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1. Healthcare – An Emerging Sector with high Potential

2. The link between Migration and Health
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Healthcare – An Emerging Sector with high Potential

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Introduction

The emergence and importance of service sector can be illuminated by quoting Charls Handy (1984) “We are witnessing a change in the nature of jobs. Muscles jobs are disappearing, finger and brain jobs are growing or to put it more formally, labour based industries have been displaced by skill based industries and these in turn will have to be replaced by knowledge-based industries.”

Services are the largest sector in the world, accounting for more than 70% of global output. In alignment with the global trends, Indian service sector has also emerged as one of the major contributor to both national income and employment in recent times. There are three groups of services, which need to be analysed for comparative role played by these activities. Group one includes traditional services- retail and wholesale trade, transport and storage, public administration and defence, exhibiting slow growth as their share in GDP has gradually fallen. Group two is hybrid of traditional and modern services consumed mainly by household like education, health, social work and other community, social and personal services, whose share in GDP has risen with the rise in per capita income. Group three includes modern services financial intermediation, computer services, business services, communications, and legal and technical services – whose share in GDP has risen significantly faster than per capita income.

Health Care Industry – An Overview

Healthcare is one of the largest sectors in India in terms of revenue and employment and the sector is expanding rapidly. During 1990s, Indian healthcare grew at a compound annual rate of 16%. At present the total value of the sector is more than $34 billion i.e. about 6% of the Gross Domestic Product. By 2020, India’s health sector is projected to grow to nearly 280 million. The private sector accounts for more than 75% of total healthcare spending and with the growing fiscal constraints of the central and state government; the scope for private sector is expected to enlarge in coming years. The healthcare industry in India earns revenue accounting for 5.2% of GDP and provides employment opportunities to as many as 4 million people
healthcare segment or other related sectors catering to healthcare industry. In recent times, India has emerged as a favourable destination for medical tourism due to comparative cost advantage of treatment.

The Healthcare Sector in India comprises of hospitals and allied sectors such as; diagnostics and pathology, medical equipments and supplies, medical tourism and private medical insurance. According to YES Bank and ASSOCHAM Report, from the current estimated size of US $35 billion it is projected to grow at 23% p.a. to touch US$77 billion. During the period 2000-09, the sector has registered a growth of 9.3%, comparable to the sectoral growth rate of other developing nations such as China, Mexico and Brazil. According to the report, the growth of the sector will be driven by healthcare facilities in private and public sectors, medical diagnostic centres and pathological labs and the medical insurance sector.

Healthcare industry- Breakup (Source- IDFC Securities Health Sector, 2010)

<table>
<thead>
<tr>
<th>Item</th>
<th>% share of market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitals</td>
<td>50</td>
</tr>
<tr>
<td>Pharma</td>
<td>25</td>
</tr>
<tr>
<td>Diagnostics</td>
<td>10</td>
</tr>
<tr>
<td>Insurance/Medical equipment</td>
<td>15</td>
</tr>
</tbody>
</table>

**Growth of Healthcare Services**

The healthcare industry in India is reckoned to be the engine of the economy in the years to come. At present it is worth $17 million and expected to grow by 13% per annum. The sector encompasses healthcare instruments, healthcare in the retail market, hospitals etc. As per a study by Ernst & Young, India would require additional 1.75 million beds by the end of 2025. It requires approx $86 billion investment, out of which only 15-20% can be met by the public sector. Therefore corporate sectors are leveraging on this business potential and various health care brands have started aggressive expansion in the country. To mention a few- Reliance Health, The Hidujas, Sahara Group, Emani, Apollo and the Panacea group. The rural
healthcare is also on an upsurge. During last years, the number of PHCs\(^1\) have increased by 84\% and 1500 health sub-centres and 25000 nurses and midwives have been added. (Rural Health Survey Report, 2009, Ministry of Health). The drugs and pharmaceutical sector has attracted FDI worth $1.82 billion during 2000-10, while hospitals and diagnostic have received FDI worth $ 955.10 million. (Department of Industrial Policy and Promotion, 2011).

**Market size of Healthcare Industry in India**

The Indian healthcare industry is expected to become a US $ 280 billion industry by 2020. It has emerged as one of the largest service sector after IT and is expected to touch a GDP share of 8\% by 2020 from 5.5\% in 2009. The sector will continue to offer investment opportunities in increasing bed capacity, ancillary industries like medical technology and diagnostics in cities while speciality services like cardiology, neurology, joint replacement are likely to attract most of the investment in bigger cities\(^2\).

### Table: Market Capitalisation

<table>
<thead>
<tr>
<th>Item</th>
<th>Market Capitalisation (cr)</th>
<th>CARG (^3)(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitals/Nursing Homes</td>
<td>54,000</td>
<td>20</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>9,000</td>
<td>15</td>
</tr>
<tr>
<td>Clinical Lab Diagnostics</td>
<td>4500</td>
<td>30</td>
</tr>
<tr>
<td>Imaging Diagnostics</td>
<td>4500</td>
<td>30</td>
</tr>
<tr>
<td>Training/Aesthetic/Retail pharmacy</td>
<td>9000</td>
<td>40</td>
</tr>
</tbody>
</table>

Source- Investment Commission of India, 2010

**Drivers of growth for the Healthcare Sector**

A combination of demographic and economic factors is projected to bring about increased healthcare coverage in India, which is expected to drive the growth of the sector.

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\(^1\) The primary health care infrastructure provides the first level of contact between the population and health care providers. The govt funded PHC include sub-centres, primary health centres and community health centres/ First Referrals Units.


\(^3\) CAGR - Compound Annual Growth Rate
Increased population with shift in demographics -- Expected increase in population from about 1.1 billion in 2009-2010 to 1.4 billion by 2026. 60 percent of the population in the younger age bracket and an expected increase of geriatric population from current 96 million to around 168 million by 2026. This represents a huge patient base and creates a market for preventive, curative and geriatric care opportunities.

Potential for increased penetration of health insurance -- The insurance segment is worth $3 billion at present and growing at 20% per annum. Though it is growing at a faster rate than the healthcare (13%), but still there is a gap of $200 billion.

Public awareness and increased affordability of the middle class -- Growing general awareness, patient preferences and better utilisation of institutionalised care as a result of increase in literacy rates.

Growing lifestyle related Disease -- There is likely to be a marked increase in the incidence of lifestyle-related diseases, such as cardiovascular, oncology and diabetes, when compared to the communicable and infectious diseases, mainly due to increased rate of urbanisation.

Strong economic growth compared to other countries -- In spite of global recession, Indian growth rate has been fairly higher compared to other countries, generating business confidence in the economy.

Increased public and private spending – Apart from increase in both public and private expenditure, the government is providing a number of tax benefit to the industry. Lower direct taxes, higher depreciation on medical equipment, income tax exemption for 5 years to hospitals in rural areas, etc. are being provided by the Government to the sector.

Emergence of new model of healthcare delivery – driven by increased domestic demand for high end infrastructure services, the healthcare sector has attracted huge investment in recent times.

Medical tourism -- India emerging as a major medical tourist destination with medical tourism market expected to reach USD 2 billion by 2012.

Emerging Trends in Healthcare: Challenges and Interventions
Though India in recent past has made a significant improvement in many of the macro health indicators, like life expectancy, crude death rate, infant mortality rate, but still the country is way behind to the standards prescribed by World Bank and World health Organisation. While India is being propelled to a position of international eminence, it faces three main groups of challenges: first, dealing effectively with unfinished agendas of communicable diseases, maternal and child health, and health systems strengthening; second, dealing with new emerging challenges such as premature burden of non-communicable diseases; and third, dealing with globalization related issues while contributing to the management and shaping of the global policy environment. These challenges and policy actions can be summarised as follow.

- **The healthcare divide** -- When it comes to healthcare, there are two India: the country with that provides high-quality medical care to middle-class Indians and medical tourists, and the India in which the majority of the population lives—a country whose residents have limited or no access to quality care. Today only 25% of the Indian population has access to Western (allopathic) medicine, which is practiced mainly in urban areas, where two-thirds of India’s hospitals and health canters are located. Many of the rural poor must rely on alternative forms of treatment, such as ayurvedic medicine, unani and acupuncture.

- **Lack of insurance** -- A widespread lack of health insurance compounds the healthcare challenges that India faces. Although some form of health protection is provided by government and major private employers, the health insurance schemes available to the Indian public are generally basic and inaccessible to most people. Only 11% of the population has any form of health insurance coverage.

- **Deteriorating physical and manpower infrastructure** -- India’s healthcare infrastructure has not kept pace with the economy’s growth. The physical infrastructure is woefully inadequate to meet today’s healthcare demands. While India has several canters of excellence in healthcare delivery, these facilities are limited in their ability to drive healthcare standards because of the poor condition of the infrastructure in the vast majority of the country. In 2009, the number of beds available per 1000 people in India was only 1.27, which is less than half the global average of 2.6. There are 369,351
government beds in urban areas and a mere 143,069 beds in rural areas. At six doctors per 10,000 people, the number of qualified doctors in the country is not sufficient for the growing requirements of Indian healthcare. Moreover, rural “doctors to population” ratio is lower by 6 times as compared to urban areas.

- The Dual disease burden -- India’s urban population has witnessed an increase of 4.5 times over 1951-2001 compared to a 3 times increase in the total population over the same period. With increasing urbanization and the problems associated with modern-day living in urban settings, the disease profiles are shifting from infectious to lifestyle-related. It is estimated that by 2012, 50% of the spending on inpatient beds would be for lifestyle-related diseases.

**Opportunities within Indian Healthcare Sector**

Given the current state of India’s healthcare system, its challenges and its growth prospects, an industry body\(^4\) has identified a number of market opportunities for foreign companies that want to participate in the sector.

- Medical tourism
- Emerging health insurance market
- Growth of telemedicine\(^5\)
- Healthcare infrastructure expansion
- Medical equipment market
- Opportunities in pharmaceutical industry and research
- Manufacturing of drugs
- Clinical trials

**Summary**

While the Indian Healthcare sector is poised for growth in the next decade, it is still plagued by various issues and challenges. The private sector has evolved a multi-pronged approach to increase accessibility and penetration. It has tackled the issue of lifestyle related diseases with the development of high-end tertiary care facilities.

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\(^4\) **PrincewaterhouseCoopers**, *Emerging Market Report: Health In India -2007*

\(^5\) the remote diagnosis, monitoring and treatment of patients via videoconferencing or the Internet.
Also new delivery models such as Day-care centres, single specialty hospitals, end-of-life care centres, etc. are on the horizon to service larger sections of the population and address specific needs. The Public Sector is keen to continue to encourage private investment in the healthcare sector and is now developing Public – Private Partnerships i.e. PPP models to improve availability of healthcare services and provide healthcare financing. Both sectors have also undertaken initiatives to improve functional efficiencies in the form of accreditations, clinical research, outsourcing of non-core areas, increased penetration of healthcare insurance and third party payers etc.

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According to United Nations estimates, 120 million of the approximately 175 million migrants worldwide are migrant workers and their families. Legal and illegal workers have a different status and, therefore, varying levels of access to basic social services. In addition, migrants' fundamental health needs are not always adequately met, thus raising concerns with regard to equity, social cohesion and inclusiveness. For all the above reasons, migrants' health is becoming an increasingly important public health matter.

The relationship between migration and health can be both positive and negative, and a growing literature provides evidence from a wide range of geographical and demographic contexts. Much of the literature that explicitly examines the relationship between migration and health focuses on the spread of communicable diseases (e.g. HIV/AIDS). There is a need for more attention to be paid to the kind of communicable diseases that affect the poor disproportionally when compared with other income groups, which may develop as a result of unhealthy working and living conditions.

This paper aims to raise some of the issues contributing to the complex relationship between migration and health.

KEYWORDS

Migration, Health, Equity, Inclusive

1. Introduction

The importance of addressing the health and well-being of migrants has been receiving greater attention, in recent years, at both international and regional levels. In 2008 the Sixty-First World Health Assembly Resolution on the Health of Migrants called upon participating nations to "promote migrant-inclusive health policies and to promote equitable access to health promotion and care for migrants."

Migration is an old phenomenon that happens due to political, economic, and social factors. But a systemic analysis of human spatial mobility is comparatively a new thing, which has gathered momentum in the last two decades. Migration takes place due to various economic and individual reasons, and shaped by specific socio-demographic structure. Age, sex, education, attainment, occupation and income determine the context in which migration takes place. There is lack of systematic information and health impact assessment among the migrant population, but their health risks are predetermined by certain factors at the destination area.

- Government Related Factors such as national policy, community development, public services and housing.
- Employer related factors such as work safety, insurance coverage, health related benefits.
- Health sector related factors such as preventive network, health service provision, availability of health infrastructure and prices.
- Individual related factors such as social support at destination areas, health beliefs, health behaviour and help seeking behaviour, impact the individual and collective health risks of migrant.

2. Types of Migration

Broadly speaking, migration is of two different types—internal and international. Both the types can be either voluntary or forced. Migration is voluntary or forced on the basis of the factors that propel migration at the point of origin. In the case of voluntary migration, the decision to migrate is taken as a part of an informed choice made by the prospective migrant, while in the case of forced migration, conflict, political violence, armed conflict, development-induced displacement, are major reasons for migration. There is no agreed definition of who is a migrant. As summarised by Decosas and Adrien,(1997) Haour Knipe and Rector (1996), Luine(1998), "migrants may be defined by their legal status or ethnicity and may be categorized as labour migrants, refugee, resettlement, internal or international migration."

3. Health and migration

Migrants have always been conceptualized as problematic in the context of policies both nationally and internationally. This mindset has led to complex public health issues posed by migration. At the same time the health of migrants has become a serious public policy issue as they represent most vulnerable and marginalised group of population. The magnitude of migration, forced or voluntary, regular and irregular clearly suggests that migration has the potential to pose public health challenges. Migration can expose individual and groups in many settings at health risks. Many individuals and groups in certain settings remain excluded from the benefits of health and healthcare. (Banerjee and et al, 2005).

Causal Factors Affecting Migrant's Health:—

- Overcrowded living conditions which facilitate increased transmission of infectious diseases
- Poor nutritional status and consequent lowered immunity due to lack of food before, during and after displacement
- Inadequate quantities and quality of water to sustain health and allow personal hygiene
- Poor environmental sanitation
- Inadequate Shelter

These factors are interrelated and their impact changes as per the social and economic status of migrants at the destination areas as well as the place of origin. Some of the literature also distinguishes between "healthy migrant effect" and the "exhausted migrant effects" (Bollini and Sen, 1998). It has been found that migrant workers are selected for their good health and better working ability but later in life or next generations do not enjoy these benefits but end up with substantial disease burden and disability.

3.1 Degrees of Vulnerability among Types of Migrants affecting Health

Vulnerability can be understood as a state of being exposed to or susceptibility to danger or abuse. The vulnerability which is primarily premised on the alien status of the migrant gets complicated by the combination of factors at the area of destination. Various survey and studies have shown that migrants...
are disadvantaged relative to the native population regarding employment, education and health. They suffer mainly three types of vulnerability, economic, political and social. The economic vulnerability of the migrant is consequence of the informal work arrangement from the employers' end. Employer prefers to employ migrant labours with lower wage replacing local workers. (Bremen, 1995)6 Political vulnerability comes due to denial of voting powers and participation in local governance. Social vulnerability is reflected in the presence of discrimination, social distance and feeling of alienation in the host area. A bias against the migrants may translate into health provider neglect which in turn perpetuates poor migrant health.

In the case of international migrants, one of the most important determining factors that pose barriers to accessing health services is the question of their legal status in the host areas. National health-care plans often discriminate against temporary migrants and especially undocumented ones by making only emergency care available for non-citizens. This forces migrants to delay health-seeking till the condition is sufficiently hazardous to justify going to emergency clinics. Another factor which prevents irregular international migrants from seeking healthcare and treatment is the fear of their illegal status being discovered (WHO 2003). In the case of internal labour migrants, their informal work arrangements\(^6\) in the city denies them access to adequate curative care. (Census, 2001)

2.2 Internal Migrants in India and their Health Needs

Internal migration by place of birth has increased in India, from 1991 (838.5 million) to 2001 (1,028 million). Following figures clearly shows that there has been an increase in the internal migration between the two census periods.

<table>
<thead>
<tr>
<th>Migrants</th>
<th>1999</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intra-state</td>
<td></td>
<td></td>
</tr>
<tr>
<td>intra -district</td>
<td>136.2</td>
<td>181.7</td>
</tr>
<tr>
<td>Inter -districts</td>
<td>59.1</td>
<td>76.8</td>
</tr>
<tr>
<td>Intra state</td>
<td>27.4</td>
<td>42.3</td>
</tr>
</tbody>
</table>

Source, census, 2001

During the 2001 census period, 14.4 million people migrated within the country for work purposes either to cities or areas with higher expected economic gains. The National Commission on Rural Labour (NCLR) estimates the number of internal labour migrants in rural areas in India alone at around 10 million (including roughly 4.5 million inter-state migrants and 6 million intra-state migrants). A large number of migrants work in the urban informal manufacturing construction, services or transport sectors and are employed as casual labourers, head loaders, nickshaw pullers and hawkers (Dev, 2002). Migrant workers preponderate in the lower income labour market with higher risks of exposure to unsafe working conditions. (Allotey Pascal 2003)

In the case of internal migration among poor labourers, their susceptibility to health problems results from their peripheral socioeconomic existence in the host areas. Since they are absorbed in the informal economy, they exist as undocumented labour in most cases and are not covered by labour welfare schemes. Poor living conditions such as lack of proper water supply, poor drainage system and unhealthy practices and deplorable sanitary conditions expose the migrants to various kinds of health risks predetermined by their standard of living and their choice of occupation (Sundar et al, 2000, VHAH, 2000, Ray 1993). A health survey among displaced Kashmiri Pandits reveals that the affected population shows some signs of deterioration in the high incidence of skin and potentially fatal diseases (Norwegian Refugee Council, 2005). Migrant labour is more susceptible to HIV/AIDS infection

3.3 Women Migrants and Children

Contrary to the popular perception that a typical migrant is a male, the ILO Migrant Workers Report, 1999 note that about half of migrant population worldwide (90 million) is female. According to the 2001 Census, 42.4 million women migrants out of the total 65.4 million female migrants in India, mentioned marriage as the main reason to migrate within the country. As associated migrants, women suffer greater vulnerability due to reduced economic choices and lack of social support in the new area of destination. Women and children in an irregular situation are doubly vulnerable owing to their lack of proper legal status and high risk of sexual exploitation. The low health status of women can be seen from indicators such as antenatal care age, prevalence of anaemia, prevalence of reproductive tract infections and violence against women (Kundu, 2002). Children suffer from low immunization when their parents are in perpetual low-income uncertain jobs that necessitate frequent shifts based on concentration of work (Sundar et al, 2000).

3 Summary

The third important determinant of demography, migration has been under-studied relative to the extensive international research literature on mortality and fertility. Nevertheless, a body of migration work in demography exists, as it does within other disciplines including anthropology, economics, history, law, political science and sociology. While many research questions would benefit from a cross-disciplinary approach and perspective, work that draws on two or more disciplines remains relatively rare. The literature on migration derives from a range of disciplines, yet little attention is paid to intra-household dynamics, and the study of macro patterns of migration is limited mainly due to the dearth of national data for quantitative research

The relationship between health and migration is very complex and is predetermined by a number of factors both at host areas and the transit place. The problem becomes more severe due to the fact that migrants don't form a homogeneous group and therefore their health needs vary. As health is a basic right and migrant labour fulfills the critical labour supply gap and in the process help in economic gains, therefore the health needs of migrant population cannot be overlooked. There is also need to study the "healthy migrant effect" and why it is short lived. There is a lack of good comparative data on a number of health conditions, and there are significant differences in the incidence of known conditions among and within various migrant groups. More research work need to be done to discuss the myth and realities associated with migration and health. This paper is just a glance on the vast issues related with the migration and health seeking behaviour of different migrant groups.

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