospitals in Delhi under the PPP model. KPMG is the advisor for both these projects and is involved in designing of the PPP model, financial and project structuring, detailing scope of services, technical advisory, tendering process and eventually shortlisting of private partner. Public-Private Partnership has emerged as one of the options to influence the growth of private sector with public goals in mind. Used judiciously and fitted to local circumstances, they clearly have the potential to drastically change the healthcare landscape in India. PPPs will survive only if the interests of all stakeholders are taken into account.