



RESEARCH ARTICLE

CHALLENGES FACED BY HEALTHCARE-RELATED SECTORS IN INDIA DURING COVID-19 PANDEMIC: A REVIEW

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Abstract

After declaring the outbreak of COVID-19 as pandemic by World Health Organization on 11th March 2020, the total numbers of confirmed cases are exponentially increasing and crippling almost every nation in respect to its health status and economic status. India spending only 1.28% of its GDP, the health care sector had been stretched to its fullest capacity. Be it healthcare sector, medical tourism or pharmaceutical sector, every sector has been affected. Lessons learned from the present and past epidemics and pandemics can be used to formulate proactive steps to manage the risks of future epidemics and mitigate their impact. Collaborative actions at the levels of local, national, and multinational can be a way towards protecting our collective well-being in the near future.

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Introduction:-

Since the World Health Organization declared the pandemic of COVID-19 on 11th March 2020, the total number of cases is increasing at an alarming rate which on 9th June 2020 stands at 7,039,918 globally. (Who, n.d.) This pandemic is not only affecting the health status of the nation but also has a tremendous effect on the economy of the healthcare sector.

During any kind of outbreaks, the first of the sectors to be impacted is the public and private health sectors. A sudden increase in diagnostic procedures and hospital admission rates escalates the administrative and operational expenditure. To tackle this level of a surge in expenditure, there has to be an economically stable health care system.

During this present unfortunate scenario, the health care sector had been stretched to its fullest capacity in almost every country, be it developed or developing country. The ever increasing incidence rates and hospital admission rates have been over-straining the health-care personnel and health care facilities which is making the health sector performing ineffectively.

Challenges faced by different sectors:

Health care sector:

The countries spending upwards of 8-10% of GDP towards the health sector are crumbling in the current epidemiologic situation. India, in comparison to those countries, is only spending 1.28% of the GDP which is enough to give shivers to the government. Acknowledging the inadequacy of this for serving such a huge

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population, the government aspired to increase the spending to 2.5% of the GDP in the next 2-3 years. (Article, 2020)

Progress had been made towards strengthening the health sector by launching the program named Ayushman Bharat, which augmented the infrastructure and manpower by setting up of various new tertiary care centers, increasing seats in medical colleges, and expanding the primary care set up across the nation. Though many things had been done, still a lot needs to be done, which is acutely felt during this pandemic. (Article, 2020)

The major crunch of the economic crisis has to bear by the private health sector as about 70% of the outpatient and 58% of inpatient care needs are catered by them and has to face twin-burden such as:

1. Spending for additional manpower, equipment, consumables, and other resources so as to ensure 100 percent preparedness for safety in the hospital and treatment of patients
2. Enduring a sharp drop in outpatient falls, international patients as well as in elective surgeries

Moreover, owing to the surge in the number of COVID-19 cases and hospital admission rates, many state governments in India are looking towards the private sector for the treatment of COVID-19. This has laid to a few debating points as to how these private hospitals are paid. As mentioned in an article written by Shankar Prinja et al, payment can be done in either of the three ways which are as follows:

1. Converting entire hospital as COVID Hospitals and paying them in two parts; first being a global monthly budget (at a per-bed rate to account for the size of the hospital), and the second part as the differential amount by the level of care received (i.e., isolation alone, intensive care, and artificial ventilation).
2. Catering the needs on the case-to-case basis that is in addition to the routine services rendered by that hospital, providing isolation and treatment to COVID-19 patients as and when required. Payment to them could be done in two parts. First being computing based on a cost that is computed at lower levels of bed occupancy. And the latter being the addition of the cost of heightened infection control protocols, suggestive of use during the COVID-19 pandemic.
3. The third and most difficult of all way is to nationalize all private hospitals in the wake of this epidemic situation.

Most of the state governments are employing the first two ways to meet the increasing needs of the healthcare sector. (Prinja & Pandav, 2020)

Medical tourism sector:

Medical tourism in India, which in the pre-pandemic period is flourishing, now has been totally spiraled back to down. As the international traveling is not allowed across the globe for the time being, and also the fear of contracting the novel disease has been instilled in the minds of the people, the industry will have to go through a financial catastrophe.

Pharmaceutical sector:

The pharmaceutical sector has also faced a hit due to this unforeseen situation. To contain the outbreak China has declared lockdown there and the factories are being shut down. As India used to import about 70% of the active pharmaceutical ingredients from China, it is a very grave concern for the sector. (Hubs, 2020) But in the long run, the pharmaceutical sector can boost up as the potential beneficiaries needed to respond to this outbreak include the companies that produce vaccines, antibiotics, or other products.

Medical instrument manufacturing sector:

While some sectors are suffering, others may even benefit financially as the consequences of outbreaks and epidemics are disproportionately distributed throughout the economy.

The medical instruments manufacturing sector though initially for the short-term faced the grunt of the pandemic as almost the entire world is over-reliant on China which itself is going through a crisis. But over time, several non-medical equipment companies pushed up their manufacturing capacity and started to produce ventilators and other medical equipments that are currently needed. In the long run, this make-in-India trend can strengthen the economy of the country. (Long-term Impact of COVID-19 Pandemic on Healthcare Scenario in India – Express Pharma, n.d.)

Discussions:-

As seen during previous epidemic of Ebola, it added a significant burden to the health systems and economies of the effected countries. According to Clarke T et al, the estimated cost for the treatment of an EVD patient was approximately \$500,000. (U.N. says \$600 million needed to tackle Ebola as deaths top 1,900 - Reuters, n.d.)

A World Bank study analyzed the impact on economy of the Ebola epidemic and showed a decrease in GDP in Guinea, Liberia and Sierra Leone which were among the worst-affected countries. (Ebola-hit countries seek recovery plan to “keep standing,” n.d.)

The same outbreak had less impact on the countries with a strong health system and economy such as Nigeria and Senegal. (Ebola: Economic Impact Already Serious; Could Be “Catastrophic” Without Swift Response, n.d.)

Mahmoud Elmahdawy et al suggested in his article in order to curb the impact of the epidemics or any outbreaks, increase in long-term investments in health system strengthening is required and more funding towards the research and development aimed at developing vaccines and treatments should be done. (Elmahdawy et al., 2017)

From the various studies being reviewed it can be concluded that a stronger healthcare sector in terms of infrastructure and economy has the ability to combat the epidemic situations in a more resilient way.

Conclusions:-

Humans and infectious pathogens will never cease to co-exist and as a result epidemics and outbreaks are bound to occur which in turn will affect the economy. But on the positive note, lessons learned from the present and past epidemics and pandemics can be used to formulate proactive steps to manage the risks of future epidemics and mitigate their impact. Collaborative actions at the levels of local, national, and multinational can be a way towards protecting our collective well-being in the near future.

Declarations of interest:

None.

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