



Public Private Partnership in Health Care China and India

Speakers: Rama Baru, Madhurima Nundy

Chair: Prof. Manoranjan Mohanty

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Prof. Rama Baru laid out the scope of the presentation at the very outset. She mentioned that the presentation would mainly look in the areas of defining Public-Private Partnership (PPP) in health care, the ways in which PPP's in health care work differently in China and India, the architecture of PPP's and whether PPP's can be regarded as stepping stones towards privatisation. She also pointed out that she would deal with the debate on Universal Health care versus Universal Health coverage. According to both speakers the definition of PPP's provided by the World Bank in 2014 is simplistic in nature. The definition states that PPP's are "a long term a long term contract between a private party and a government entity, for providing a public asset or service, in which the private party bears significant risk and management responsibility, and remuneration is linked to performance". In the opinion of the speakers, the definition does not include very many aspects like the socio-political and institutional contexts in which such contracts are forged, the power dynamics, the contradictions inherent in such partnerships and the likes.

Prof. Baru highlighted the history of PPP's in health care in India and how national programmes in India were based on such partnerships between the government-for profit and non-profit institutions. However, the 1980's saw an institutionalization of such partnerships in India. Both the speakers argue that PPP's are a stepping-stone from commercialisation to privatisation and corporatisation of medical care.

Prof. Baru mentioned that the Chinese case has been more complicated in this regard and there has been a trend towards commercialisation of public hospitals due to which revenue generation has fallen upon the individual hospitals, which are restricted to the tertiary sector. She contended that since there lay a big perceived risk for private capital to invest in health sector the government too has been reluctant in this due to which reformed public hospitals and private capital partner with each other.

Madhurima Nundy pointed out the two models that can be found in the Chinese case, namely, the 'entrusted management' model and franchise model. She provided her case studies under both the models. Under the 'entrusted management' model, she gave the instances of Phoenix Health care and Renji Medical group model and under the franchise model, she underlined the example of Beijing Anzhen Hospital Franchise and in such cases the tertiary sector lead the way in selling franchises to private hospitals. Unlike the Indian case, the public hospital in China becomes a brand and there is commercialisation of the intangible assets such as reputation, values and clinical competence of a public hospital. According to the speakers, in the Indian context, the PPP's operate at the primary level and the role of doctors is extremely significant in it. The doctors in their opinion act as allies for the private capital due to their demands for having more technology and more hospitals.

They mention that literature on PPP's have shown how such partnerships have led to the fragmentation of role and authority and such fragmentation have led to the lack of comprehensive health delivery mechanisms focused on preventive, curative and rehabilitative facilities. Madhurima Nundy brought out how PPP's have raised concerns of inequity across rural-urban regions, across age groups and the like. In their presentation, they also point out that there is a clear understanding that emerges in the both Indian and Chinese context with respect to PPP's, which shows that both China and India are aligning with universal health coverage rather than universal health care.

Report prepared by Minakshi Biswas, Research Assistant, Institute of Chinese Studies.

About the Speakers:

Rama V. Baru is a Professor at the Centre of Social Medicine and Community Health, Jawaharlal Nehru University, New Delhi. Her major areas of research interest include commercialisation of health services, infectious diseases, comparative health systems and

health inequalities. She is the author of two books - *Private Health Care in India: Social Characteristics and Trends* and *School Health Services in India: The Social and Economic Contexts*. She has publications in journals and edited volumes. She is on the Ethics Committee of the Medical Council of India and the Research Committee of the Revised National Tuberculosis Programme of the Ministry of Health, Government of India.

Madhurima Nundy is an Associate Fellow at the Institute of Chinese Studies (ICS), Delhi. She holds a PhD in Public Health from the Centre of Social Medicine and Community Health, Jawaharlal Nehru University, New Delhi. Before joining ICS she was Senior Programme Coordinator at the Public Health Resource Network and has been a Technical Consultant with the National Commission on Macroeconomics and Health. Her areas of interest include studying health service systems, health policies and health inequalities.

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