CHAPTER 2

HEALTHCARE SECTOR

2.1 Introduction

Healthcare Sector is a segment within the economic system that provides goods and services to treat patients with curative, preventive, rehabilitative and palliative care. It is one of the largest and fastest growing sector in the world. “The ‘World Health Organization’ estimates there are 9.2 million physicians, 19.4 million nurses and midwives, 1.9 million dentists and other dentistry personnel, 2.6 million pharmacists and other pharmaceutical personnel, and over 1.3 million community health workers worldwide, making the health care industry one of the largest segments of the workforce.”

The ‘United Nations International Standard Industrial Classification’ has categorized the healthcare industry as follows:

- “Hospital activities
- Medical and dental practice activities
- Other human health activities”

The ‘Global Industry Classification Standard’ and the ‘Industry Classification Benchmark’ further categorized the Healthcare Industry in two groups:

- “Healthcare equipment and services.”
Pharmaceuticals, biotechnology and related life sciences.”

Healthcare Sector is further classified to include other aspects such as regulation of healthcare services, education and training of healthcare professionals, medical tourism, health insurance etc.

2.2 Indian Healthcare Sector

Indian economy is one of the fastest growing economies in the world. Indian healthcare sector is second fastest growing sector of Indian economy next only to information technology. According to the report published by IDFC Securities Hospital Sector, November 2010 the overall Indian healthcare market today is worth US$ 100 billion and is expected to grow to US$ 280 billion by 2020. Factors responsible for the growth of Indian healthcare sector are raising population, increasing disposable income, cheaper treatment cost, variety of services offered, medical tourism, increased lifestyle diseases along with public private partnership.

Indian healthcare sector is divided into two major components: public healthcare and private healthcare. The public healthcare system comprises basically primary healthcare centers (PHCs) in rural areas and limited secondary and tertiary care institutions in urban areas. Furthermore, majority of secondary, tertiary and quaternary care institutions mainly concentrated in metros, tier I and tier II cities is provided by private players.

According to Industry Report published by The Economist Intelligence Unit in July 2014 on, ‘Healthcare: India’, July 2014 “Total health care spending in local-
currency terms is projected to rise at an annual rate of over 12 percent, from an estimated $96.3 billion in 2013 to $195.7 billion in 2018.”

Report published by Delloitte on ‘2015 Health Care Outlook: India’, stated that health care industry was given priority status by the Indian Government in the Union Budget 2014-2015. According to the report key recommendations that will have a direct impact on enhancing health care access include:

- A rise in Foreign Direct Investment (FDI) limit in the medical insurance business to 49 percent.
- Four more medical institutions of the status of All India Institute of Medical Sciences (AIIMS).
- Twelve more medical colleges in the public sector; and broadband connections in rural areas to expand the reach of telemedicine. In addition, a $1.7 billion fresh fund allocation to encourage start-ups and another scheme for establishing biotech clusters will help to develop innovative health care technologies.

According to the report of Department of Industrial Policy and Promotion (DIPP), 2011, “the drugs and pharmaceuticals sector has attracted Foreign Direct Investment (FDI) worth US$ 2.4 billion between April 2000 and April 2011, while hospitals and diagnostic centers have received FDI worth US$ 1.03 billion in the same period”.

As per Investment Commission of India, 2015, “the healthcare sector has experienced phenomenal growth of more than 12 percent per annum in the last
four years and this growth is expected to be driven by different factors: rising life expectancy, rising income levels of Indian households, increasing penetration of health insurance and rising incidence of lifestyle-related diseases in the country has led to increased spending on healthcare delivery”. The report further depicts that since, the healthcare spending as a percentage of GDP is rising there is scope of increasing healthcare services. Rural India which constitutes 70 percent of the population is emerging as the potential demand source. In the next five to six years there will be requirement of 600,000 to 700,000 additional beds in India creating an investment opportunity of US$ 25-30 billion.

India’s competitive advantage in healthcare industry comprises of its cost competitiveness as compared to Asian and Western countries and the availability of large number of trained healthcare professionals. It works on the principle of network economics touching innumerable lives (Darekar, 2013).

2.3 Growth of Indian Healthcare Sector

The development and growth of Indian Healthcare Sector can be divided into three distant phases:

a. **First Phase (1947-1983):** During this phase health policy was formulated based on two broad principles:

   • No one should be denied care on the want of ability to pay.
   • It was the responsibility of the State to provide health care to the people.
b. **Second Phase (1983-2000):** National Health Policy of 1983 was formulated which encouraged the private initiative in health care service delivery. Expansion of health facilities for providing primary health care in rural areas and implementation of *National Health Programmes (NHPs)* were the major achievements of this phase.

c. **Third Phase (Post 2000):** This phase influences the Indian healthcare Sector in three following ways:

i. Increased private sector participation to meet healthcare requirements of public.

ii. Insurance sector should be liberalized to boost health financing.

iii. The role of state should be redefined from just healthcare provider to healthcare financier as well.

Despite of these reforms the main challenge of healthcare services continues to be improvement of health status of the people in a sustained manner. Major reasons that lead to such failure were: poor governance, unfeasible goal setting and lack of strategic vision and poor management.

### 2.4 Regulatory Framework of Indian Healthcare Sector

In order to safeguard the health and well being of the population various legislations are formulated from time to time by Central and State Governments.

- **Ministry of Health and Family Welfare (MoHFW):** It formulates various national programmes, technical assistance and schemes related to Indian Healthcare Sector. Following departments are included in the Ministry:
I. **Department of Health and Family welfare:** The Department of Health and Family welfare performs following functions:

- Keeps control over various health bodies like National Health Programme, National Aids Control Organization (NACO) etc.
- Looks after various health related activities.
- Administrates the Hospital Services Consultancy Corporation.
- Policy Formulation, Statistics, Planning, Autonomous Bodies.
- Administration and Finance for the Departments of Health, Family Welfare.
- Maternal and Child Health Services.
- Rural Health Services and Non-Governmental Organizations.
- International Assistance for Family Welfare and Urban Health Services.

II. **Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy (AYUSH):** Ministry of AYUSH was formulated on 9th November, 2014. AYUSH looks after Ayurveda, Yoga & naturopathy, Unani, Siddha and Homoeopathy systems. It performs following functions:

- Supports existing research institutions and promotes time bound research in medical sciences.
- Upgrades educational standards in medical and homeopathy colleges of the country.
• Sponsors schemes for promotion and cultivation of medicinal plants used in various research activities.

III. Department of Health Research: The Department of Health Research was launched on 5th October, 2007 under the Ministry of Health and Family Welfare. This department offers the following services:

• Promotion and coordination of clinical research in areas related to health and biomedical sciences.
• Advanced training and grant of fellowship in research areas concerning health and medical.
• Coordination between institutions and organizations under central and state governments in areas related to medical science.

IV. National AIDS Control Organization (NACO): NACO was constituted in 1992 to implement India’s first National AIDS Control Programme (1992-1999). Major thrust areas of NACO are:

• Preventing new infections.
• Preventing parent to child transmission of AIDS.
• Reducing stigma and discrimination.
• Providing quality care and low cost treatment to infected patients.

Autonomous Institutions conducting Research and Development:

Following institutions under Ministry of Health and Family welfare are conducting research in various areas:

• Indian Medical Association (IMA).
2.5 Healthcare Delivery in India

Since the Indian economy is growing steadily, the Indian Healthcare Sector is also moving towards growth phase. Healthcare Sector of India constitutes government sector that is financed publically providing promotive and preventive health services throughout the country from primary to tertiary level and the private sector providing curative care by levying fee.

➢ **Public Health Sector**: The Central government, State government and Local government share the responsibility of providing public healthcare delivery in India. General health services are mainly provided by state government whereas the Central government has the primary responsibility of making provisions for medical education, disease control, medicines and drugs etc. Public Healthcare system constitutes mainly:

- Primary, secondary and tertiary institutions;
- Medical colleges and paraprofessional training institutions;
- Programme managers managing various health programmes at central and state level;
- Health management information system for data collection, analysis and interpretation.

The *National Rural Health Mission (NRHM)*, launched in 2005, plays a major role in establishing effective integration and correlation in the healthcare delivery
Healthcare Sector

system of India. According to the report published by Swedish Agency for Growth Policy Analysis, 2013 on ‘India’s Healthcare system-Overview and Quality Improvements’ “NRHM is the first health programme in a Mission Mode to improve the health system and the health status of the people, especially for those who live in the rural areas, and provide universal access to equitable, affordable and quality healthcare which is accountable and at the same time responsive to the needs of the people.” Various national programmes leprosy elimination, cancer control have been merged with NRHM along with active involvement of Panchayat Raj institutions.

➢ Private Health Sector: Private Health Sector comprises of health institutions owned and controlled by private players for profit and non-profit healthcare delivery. According to the report on National Commission on Macroeconomics and Health (2005), “only 8 percent of the qualified medical care was provided by private sector at the time of Independence. But over the years the share of private sector is increasing rapidly with over 80 percent of all outpatient care and 60 percent of all inpatient care. Furthermore the report states that “more than 75 per cent of the human resources and advanced medical technology, 68 per cent of an estimated 15,097 hospitals and 37 per cent of 6,23,819 total beds in the country are in the private sector, most of which is located in urban areas.”

Furthermore, the private sector of India is playing significant role in all other related areas such as medical technology and education and training, drugs manufacturing and sale, hospital construction and other ancillary services.
According to the report published on *National Rural Health Mission: Mission Statement (2005)*, private sector caters to almost 75 percent of the health services in India. Due to the predominance of private sector, inequalities are arising in the access of health services and movement of qualified and trained medical personnel from government hospitals to corporate hospitals. All this has worsened the condition of government run hospitals furthermore leading to negative impact on the poor and needy as they are not getting proper facilities in government hospitals and private hospitals are beyond their reach.

### 2.6 Health Infrastructure of India

Health Infrastructure is an important indicator for understanding the health care policy and welfare mechanism in a country. Human Resources for health services have been described as ‘heart of the health system in any country’. Availability of adequate number of skilled healthcare professionals with their appropriate deployment at different levels of healthcare set up are essential for providing effective healthcare services to the population. The *Medical Council of India* was established in 1934 under the *Indian Medical Council Act, 1933*, now repealed, with the main function of establishing uniform standards of higher qualifications in medicine and recognition of medical qualifications in India and abroad. It was primarily formulated to meet the challenges posed by the very fast development and the progress of medical education in the country. *National Health Profile, 2016* published by *Central Bureau of Health Intelligence* provides a database of health information of India for improvement of quality of healthcare services of the country. Table 2.1 postulates the Health Infrastructure of India:
Table 2.1 Health Infrastructure of India

<table>
<thead>
<tr>
<th>Population</th>
<th>1.21 billion (2011)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban Population</td>
<td>377.1 million</td>
</tr>
<tr>
<td>Rural Population</td>
<td>833.5 million</td>
</tr>
<tr>
<td>Sex Ratio</td>
<td>943</td>
</tr>
<tr>
<td>Hospitals</td>
<td>196312</td>
</tr>
<tr>
<td>Hospital Bed</td>
<td>7,54,724</td>
</tr>
<tr>
<td>Doctors</td>
<td>9,49,617(March, 2015)</td>
</tr>
<tr>
<td>Dental Surgeon</td>
<td>1,56,391</td>
</tr>
<tr>
<td>Medical Colleges</td>
<td>438</td>
</tr>
</tbody>
</table>

Source: National Health Profile, 2016 published by Central Bureau of Health Intelligence

2.6.1 Health Infrastructure of Study Area

The present study is conducted in three major cities namely Delhi, Jaipur and Lucknow.

I. Health Infrastructure in Delhi

Delhi is the national capital of one of the largest democracy and rapidly expanding economy of the world. Ministry of Health and family welfare, headed by Principal Secretary “caters to health needs of nearly 160 lakh population of the ever-growing metropolis and also has to share the burden of migratory as well as floating population from neighbouring states which constitute nearly 33 percent of total intake at major hospitals in Delhi. For better administration, Delhi is divided
into 11 districts, each headed by one Chief District Medical Officer (11 CDMOs) who are under administrative control of Directorate General of Health Services (DGHS) and the CDMOs are responsible for monitoring the functioning of health centre’s / dispensaries in their respective Districts.”

According to the report published by Delhi Health Survey 2014-15 health care services in Delhi are provided by both Government and Non Government organizations. The Directorate General of Health Services (DGHS) is the major agency responsible for health care services in Delhi. It coordinates with other government and non government organizations for providing health facilities in Delhi. The report further states that as on 31st March 2014, there were 95 Hospitals, 2 Primary Health Centers, 1389 Dispensaries, 267 Maternity Homes and Sub Centeres, 19 Polyclinics, 973 Nursing Homes, 27 Special Clinics existing in Delhi.

II. Health Infrastructure in Jaipur

Jaipur popularly known as Pink City is equipped with technologically advanced health care services. Being the state capital of Rajasthan, Jaipur provides a good health care system. It constitutes around 91 wards, which are further grouped geographically into 8 zones. Department of Medical, Health and Family welfare, Government of Rajasthan aims to provide medical facilities to the citizens by maintaining health institutions and furthermore expanding the medical facilities.
In Jaipur health and medical needs of the people are provided by a good network of both Government and Private Hospitals which are well equipped with latest technology and manpower. There are around 9 major government hospitals and 5 satellite hospitals in the city. Satellite hospitals are formed to reduce the pressure on major hospitals. Furthermore, there are around 208 private hospitals in the city. In order to decentralize medical services, 33 government dispensaries are set up in Jaipur city to distribute medical facilities (Kirmani, 2011).

III. Health Infrastructure in Lucknow

Lucknow the capital Uttar Pradesh is one of the major health centers in North India. Department of Medical Health & Family Welfare, Government of Uttar Pradesh is responsible for providing affordable, accessible and quality medical health and family welfare services to the densely populated state of Uttar Pradesh. The Department provides health services at three levels. They are:

- **Level 1:** At the first level, health services are provided in urban areas through district male and female or combined hospitals. At present there are 80 District level hospitals, 6 combined hospitals and 63 female hospitals. These hospitals are generally 100-500 bedded hospitals.

- **Level 2:** Health care at this level is provided through community health centers (CHC) at Tehsil and block level. At present there are 308 CHCs in the state with the objective of providing quality healthcare in rural areas. Each CHC has 30 beds.
• **Level 3:** Health care at this level is provided through primary health centers (pHC), additional primary health centers and sub centre. At present there are 810 PHCs, 2830 additional PHCs and 1, 85, 65 sub centre having 4 beds each.

Lucknow is the epicenter of number of Government and Private Hospitals. Still the health infrastructure is lacking both in performance and numbers, and hence is not able to fulfill the health care requirements of the people.

### Table 2.2 Health Infrastructure of Delhi, Rajasthan and Uttar Pradesh

<table>
<thead>
<tr>
<th>State/UT</th>
<th>Population</th>
<th>Hospitals</th>
<th>Beds</th>
<th>Doctors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delhi</td>
<td>1.68 crore</td>
<td>109</td>
<td>24383</td>
<td>35168</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>6.86 crore</td>
<td>3145</td>
<td>46669</td>
<td>65343</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>19.98 crore</td>
<td>964</td>
<td>59945</td>
<td>10932</td>
</tr>
</tbody>
</table>

**Source:** National Health Profile, 2016 published by Central Bureau of Health Intelligence

### 2.7 Hospitals in India

The word ‘**Hospital**’ is closely related to the word ‘Hospitality’ derived from word ‘hospice’ means a house for rest or a place to refuge. Hospitals are complex organizations that provide preventive, rehabilitative and curative services to the population. According to World Health Organization “the hospital is an integral part of a social and medical organization, the function of which is to provide for the population, complete health care, both curative and preventive, and whose outpatient services reach out to the family in its home environment; the hospital is
also a centre for the training of health workers and for bio social research” and “an institution that provides inpatient accommodation for medical and nursing care” (Goel, 1980).

**Before Independence**

Hospitals in India are in existence since ancient times. During 6th century, at the time of Buddha there were numerous hospitals for the poor and disabled. The best hospitals in India were built at the time of Ashoka.

The use of allopathic medicine was introduced in 16th century by European missionaries in south India. During the British rule lot of development was made in the construction of hospital and the first hospital in India was probably built in Goa. In Madras first hospital was constructed in 1664 by East India Company for soldiers and another in 1668 for civilians, in Calcutta it was built in 1707-1708 and in Delhi in 1874.

**After Independence**

The scenario of healthcare in 1947 was very unsatisfactory. In order to formulate an integrated health system in India, **Health survey and Developments Committee** was implemented in 1943, under the chairmanship of Sri Joseph Bhore. The recommendations of this committee included raising bed population ratio in hospitals, establishment of hospitals and primary health centers etc. Thereafter various committees were formulated by the Government of India for the
development and improvement of health in India. Table 2.3 postulates list of Health committees and its recommendations:

**Table 2.3 List of Health Committees**

<table>
<thead>
<tr>
<th>S. No</th>
<th>Name of Committee</th>
<th>Chairman</th>
<th>Year</th>
<th>Purpose</th>
<th>Recommendations</th>
</tr>
</thead>
</table>
| 1.    | Bhore Committee           | Joseph Bhore       | 1943 | To investigate the present health situation and make suitable recommendations to improve the same. | • No individual shall be denied health service due to lack of money to pay.  
• Close proximity of health services to people.  
• Establishment of new hospitals |
| 2.    | Mudaliar Committee        | Mudaliar 1961      | 1961 | To identify the advancement made in the field of healthcare after submission of Bhore committee’s report and to suggest measures for future progress. | • Providing specialized services to district hospitals.  
• Formation of All India Health services.  
• Consolidating objectives and achievements of first and second five year plans. |
<p>| 3.    | Chadah Committee          | Dr.Chadah, M.S.    | 1963 | To investigate the development and maintenance phase of                 | • National Malaria Eradication Programme should be monitored by primary health centers. |</p>
<table>
<thead>
<tr>
<th>No.</th>
<th>Committee/Group, Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>Mukerji Committee, 1965</td>
</tr>
<tr>
<td></td>
<td>S.H.B. Mukherji</td>
</tr>
<tr>
<td></td>
<td>1965</td>
</tr>
<tr>
<td></td>
<td>To review family planning programme.</td>
</tr>
<tr>
<td></td>
<td>Provision of separate staff for family planning programme.</td>
</tr>
<tr>
<td>5.</td>
<td>Mukerji Committee, 1966</td>
</tr>
<tr>
<td></td>
<td>Mukerji</td>
</tr>
<tr>
<td></td>
<td>1966</td>
</tr>
<tr>
<td></td>
<td>To recommend measures for strengthening the health service administration.</td>
</tr>
<tr>
<td></td>
<td>Recommended staff pattern for primary health center, district hospital.</td>
</tr>
<tr>
<td>6.</td>
<td>Jungalwala Committee</td>
</tr>
<tr>
<td></td>
<td>Dr.N. Jungalwala</td>
</tr>
<tr>
<td></td>
<td>1967</td>
</tr>
<tr>
<td></td>
<td>To consolidate health services.</td>
</tr>
<tr>
<td></td>
<td>Consolidation of health, personnel and organization from highest to lowest level.</td>
</tr>
<tr>
<td>7.</td>
<td>Shrivastav Group, 1975</td>
</tr>
<tr>
<td></td>
<td>Dr.J.V. Shrivastava</td>
</tr>
<tr>
<td></td>
<td>1975</td>
</tr>
<tr>
<td></td>
<td>To upgrade medical education and support man power.</td>
</tr>
<tr>
<td></td>
<td>• Constitution of parliament act for upgrading and maintaining standards in medical education.</td>
</tr>
<tr>
<td></td>
<td>• Nationwide network of health services should be formulated.</td>
</tr>
</tbody>
</table>

2.8 Classification of Hospitals

Hospitals are classified into different types depending on different criteria. Each hospital differs from another in various characteristics like ownership, structure, functions and the community it serves. Hospitals are mostly classified on the basis of following parameters:

- Ownership
- Length of stay of patients
- Size
- Objectives
- Clinical Basis
- Management
- System of medicine

I. Classification according to Ownership:

Hospital sector in India has three segments namely public sector, voluntary nonprofit sector and for profit private sector. This classification of hospitals is on the basis of:

a) Type of ownership
b) Profit or nonprofit nature

Hospitals belonging to each of these categories differ in their characteristics on the basis of performance, structure, functions and community they serve. Hospitals are classified according to different criteria but the most common classification is
based on financing and ownership patterns. On the basis of these criteria hospitals are classified into following categories:

- **Government hospitals:** These hospitals are controlled, managed and administered by public authority such as Central or State Governments or local bodies for noncommercial basis. These hospitals run with no profit motive except the motive of providing health care services to the citizens. The hospitals are funded from public budget and are accountable to the state and public at large. They can be further classified as general hospital or specialized hospital.

- **Private Hospitals/Nursing homes:** These hospitals are owned and controlled by individual doctor or group of doctors on commercial basis. It was in the early 80’s that the concept of corporatization was introduced. Apollo hospital started in Madras was the first hospital to introduce this concept. The sole motive of these hospitals is to earn profit. Most of these hospitals are public limited companies operating as a commercial enterprise and are accountable to the investing body.

- **Non Profit Hospitals (Charity):** These are charitable institutions controlled and managed by religious communities, groups or individuals to serve the poor and sick and provide healthcare to the citizens as a moral and social responsibility. The profit generated from these hospitals is reinvested back into the hospital to need the future requirements. The motive behind such hospitals is betterment and well being of society and to generate satisfaction without earning any monetary gains.
II. Classification according to length of stay of patient

According to length of stay, hospitals are classified into following categories:

- **Acute Hospital**: The hospitals where patient stays for short duration for treatment of acute diseases such as pneumonia, peptic ulcer are called acute hospital.

- **Chronic Hospital**: The hospitals where patient stays for longer duration for the treatment of chronic diseases such as cancer, tuberculosis are called chronic hospital.

III. Classification according to objectives

According to objectives, hospitals can be classified into following categories:

- **Teaching cum Research Hospitals**: These are hospitals to which college is attached for medical/dental education. The primary objective is research based teaching and provision of healthcare is secondary such as Post Graduate Institute of Medical Education and Research (PGIMER), Chandigarh; Victoria Hospital, Mysore.

- **General Hospital**: The hospital which has at least two or more doctors offering patient accommodation and providing nursing and medical care such as general medicine, gynecology, pediatrics etc are included in this category. These hospitals basically provide treatment for common diseases and conditions. Primary objective of these hospitals is provision of medical
care for the people and research cum teaching is secondary objective. This includes all district and rural hospitals.

- **Specialized Hospital**: These hospitals provide nursing and medical care for a specific disease or condition related to one particular discipline such as ENT, oncology, cardiology.

- **Isolation Hospital**: In these hospitals infectious/communicable diseases are treated and patients suffering from them are kept isolated such as Epidemic Diseases Hospital, Bangalore.

**IV. Classification according to size:**

According to Health committee report, hospitals are divided into following categories according to size (on the basis of bed strength).

- **Teaching Hospital**: Teaching hospital has bed strength of five hundred. However, number of beds increases on the basis of number of students.

- **District Hospital**: District hospital has bed strength of two hundred. However, number of bed can be increased to 300 depending upon the population.

- **Taluk Hospital**: Taluk hospital has bed strength of fifty. However, bed strength can be increased depending upon the population to be served.

- **Primary health centers**: A Primary health centers has bed strength of six which can be raised to 10 depending upon the requirement.

**V. Classification according to management:**
• **Union Government:** This includes hospitals governed by government of India. Such as hospitals run by military, railways are undertakings of central government.

• **State Government:** Hospitals controlled by state/union territory including police, prison.

• **Local Bodies:** This includes hospitals administered by local bodies such as panchayat, municipal corporation etc.

• **Autonomous bodies:** Hospitals established under special act of parliament or state legislation funded by central or state government. Such as All India Institute of Medical Science (AIIMS), New Delhi; PGIMER, Chandigarh.

• **Private:** All hospitals owned by individuals or private organizations such as Hinduja Hospital, Mumbai; Manipal Hospital, Bangalore.

• **Voluntary agencies:** This includes hospitals administered by trust or charitable society or voluntary body registered by suitable authority under central or state government’s laws such as Christian Medical College (CMC) Hospital, Vellore.

**VI. Classification according to system**

According to the system of medicine, hospitals can be classified into following categories:

• Allopathic hospitals.

• Ayurvedic hospitals.

• Homeopathic hospitals.
• Unani Hospitals.
• Hospitals of other system of medicine.

2.9 Present scenario of Hospitals in India

Globally technological advancement has outpaced all economic, political and social policies and has provided healthcare professionals with tools and equipments which enable them to diagnose and treat illness in a more effective and efficient manner. India has also started witnessing such changes. According to the Economic Survey 2016, the average cost of treatment in private hospitals excluding child birth is four times more than that of government hospitals, which reflects how challenging it is to provide affordable and accessible health care in India. It also reveals that scarcity of resources and rising demand requires increased government spending in the health sector. Survey also highlighted the importance of committed human resources for the efficient and effective functioning of healthcare services in the country. But the biggest challenge that India is facing is the shortage of doctors, nurses, specialists and others that affects the availability of health services especially in rural areas.

Present situation indicates that employees can no longer be treated as a commodity. Human resources weather doctors, nurses, radiologist all are very important for the effective functioning of the hospitals. Since they are progressive in their outlook and are part of various trade unions and associations it is very necessary to keep them motivated and satisfied. All this makes the role of human resource management all the more important in hospitals. Countries like USA,
Canada, Germany have already realized the importance of human resources in hospital administration and have started taking consequent steps in this direction. But in India, this recognition is still lacking due to several reasons such as:

- The increasing size of hospitals have made the employer employee relationship complex due to the introduction of supervisors who are just concerned with getting the work done. As a result, communication between administrators and employees has diminished.

- Employee relations are becoming increasingly complex due to dynamic hospital environment. Trained and committed human resource managers are required who can solve these problems to maintain hospital peace and harmony.

- One major problem which the hospitals are facing is the shortage of skilled healthcare staff which in turn is leading to the deterioration of healthcare services.

- Earlier USA, Australia and now Arabian countries have started offering lucrative salaries and incentives to healthcare personnel’s which our employers are not able to provide. This is resulting into brain drain in our country.

- Numerous labor laws relating to employment in hospitals are passed from time to time. The HR manager should be well versed with all these legislations for the smooth functioning of hospitals.
• Healthcare personnel’s working in hospitals face various problems like long working hours, night shifts, excessive patient load etc which leads to work life imbalance and increases the level of stress among them.

Changing trends indicate the following situation faced by hospitals of India:

➢ Increased dominance by consumers of healthcare rather than providers of healthcare.
➢ Hospitals will become equivalent to industries.
➢ Concept of Specialized hospitals is gathering momentum which is catering to the needs and requirements of patients on the basis of specialization. This will lead to:
  • Increased requirement of managerial skills in hospitals due to growing complexity.
  • Emergence of corporate hospitals which are capital and technology intensive.
  • Medical tourism

2.10 Profile of Hospitals included in the study

For this study six hospitals have been selected from that three are Government Hospitals and three are private hospitals. One Government and one Private hospital is selected from each of the three major cities namely Delhi, Jaipur and Lucknow respectively. The details are as follows:
Sawai Man Singh Hospital and Medical College, Jaipur: Sawai Man Singh Hospital is one of the major, multispeciality hospital in Jaipur and Rajasthan state of India, with 255 doctors and 660 nurses with 1,563 beds in 43 wards. It also provides practical knowledge to the students studying in Sawai Man Singh Medical College. Major departments of the hospital are as follows:

- Emergency and Accident Department
- Pre-Clinical Department
- Para-Clinical Department
- Medical Specialties
- Surgical Specialties
- Obstetrics & Gynecology
- Medical Super Specialties
- Surgical Super Specialties

Santokba Durlabhji Memorial Hospital (SDMH), Jaipur: Durlabhji is “private, trust-managed, autonomous, fee-for-services and not-for-profit hospital that the late Khailshanker Durlabhji conceptualized.” Santokba was established on 29th November, 1971 and it was the first Private hospital in Rajasthan. This is a multidisciplinary tertiary hospital with 551 beds with 25 specialties, 12 operation theatres, several wards and with one of the finest blood bank in Rajasthan. It aims at providing high quality care to the patients of all sections of the society at affordable cost. SDMH is referred in Rajasthan for:
• Complex G.I surgery
• Knee and hip replacement
• Bariatric surgery
• Mother and child care
• Neurosciences
• Cardiology
• Rehabilitation medicine

Safdargung Hospital and Vardhman Mahavir Medical College (VMMC), New Delhi: It is one of the largest, tertiary multispecialty hospital founded in 1942 during the second world war and was taken over by the Government of India in 1954 under ministry of health. The hospital has 1531 beds and is catering to the medical requirements of not only millions of Indian citizens but also of people from neighboring countries. Vardhman Mahavir Medical College, New Delhi established at Safdargung Hospital in November, 2001 is one of the eminent medical institutions in India. Following are the major departments Safdargung hospital and VMMC:

• Anatomy
• Anesthesia
• Biochemistry Clinical
• Blood Bank and transfusion and Pathology
• Biochemistry VMMC
• Burns and Plastic
• Cardiac Surgery-CTVS
• Cardiology
• Community Medicine

➢ **Indraprastha Apollo Hospital, New Delhi:** It is the third super specialty hospital established in 1996 by Apollo Hospital group, India’s largest Healthcare chain. It is the second largest hospital in Delhi with 695 bed capacity. It is the First Hospital in India to be Internationally Accredited by *Joint Commission International* (JCI) consecutively for the fourth time. With its huge infrastructure and latest medical technology strives to deliver world’s best care to the patients. Apollo Hospitals have developed centre of excellence in:
  • Cardiac Sciences
  • Orthopedics
  • Emergency Care
  • Cancer and Organ Transplantation

➢ **Gandhi Memorial and Associated Hospital, Lucknow:** The hospital complex is spread over 88,000 square meters with a group of buildings housing various departments, wards, emergency and trauma centers. This is a medical university hospital with the total bed strength of 2424 where all the medical, nursing and surgical care is provided at very nominal charges. The hospital is managed by:
  • 435 Consultants
  • 715 Resident Doctors
Healthcare Sector

- 238 Nurses
- 48 Pharmacists
- 370 Technical and Paramedical Staff
- 275 Clerical staff

Sahara Hospital, Lucknow: It is a tertiary care hospital set up by Sahara India Medical Institute Limited, a subsidiary of Sahara Prime City Limited. The hospital strives to provide "quality healthcare with compassion efficiency". It is operating with 378 beds and is committed in providing quality medical care coupled with latest technology and medical excellence. It is multispecialty, tertiary care medical institution with 52 specialties. Sahara Hospital, Lucknow is recently awarded Best Multi Specialty Hospital in Non-Metro Category across India at ICICI Lombard & CNBC-TV18 India Healthcare Awards 2015-16.

The chapter provides an overview of Indian Healthcare Industry and also describes the growth of healthcare in India. The chapter highlights that Indian healthcare sector is second fastest growing sector of Indian economy next only to information technology. The chapter discusses the role of Ministry of Health and Family Welfare, in regulating the Indian healthcare sector by formulating various departments, programmes and provisions. The objectives and recommendations placed by various health committees to improve the health status of the country are included. Further the chapter states the health infrastructure of India. The classification of Hospitals on the basis of various parameters and the present scenario of Hospitals in India is discussed. Due to changing technological, political
and social environment hospitals in India are facing challenges such as shortage of funds, lack of skilled healthcare professionals, and dominance of private hospitals. Furthermore, the chapter describes the health infrastructure of the major cities included in the study along with brief introduction of the selected hospitals.
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