

HEALTHCARE GRADING: ENSURING QUALITY HEALTHCARE

Healthcare in India is one of the largest revenue contributing and employment generating sector. One of the key drivers for growth in the sector is the country's growing population. However, as per union budget 2013, the healthcare expenditure as a percentage of GDP has merely increased from 1.27% in 2007-08 to 1.36% in 2012-13.

The recent decades have also seen the urbanisation and expanding middle class as people are migrating to urban areas for better livelihood in regards to education, health and other modern facilities. Lifestyle diseases such as heart disease, obesity and diabetes have significantly increased which contributed to rising healthcare spending by an individual. According to a leading research agency per capita healthcare expenditure increased at a CAGR of 10.3% during 2008-2011 to USD 57.9; the figure is set to touch USD 88.7 by 2015.

While a significant advancement has been made by the government to provide quality healthcare in urban areas, a lot is needed to be done in availability of quality services in rural areas as majority (72%) of the population resides in the rural areas. Besides this doctors to patient ratio in rural areas is far below at 1:20,000 as against 1:2000 in urban areas. The private sector has emerged as a front runner (contributing around 74%) in India's healthcare industry, building its image of both national and international repute. However, the infrastructural facilities and human resource quality offered by the industry participants seems largely inadequate to meet the demand. According to National Health Profile data India significantly lags in number of beds per thousand population and an additional 1.8 million beds are needed to achieve the target of two beds per thousand of population by 2025. Similarly an additional 1.54 million doctors are required to meet the growing demand of healthcare. According to industry estimates investment to the tune of USD 86 billion is required to achieve the proposed target.

ONICRA believes that there is a systematic need of differentiation among the various players based on the quality of healthcare services rendered by the institutions. While evaluating healthcare institutions the framework must include a host of factors such as availability of infrastructure, equipment, manpower, systems and clinical algorithms, all from the user's point of view. The evaluation of these core factors will involve a review of the institution's resources, processes and outcome to determine its capability to deliver quality healthcare.

