

# **CPI(M) Appeal**



**Make Health  
A Fundamental Right**

**17th Lok Sabha 2019**



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## In Kerala

Cancer Care at Medical Colleges, Heart care at District, Trauma Care and Dialysis Units at Taluk Level



Family health centres with 3 doctors and full day OPD

**LEFT ALTERNATIVE**

Sixty children die in Uttar Pradesh hospital amid furore over oxygen supplies

MUMBAI/NEW DELHI (Reuters) - Sixty children



**RIGHT WING JUMLAS**

## CPI(M) Appeal

# **For the Right To Health as a Fundamental Right**

Friends,

During its 5 years rule at the Centre, the Modi government has taken steps in the area of public healthcare which were not only retrograde, but also an attack on the existing public healthcare system itself, the effect of which are still unfolding.

The fundamental causes of ill-health and disease are economic reasons like non-availability of adequate level of consumption of food and nutrition, clean drinking water, absence of rest and over-work, problems deeply connected with poverty, with joblessness, which have been recognised in the Alma Ata Declaration 'Health for All by 2000 A.D.' of World Health Assembly of WHO. The root cause of ill health is social and economic and, therefore, the responsibility of a democratically elected government.

However, with the rise of powerful healthcare industries, health and healthcare has become a big business. As it is in India, where almost 80 per cent of health expenses of the people are paid from their own pockets, successive Governments have utterly failed to impose any regulatory measures on the private health sector.

Now under the Modi Government, the entire thrust of Government policy towards health has become even more pro- private sector. The National Rural Health Mission has little importance for this Government.

With neoliberal policy, as a World Bank project, the focus of healthcare shifted to a 'Total Sanitation Campaign' in 1999 during Atal Bihari

Vajpayee government, renamed as 'Nirmal Bharat Abhiyan' at the fag end of UPA-II government, again renamed as 'Swacch Bharat Abhiyan' during Modi government with the single aim of complete eradication of open defecation. The environmental issues and individual deficiencies are sought to be projected as the main causes of disease and, therefore, the government is only to help without responsibility.

In this background, the demand for Right to Health as a legal right has become an important and urgent need for the people of India.

### **Attack started on health planning**

Health, despite deficiencies in planning and in implementation, at least in conceptualization was as an important aspect of the planning process in each of the 5 Years Plan. With the removal of the Planning Commission and the Plan process by Modi government, the health planning has also been eliminated preparing the ground for more market intervention in healthcare system.

### **National Health Policy 2017 for Privatisation Drive**

In 2017 the Modi Government adopted – The National Health Policy 2017. It watered down the Draft NHP 2015, developed under the previous regime which had proposed a National Health Rights Act to ensure health as a fundamental right, whose denial will be justiciable. Instead, the NHP 2017 advocated “a progressively incremental assurance based approach, with assured funding to create an enabling environment for realizing health care as a right in the future”.

It revolves round '*emergence of robust health care industry*' and to “*Enable private sector contribution to making health care systems more effective, efficient, rational, safe, affordable and ethical,*” as noted in the policy document.

After this, NITI Aayog in July, 2017, issued a Guideline for “Public

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Private Partnership for Non-Communicable Diseases (NCDs) in District Hospitals” on 30 years contract making the state governments accountable if they default on paying their private partners through a penalty. Shamefully the Government approach is more concern for the private sector so-called partners than for the patients.

### **Ayushman Bharat: Privatisation of Healthcare**

Following these steps , the Modi government announced its flagship Ayushman Bharat healthcare programme in the Union budget 2018. It has two purposes, two components and two drives of privatisation.

#### **Two Purposes**

One purpose of Aushman Bharat project is election ‘jumla’ for the coming Lok Sabha election presenting it as the ‘biggest healthcare scheme in the world’ and ‘benefitting 10.7 Crore vulnerable families of hospitalization expenses upto Rs.5 lakh per family per year’ and campaigning as ‘Modicare’ in ‘Obamacare’ style of USA and marketing it as ‘*Ayushman Bharat for a New India – 2022*’. Prime Minister Narendra Modi announced from the ramparts of Red Fort on Independence Day 2018 about implementation of Ayushman Bharat programme on 25 September, 2018.

The second and real purpose is to hand over the entire healthcare system to the insurance driven conglomerates of hospital, clinical labs, drug manufacturers and recently formed e-pharmacies (including Amazon); and also helping crony capitalists in insurance business through public funding.

#### **Two Components**

One component of Ayushman Bharat project is to establish ‘Health and Wellness Centres’ (HWCs) for primary healthcare converting the present centrally funded 1.53 lakh Sub Centres (SCs) and, in the process, breaking the chain of public healthcare network of SCs and

the states funded Primary Health Centres (PHCs), Community Health Centres (CHCs), district hospitals and medical colleges. Instead of strengthening and integrating the public healthcare network, the move is to separate HWCs from public healthcare network and then linking these with the other component of Ayushman Bharat project.

The other component is Ayushman Bharat – National Health Protection Scheme (AB-NHPS), later renamed as “Pradhan Mantri - Jan Arogya Yojna” (PM-JAY). PM-JAY subsumed the ongoing centrally sponsored schemes – Rashtriya Swasthya Bima Yojana (RSBY) and the Senior Citizen Health Insurance Scheme. It subsumes States sponsored healthcare schemes also.

## **Two Drives**

### **Privatisation spree of public healthcare network**

One drive is privatisation of public healthcare network. Before and immediately after Ayushman Bharat project of privatisation of public healthcare system, BJP ruled state governments were in privatisation spree. The then Vasundhara Raje government had already privatised 42 rural PHCs in 2016 and 43 urban PHCs in 2017; and issued tender notice for privatisation of 50 more rural PHCs. In Rajasthan PPP model in healthcare, the government offers to pay up to Rs.30 lakh per PHC in return for the private entity taking over the PHC management and all its operations.

Immediately after Ayushman Bharat programme was announced, the then Chhattisgarh BJP state government had decided to hand over 9 CHCs, including in the State capital Raipur and 2 in Steel City Bhilai, in PPP model listing the reason as shortage of staff including doctors.

Uttar Pradesh BJP government announced plan to establish 1000 hospitals in PPP model as part of central government’s Ayushman Bharat programme; and already asked a UK consultancy firm to prepare a project report.

## **PM-JAY: Insurance driven private healthcare scheme replacing public healthcare system**

The other drive is privatisation of healthcare. AB-NHPS also infringes upon the Centre-State relation through Ayushman Bharat National Health Protection Mission Council (AB-NHPMC) set up in line with GST council; Centre and States paying insurance premium at 60:40 ratio; governed in corporate style by Ayushman Bharat National Health Protection Mission Governing Board (AB-NHPMGB) through Ayushman Bharat - National Health Protection Mission Agency (AB-NHPMA), registered under Society's Act, to manage the AB-NHPM at the operational level which is headed by a full time CEO.

### **Low Budget for Healthcare**

Though, national health policy 2017 envisaged allocation of 2.5% of GDP in health by 2025, which itself is much less for universal healthcare, it is being reduced to nearing 1.2% of the GDP.

Union budget actually brought down allocation for health in the total budget despite announcement of flagship Ayushman Bharat scheme in 2018.

<u>2017</u>	<u>2018</u>	<u>2019</u>
2.4%	2.1%	2.2%

Though Union budget 2019 increased allocation of fund for health, it has resorted to cuts in other ongoing health schemes as below.

<b>Ongoing Health Schemes</b>	<b>2018</b> <i>(Rs in Crore)</i>	<b>2019</b> <i>(Rs in Crore)</i>
Non-communicable diseases (NCDs), injury and trauma which are the largest cause of death in the country	1,004.67	717.00

<b>Ongoing Health Schemes</b>	<b>2018</b> <i>(Rs in Crore)</i>	<b>2019</b> <i>(Rs in Crore)</i>
National program for prevention and control of cancer, diabetes, cardiovascular disease and stroke	295.00	175.00
Routine immunization programme and pulse polio immunization programme	7,411.40	6,758.46

Allocations towards reproductive and child health (RCH), which includes schemes like Janani Suraksha Yojana (JSY), have also seen big cuts in allocations.. Along with this the allocation for Pradhan Mantri Matru Vandana Yojana (PMMVY), the erstwhile Maternity Benefit Scheme, has largely remained the same as in 2018-19 (BE). It must be noted that PMMVY succeeds the erstwhile Indira Gandhi Matritva Sahyog Yojana (IGMSY). Whereas the incentive provided under IGMSY was for the first two live births, under PMMVY, this has been limited to the first living child. Moreover the Modi Government has violated the national Food Security Act which mandated giving 6000 rupees to a pregnant woman to help her nutrition. The Government cut this to 5000 rupees for only one birth and it is still implemented only selectively.

### **Dilapidated Infrastructure and Neglected Health Personnel**

Such stagnation in terms of budgetary resources is being witnessed at a time when overall public health system is in shambles. There is a debilitating shortage of key health personnel – 75% shortfall of obstetricians and gynaecologists, 85% shortfall of surgeons, 86% shortfall of physicians and 83% shortfall of paediatricians at Community Health Centres. Health infrastructure across the country is in poor condition as was highlighted by the CAG report in its audit

of NRHM. Nearly 25% of the Sub Centres are without electric supply, 17% without regular water supply and 10% without all-weather motorable approach road.

In addition, there is increasing contractualisation of health workforce with less remuneration but enormous work pressure. The backbone of the primary health care – the ASHA and Aanganwadi workers have been demanding regularisation and status as a worker but the government has conveniently ignored the demands.

### **What Happened to the AIIMS like Institutes?**

Another tall claim made by the NDA in its manifesto was to establish AIIMS-like institutes in every State. Till date over 20 such institutions have been announced in a phased manner, but the projects under Phase I still have huge deficiencies and suffer from inadequate facilities. The Performance Audit by CAG (2018) reports that besides time overrun of about four to five years in various packages of six new AIIMS, shortage of faculty posts in different AIIMS ranged from 55% to 83% while shortage of non-faculty posts ranged from 77% to 97%; 1,318 pieces of equipment with an estimated cost of Rs.454 crore remained undelivered as on 31 March 2017, for periods up to 25 months from the due date of delivery; out of 42 departments, six to 14 speciality, super-speciality and other departments have not become functional; and, out of 7 AIIMS proposed in the 5<sup>th</sup> phase, only one got approval in July 2016 while no approval has been given in the 6<sup>th</sup> phase.

This is another unfulfilled promise of this Government.

### **Privatisation of Medical Education**

Much before its attempt to directly control higher education and replacement of UGC by Higher Education Commission of India (HECI), BJP's Modi government placed National Medical

Commission (NMC) Bill, 2017 in Lok Sabha on 29 December 2017 and in Rajya Sabha on 8 January, 2018 replacing the Medical Council of India (MCI) to privatise and control medical education and practice repealing the Indian Medical Council Act, 1956. In the proposed NMC, some major areas of concern are that,

- It will be a nominated body under the Central government to administer through appointed boards whereas MCI is an elected body by the States and universities and within itself to regulate both medical education and practice;
- NMC will remove existing regulatory approvals allowing automatic approval to start a medical college in private sector;
- Proposed NMC raises managements' quota from the present 15% to 60% of seats in private medical colleges cutting down government's quota from 85% to 40%; fees will be entirely at the discretion of the management; these will cut down seats for economically weaker section and for SCs/STs;
- Proposed NMC allows any foreign medical graduate to practice in India removing existing screening test; at the same time introducing licentiate examination for the Indian medical graduates;
- NMC proposed mixing of different systems in medical treatment like Ayurveda, Siddha, Unani, Yoga, Homeopathy, Naturopathy etc to practice Allopathic modern medicines once they complete a short term "Bridge" course.

The Bill was sent to the Parliamentary Standing Committee.

### **Spiralling Increase of Essential Drugs Prices**

Presenting the budget in 2019, Union finance minister Goyal claimed that during present BJP rule, there has "reduction in the prices of essential medicines" and "availability of medicines at affordable

prices through Pradhan Mantri Jan Aushadhi Kendras.” Both the statements are false.

Central government made far reaching changes in (i) preparing the ‘National List of Essential Medicines’ (NLEM) with 348 (raised to 376 in 2015) medicines in new DPCO replacing the earlier ‘List 1’ of 74 bulk drugs in DPCO 1995; (ii) issuing new Drug Prices (Control) Order (DPCO) 2013 replacing DPCO 1995; (iii) shifted from ‘*cost-based fixation of medicines prices*’, as was in all earlier DPCOs including DPCO 1995, to ‘*market-based fixation of prices*’ in DPCO 2013; (iv) allowing 10% automatic increase of medicine prices every year and (v) central government collecting tax at retail price level, in ad velorem system, (automatic tax increase with every price increase) replacing fixed rate of excise duty on cost; and (vi) fraudulent method adopted in fixing GST on essential medicines by Modi government. The combined effect of all these is galloping increase of prices of medicines.

For fixation of prices of Essential Medicines, DPCO 2013 in clause 4 states, “*First the Average Price to Retailer of the scheduled formulation*” be calculated from “*Total number of such brands and generic versions of the medicine having market share more than or equal to one percent of total market turnover on the basis of moving annual turnover for that medicine*” and then add 16% as retailer’s margin and the total amount becomes the MRP of that medicine.

DPCO 2013 also provides “*The manufacturers may increase the maximum retail price (MRP) of scheduled formulations once in a year, in the month of April,...and no prior approval of the government in this regard shall be required.*”

### **Fraudulent Fixation of GST Rate on Medicines**

BJP’s Modi government fixed 5% GST on all ‘*Essential Medicines*’ effective from 1 July, 2017, but picked up non-existent ‘List-1’ of 74

‘essential bulk drugs’ of DPCO 1995, already replaced by DPCO 2013, ignoring the existing 376 essential medicines in NLEM of DPCO 2013. As a result, GST rates on most of the essential medicines in current NLEM has 12% and above GST.

### **Dismantling, Privatising and Saffronising Jan Aushadhi Scheme**

‘Jan Aushadhi’ scheme was an appreciable attempt by Man Mohan Singh government during UPA-I rule to make available government controlled low-priced quality medicines to all, particularly the economically vulnerable sections. The implementation agency is the “Bureau of Pharma PSUs of India” (BPPI) consisting of the Department of Pharmaceuticals of the GoI and five drug ‘central public sector undertakings’ (CPSUs) - Indian Drugs and Pharmaceuticals Ltd (IDPL), Hindusthan Antibiotics Ltd (HAL), Bengal Chemical and Pharmaceuticals Ltd (BCPL), Karnataka Antibiotics and Pharmaceuticals Ltd (KAPL) and Rajasthan Drugs and Pharmaceuticals Ltd (RDPL) - with its headquarter at IDPL head office at Gurgaon and was registered under ‘Societies’ Act in 2010.

It is a fully funded Central government’s project which envisaged that BPPI would procure the medicines from the five pharma CPSUs, procure from outside those medicines not produced; fix government subsidized low prices on the medicines; supply these “Jan Aushadhi” medicines through the network of Jan Aushadhi Stores (JAS); and monitor their sale. For this the government makes provision in the budget with a rider that as and when the scheme is established, BPPI will “*make efforts to recover as much as possible of its expenses incurred on its salary, wages, office expenses, and publicity expenses through trade margin. To that extent Government support will stand reduced.*” BPPI sends tested medicines from its warehouse through its distribution network of appointed C&F Agents / Distributors in different States / UTs; ultimately these Jan Aushadhis are supplied to the patients through Jan Aushadhi Stores (JAS), appointed as

franchisees of BPPI.

Now, BJP's Modi government has -

- Announced to sell or close all five Pharma CPSUs making the name BPPI itself a joke;
- Outsourcing the scheme, BPPI has appointed a private company “for providing End to End supply chain management” to Jan Aushadhi Stores;
- BJP's National Yuva Cooperative Society (NYCS) entered into an agreement to set up 1,000 JASs across the country;
- Changed the name of the project from ‘Jan Aushadhi’ finally as “Pradhan Mantri Bhartiya Janaushadhi Pariyojana” (PM-BJP) in 2016 and the Jan Aushadhi Stores as “PM-BJP Kendras”; and
- Each pack of medicines is embossed with the name *Pradhan Mantri Bhartiya Janaushadhi Pariyojana* highlighting ‘BJP’ in saffron colour. Thus this Government virtually destroyed a feasible pro-people project.

The people of India are in desperate need of a strong public health system backed by the recognition of the right to health as a fundamental right

Considering the above facts, and for the following demands -

We appeal to all citizens and voters –

- To defeat BJP in the 17<sup>th</sup> Lok Sabha election;
- Vote for and Strengthen the left and the CPI(M)
- Ensure the formation of a secular government at the Centre.

The CPI(M) Stands for the following:

1. Provision of Universal Healthcare;
2. The Right to Health as justifiable right through enactment of

appropriate legislations, both by Centre and States;

3. Defend, Build and Promote a Predominantly Public Healthcare System based on framework of Universal Healthcare (not coverage); Abandon plans of 'Ayushman Bharat' scheme based on the discredited insurance model;
4. Ensure right based access to comprehensive treatment and care of persons with mental illness through integration of the revised District Mental Health Programme with National Health Mission;
5. Strengthen CHCs, PHCs and SCs by appointment of more number of employees and freeing the doctors from the burden of paperwork;
6. Restore 2008 'Jan Aushadhi' scheme with production in public sector, distribution and supply of these medicines at government-subsidized rates;
7. Reduce drug prices; issue new DPCO for cost based calculation of medicines pricing; zero GST on all medicines in NLEM;
8. Strict enforcement of GMP in drug production.

- Make the right to free health care justiciable through the enactment of appropriate legislations both at Central and State levels.
- Public expenditure on health to be raised to at least 3.5 per cent in the short term and 5 per cent of the GDP in the long term, which would include a significantly enhanced allocation from the Centre.
- Strengthening, expanding and reorienting the public health system so that it is accountable to local communities and guarantees free and easy access to a range of comprehensive health care services. Build and actively promote a predominantly public health system based framework for the provision of universal health care. Scrap the PMJAY under the 'Ayushman Bharat' scheme based on the discredited 'insurance model'.

( from the CPI(M) Election Manifesto,  
17th Lok Sabha 2019 )

# **Vote CPI(M)**



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CPI(M) and the Left**

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March, 2019

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