

FINANCIAL Chronicle Weekend

REDUCE REUSE RECYCLE



Unified licence norms issued
New rules delink spectrum from permits, let telcos use any tech **3**



GSK hit in Big Pharma blow
Govt revokes Glaxo patent for breast cancer drug **13**

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Public healthcare remains rudimentary across India because of prohibitive costs

Frightfully dear

SANGEETHA G
Chennai

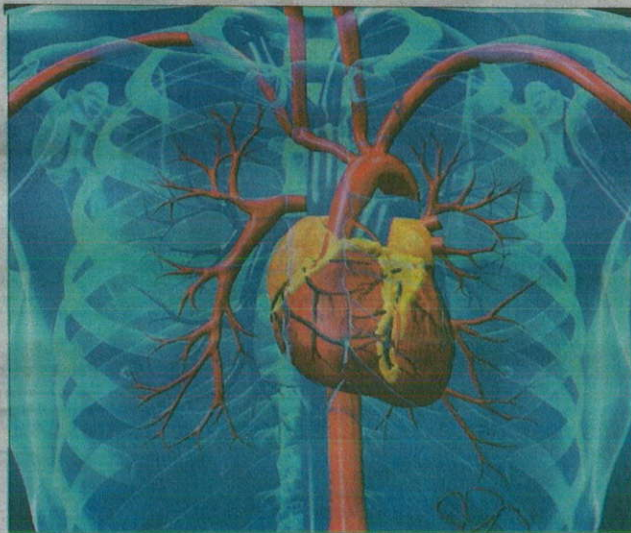
Will healthcare simply go out of the reach of all Indians barring the rich? There is a danger — emanating from increasing costs of healthcare.

The danger multiplies because the private sector has more or less taken over the charge of providing healthcare in India. Since its sole raison d'être is profit, it does all it can to milk patients.

This rise in the cost of healthcare, also known as medical inflation, has been faster than general inflation. According to research firm Towers Watson, medical inflation was above 20 per cent between 2006 and 2009 and 12 to 13 per cent since then and remain so for the next five years.

The healthcare infrastructure is heavily skewed. The government will spend Rs 37,330 crore on this head this year and still have less than a quarter of the country's physical infrastructure like hospitals and clinics; the rest of the infrastructure spending will come from the private sector, says a Frost and Sullivan study.

Even the quarter left with the



public sector consists of poorly managed, under-staffed and ill-equipped district hospitals and primary health centres. But treatment here comes cheap — the only affordable healthcare for the masses.

By 2015, the public sector's share will come down further to 19 per cent. And to think it was 34 per cent share as recently as 2005! Moreover, the focus of government spending is increasingly on disease control programmes, rather than hospital care.

There is a reason for the drop since 2005: government investment in healthcare infrastructure has been dropping annually by 2 per cent since then, and private investment in corporate hospital chains and over 100-bed hospitals has been growing by 12 to 14 per cent a year. Private healthcare is expensive.

According to a Union health ministry spokesperson, the National Rural Health Mission finances states to strengthen healthcare and encourages them to raise their own investments in the area.

But that's clearly well short of what's needed.

Turn to P8
Affordability is key differentiator P10
Health comes at a cost P12

YOUR WEEK AHEAD

S M T W T F S
4 5 6 7 8 9 10

GLOBAL CUES

Key data to watch out for this week

China to release exim, inflation data; US non-manufacturing composite and euro zone retail sales and PMI composite data

Q1 RESULTS

Many Nifty firms to post earnings

Tata Motors, DLF, NMDC, Tata Power, Ranbaxy, Cipla and Lupin will disclose their June quarter numbers this week

PMI DATA

HSBC services sector PMI on Monday

HSBC market services purchasing managers index data for July will be released on Monday

BLING TIME AHEAD

Delhi Couture Week

Last year he had Katrina Kaif sashay oh-so-pretty in his trademark bling lehenga. You can rest assured that on Sunday, Manish Malhotra will give you nothing short of a Bollywood extravaganza



CRICKET

India tour of Zimbabwe 2013

The odds of another 5-0 sweep are heavily stacked in India's favour in Saturday's match

EID MUBARAK

The feast after the fast

End the month-long fast of Ramadan with a joyful celebration of the achievement of enhanced piety on Friday

CINEMA

Rituparno Ghosh in retrospect

Films like *Naukudubi* and *Bariwali*, and a panel discussion on 'Versatility of Rituparno' await film lovers in Delhi this weekend