Corruption in Indian Medicine

Dr. Samiran Nundy

FORUM
OF FREE ENTERPRISE

"Free Enterprise was born with man and shall survive as long as man survives".

- **A.** D. **Shroff**
Founder-President
Forum of Free Enterprise

SHAILESH KAPADIA

(24-12-1949 – 19-10-1988)

Late Mr. Shailesh Kapadia, FCA, was a Chartered Accountant by profession and was a partner of **M/s** G.M. Kapadia & Co. and **M/s** Kapadia Associates, Chartered Accountants, Mumbai.

Shailesh qualified as a Chartered Accountant in **1974** after completing his Articles with MIs **Dalal** & Shah and **M/s** G.M. Kapadia & Co., Chartered Accountants, Mumbai. Shailesh had done his schooling at Scindia School, Gwalior and he graduated in Commerce from the Sydenham College of Commerce & Economics, Mumbai, in **1970.**

Shailesh enjoyed the confidence of clients, colleagues and friends. He had a charming personality and was able to achieve almost every task allotted to him. In his short but dynamic professional career, spanning over fourteen years, Shailesh held important positions in various professional and public institutions.

Shailesh's leadership qualities came to the fore when he was the President of the Bombay Chartered Accountants' Society in the year **1982-83.** During his tenure he successfully organized the Third Regional Conference at Mumbai.

Shailesh was member, Institute of Fiscal Studies, U.K.; member of the Law Committee and Vice-Chairman of the Direct Taxation Committee, Indian Merchants' Chamber. He was also a Director of several public companies in India and Trustee of various public Charitable Trusts.

He regularly contributed papers on diverse subjects of professional interest at refresher courses, seminars and conferences organised by professional bodies.

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Introduction

The article by an eminent surgeon Dr. D.S. Nandy reproduced in this booklet, is a real eye-opener of the serious maladies plaguing our healthcare sector. While many of the sharp practices and rackets among a fairly wide cross section of the medical fraternity are exposed in the public domain, this article is most timely.

It is indeed reassuring that these malpractices have been strongly censored by the Union Health Minister, Dr. Harsh Vardhan, himself on the floor of the Lok Sabha. He could not have used stronger words than "cartelization" among diagnostic centres and pathological laboratories", expressing concern that patients are subjected to unnecessary tests by doctors who are guided by the "lucre of commission" offered by diagnostic centres. He moaned that patients have no option but to pay the exorbitant fees, exacerbating their physical and mental agony.

These practices, besides being highly unethical, totally militate against the "credo" of the medical profession. The author has rightly suggested that the Government and the Medical Council of India must step in urgently to stem the rot. It is heartening that the Health Minister is drawing up a panel of doctors and consumer law experts to suggest measures for inducting greater transparency in

medical practices. It is fervently hoped that not only a strong code of practice will be evolved soon, but strictly enforced to provide relief to the long suffering public, specially the underprivileged who cannot afford such excessive fees and charges.

Providing access to good quality affordable medical treatment and medicines is a fundamental universal human right. Preventing and fighting diseases, easing suffering and saving lives is the real mission of the medical profession, especially in a country like ours where almost one-third of the population lacks access to medicare and even to basic medicines.

The headlines in the Times of India of July 28,2014 captioned - "US ***hospitals are fined millions for unethical acts, Indian ones go free***" is most pertinent. In the US more than six hospitals have been fined almost $200 million since the beginning of the year for extracting referral fees from patients. Dr. Harsh Vardhan has recently promised that he would refer such practices to the Ethics Committee of the Medical Council of India, ironically, a body he had himself referred to as a big source of corruption. To lend credibility to the warning given by the Health Minister it is imperative that a Health Care for Prevention and Enforcement Agency should be set up in India urgently to curb the widespread malpractices in the medical profession by prohibiting financial relationships between a part of the physicians and hospitals.

Above all the right to live a healthy life should not be contingent on one's ability to pay. The Health Minister being the custodian of our future generations must endeavour to create the regulatory environment which would effectively stem the nefarious practices unfortunately so widely prevalent in this noble profession. This is so vital to improve the quality of lives of India's future generation.

Let us remind the medical fraternity of the Oath taken by them.

"Wherever the art of medicine is loved, there is also a love of humanity." - ***Hippocrates***

They should live by it.

Minoo R. Shroff
President
Forum of Free Enterprise

July 23,2014

Corruption in Indian Medicine

by

Dr. Samiran Nundy*

A recent article in the British Medical Journal entitled 'Corruption ruins the doctor patient relationship in India'[1] made me feel quite ashamed for my country and my chosen profession. The author, David Berger, a district medical officer in Australia recounted his experiences as a volunteer physician in a small charitable hospital in the Himalayas and concluded that 'kickbacks and bribes oil every part of the healthcare machinery' and suggested that the will to reform it promptly from within the country seems to be lacking.

* ***The author is Gastrointestinal Surgeon, Sir Ganga Ram Hospital, New Delhi, and also the Editor-in-Chief of the journal, 'Current Medicine and Research', in which the article was first published in its issue: Vol.4, Issue, May-June 2014. (The author is also Editor-in-Chief of Raxa, a mobile and web-based health information technology company, based in India). The article has been reproduced here with the kind permission of the author and the journal for public education.***

After working here for 38 years both in the public as well as in the private sectors I could not, unfortunately, agree with him more. The process of individual corruption starts early with the capitation fees for entry for the MBBS course in many of the now ubiquitous private substandard medical colleges which are mainly owned by politicians. There the student encounters poorly qualified and disinterested teachers (some of whom appear only during visits by inspectors from the Medical Council of India) and worse still, few patients from whom to learn. He or she then appears in the final examinations where there may have been pressure put on examiners to pass him and his colleagues who hardly then deserve to be called doctors. It is not surprising that the end result is a practitioner who not only lacks adequate knowledge, is also deeply in debt and has at his mercy a poor, ill informed and trusting patient.

Can we expect him to be ethical when to survive he has to compete against colleagues who are giving kickbacks or 'cuts' for referrals and receiving them in cash filled envelopes from imaging centres and laboratories. The temptation to do unnecessary investigations like CT scans (1500 rupees cut) and MRIs and perform unnecessary procedures in the form of Caesarean sections, hysterectomies, appendicectomies and other operations for cash payments must be difficult to resist. And this does not only affect the doctor in a single

handed practice. In many of our five star corporate hospitals, where the main motive seems to be profit for the shareholders, there is an institutionalized system of so called 'facilitation charges' or fees for 'diagnostic help' given to the physicians who refer patients regularly and for expensive procedures like organ transplants which may reach 1-2 lakh rupees. The senior doctors we are told, whose pay is in astronomical figures, are visited by neophyte financial experts at the end of every month with sheafs of financial data and asked to justify whether they deserve the salaries are being paid especially when the revenue they have generated for the hospital from investigations and operations falls short of certain set goals.

And this corruption is by no means confined to private hospitals. Talking with colleagues in the public sector it seems that to get selected and promoted or avoid being transferred from a comfortable job to a less 'lucrative' post is almost impossible if one doesn't use the influence of politicians and bureaucrats before the actual day of decision. It is small wonder that these professors and associate professors fight over who should treat VIPs and wait on them hand and foot once they are admitted leaving the care of the poor to their junior colleagues (This practice I am told is now much less prevalent in the medical college promotion stakes because of the time bound system where it is possible to do very

little and automatically end up becoming an exalted Professor).

These instances of corruption in medicine are perhaps only a small part of the larger picture and based mainly on hearsay evidence because it would be near impossible to obtain hard data on these practices without resorting to unpleasant undercover investigations. Suffice it to say that most doctors with whom I have spoken agree that this state of affairs exists and Transparency International has concluded that the Indian health care sector, is the second most corrupt organization that an ordinary citizen has to encounter (next to the police force).[2]

But instead of giving up and saying nothing can be done in the prevalent national atmosphere of graft we, the silent minority, must try and do something about it because being a doctor involves duties and responsibilities over life and death entrusted to us by patients and society.

To place the problem in some kind of perspective and to start finding solutions we must answer three questions.

The first is that is corruption in medicine a universal phenomenon or does it exist only in India?

The second is that why does it occur?

Finally how do we go about trying to get rid of it?

The truth is that medical corruption, the use of entrusted power for private gain, exists all over the world and this has been thoroughly researched by organisations like Transparency International. It can be classified into Petty corruption e.g. jumping queues, bribing for early admission, fitness certificates etc. and Grand corruption like the procurement of drugs and equipment for hospitals, recognition of medical colleges and other facilities as well as for plum postings and admissions for undergraduate and postgraduate training. It occurs in India, China, Pakistan, Bangladesh, Africa, South America and most Eastern European countries and Russia as well as in the United States and Western Europe.[3] However it seems that in the third world and Eastern Europe both petty and grand corruption exist together. The petty variety mainly affects the poor who can least afford health care and are the most vulnerable to its increasing cost. In the developed world it rarely affects the individual patient but exists mainly at the grander level like drug company sponsored scientific workshops, lectures and payments for recruiting patients to clinical trials.

Berger's proposed solutions to reforming private medical colleges (near impossible now as they are firmly entrenched in the system) or derecognising their degrees by Western medical licensing authorities (affects few of these doctors as it is mostly those who have graduated from the elite institutions

who go abroad) will not change anything. I believe the main reasons that corruption in medicine occurs are lack of information to users, excessive red tape, shortages of doctors and healthcare supplies, poor salaries in the public sector and finally poor management and supervision. Its vast scale means that the corrupt can be fairly certain they will not be found out let alone punished for their misdeeds.

What is to be done? The first step is to provide information to users about services available as well as their cost which they can easily understand. The gulf between health care providers and users in India and the trust that is reposed in the generally revered doctor means that a patient will nearly always do what he or she is advised. The second is to strictly monitor all engagements between parties in the healthcare sector such as between an individual patient and doctor as well as a pharmaceutical supplier and a hospital. All this can be done by the use of electronic medical record systems using, even smart phones which are now accessible to more than 90 million Indians. The advantage of electronic records is that they are cheap, portable, accessible and accurate.[4] There is evidence too that not only does the use of electronic records make healthcare more effective.[5] it also reduces the scope for corruption.[6] In the USA with Obamacare it is becoming widespread and in India we, and here I must declare a conflicting interest, are already are

working on a prototype called RaxaDoctor which is appropriate to our needs.[7]

We can create national watchdogs like Britain's National Fraud Authority which has brought down corrupt practices in the National Health Service.[8] Finally once he or she is caught the corrupt doctor or health worker should be subjected to exemplary punishment.

The new government in India has been elected mainly because people are disgusted with the all pervasive corruption in this country. There is now hope that we can get out of this current morass but we must act soon.

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It is relevant to reproduce below an extract from the "Economicc Survey" presented by the Union Finance Minister to the Parliament in July 2014 about providing quality and affordable healthcare fro the large Indian population - Editor.

Health Programmes

13.22 Providing quality and affordable healthcare to the large Indian population, particularly the poor and underprivileged, is a formidable task. The allocations for the health sector have increased over the years. In 2013-14, there was an increase in outlay for the health sector by 7.44 per cent over the previous year to 732,745 crore. The combined revenue and capital expenditure of the centre and states on medical and public health, family welfare, and water supply and sanitation has increased from 753,557 crore in 2006-07 to ₹1,36,296 crore in 2012-13 (BE). The central government outlay for the health sector in the Twelfth Plan has been increased by about 200 per cent to ₹3,00,018 crore over the actual outlay of 799,491 crore in the Eleventh Plan. The process of rolling out universal health coverage has also been set in motion. Though the progress in the health sector as reflected in selected health indicators (Table 13.8) is impressive, with just a 1.4 per cent share in India's GDP, a lot more needs to be done to provide quality and affordable healthcare for the large Indian population.

Sl. No.	Parameter	1981	1991	2001	Current level
1.	Crude birth rate (CBR) (per 1000 population)	33.9	29.5	25.4	21.6 (2012*)
2.	Crude death rate (CDR) (per 1000 population)	12.5	9.8	8.4	7.0 (2012*)
3.	Total fertility rate (TFR)	4.5	3.6	3.1	2.4 (2012*)
4.	Maternal mortality ratio (MMR) (per 1,00,000 live births)	NA	NA	301 (2001-03)	178 (2010-12*)
5.	Infant mortality rate (IMR) (per 1000 live births)	110	80	66	42 (2012*)
	Rural	NA	NA	NA	46
	Urban	NA	26.5 NA	NA	28
6.	Child (0-4 years) mortality rate (per 1000 children)	41.2		19.3	11 (2012*)
7.	Life expectancy at birth	(1981-85)	(1989-93)	(1999-03)	(2006-10)**
	Total	55.4	59.4	63.4	66.1
	Male	55.4	59-0	62.3	64.6
	Female	55.7	59.7	64.6	67.7

Sources: Ministry of Health and Family Welfare; **Sample Registration* Survey (SRS), "'Abridged Life tables, *1999-03, 2003-*07 to 2006-10, Registrar General of India.

\We are conscious of the fact that the government has over the years initiated many promising programs Natioanal Health Mission, Janani Suraksha Yojana,

Janani Shishu Suraksha Karyakram, Integrated Child Development Services Scheme, et al. But there are numerous shortcomings in all such health sector programs at national, states and local authorities levels. What is critical is adequate availability and accessibility of overall health infrastructure, organizational capability, distribution of affordable medicines, support systems of qualified doctors, nursing personnel and other supporting manpower.

Not surprisingly, with all the progress made so far, our current levels of maternal mortality is high at 42 per 1000 live birth [and it is still higher in rural areas]; and our maternal mortality ratio is 178 per 100 thousand live births. These are some glaring shortcomings and there are more in terms of spread of dreadful diseases. The crucial point in our effort to bring home the issues of corruption in the health sector is that we need to get more effective outcome from limited financial and physical resources. If we combat corruption and reduce the leakages in the system, even with current levels of public expenditure, India would be able create better health care systems at different levels of government Better governance rather than increased governmental interventions holds the key! - Editor.

The views expressed in this booklet am not necessarily those of the Forum of Free Enterprise.

"People must come to accept private enterprise. not as a necessary evil, but as an affirmative good".

- Eugene Black
Former President,
World Bank

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