

Bill No. 140 of 2017

THE UNIVERSAL HEALTH COVERAGE (MEDICAL AND FINANCIAL ASSISTANCE) BILL, 2017

By

SHRIMATI SUPRIYA SULE, M.P.

A

BILL

to provide health insurance and healthcare services to all citizens of the country and for matters connected therewith.

BE it enacted by Parliament in the Sixty-eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Universal Health Coverage (Medical and Financial Assistance) Act, 2017.

Short title,
extent and
commencement.

5 (2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.

2. In this Act, unless the context otherwise requires:—

(a) "appropriate Government" means in case the State and Union Territory with Legislative Assembly, the State Government and the Government of the Union Territory respectively; in all other cases, the Central Government;

(b) "ASHA" refers to Accredited Social Health Activist employed under the National Rural Health Mission; 5

(c) "health care services" refers to all types of medical services including preventive, promotive, palliative, curative and rehabilitative healthcare services;

(d) "local authority" means the Municipal Corporation or Municipal Council or Nagar Panchayat or Zilla Parishad or any Urban Local Body; 10

(e) "Notification" means notification as published by the Official Gazette; and

(f) "prescribed" means as prescribed by the rules under this Act.

Central Government to ensure availability of affordable healthcare services.

3. The Central Government shall ensure availability of affordable healthcare services for every person in such manner as may be prescribed.

Appropriate Government to provide free of cost healthcare facilities in public hospitals.

4. The appropriate Government shall provide healthcare facilities free of cost including primary, secondary or tertiary in all the public hospitals. 15

Annual Health Insurance premium.

5. Every citizen shall, upon paying an annual health insurance premium as decided by the Committee under section 6, be eligible to free healthcare services provided under this Act:

Provided that in the case of persons living below poverty line, the Central Government shall pay the premium of insurance, to the insurer for providing healthcare services. 20

Committee to decide the premium.

6. (1) The Central Government shall, by notification constitute a Committee to decide on the health insurance premiums to be paid by all citizens for availing the healthcare services. 25

(2) The Committee shall consist of:—

(a) the Union Minister of Health and Family Welfare, Chairman *ex-officio*; and

(b) such number of eminent economists to be appointed by the Central Government in such manner as may be prescribed.

(3) The Salaries and allowances payable to and other terms and conditions of service of the members of the Committee, shall be such as may be prescribed. 30

(4) The premium decided under sub-section (1) shall be proportional to the annual income of every citizen.

(5) The premium prescribed by the Committee under sub-section (1) shall be valid for a period of five years. 35

Central Government to provide necessary infrastructure to public hospitals.

7. The Central Government shall provide the necessary infrastructure to the States in improving the secondary and tertiary healthcare services at all public hospitals.

- 8. The appropriate Government shall appoint adequate number of doctors in the public hospitals to maintain the doctor patient ratio to at least 1:40.** Appointment of doctors.
- 9. The appropriate Government shall ensure that the medicines required for treatment are made available free of cost to all the patients at the public health centres.** Appropriate Government to provide free of cost medicines.
- 5 **10.** The Central Government shall, in order to ensure availability of healthcare services, make provisions for permitting final year medical students to intern at the public hospitals. Medical students to augment the strength at public hospitals.
- 11. The local authority shall employ and conduct skill development training programmes for ASHA and other women healthcare workers and sensitize them about the different preventive healthcare measures including the primary healthcare.** Skill development programme to sensitize the women healthcare workers.
- 10 **12.** The appropriate Government shall ensure that the mid day meal and other nutritional schemes meant for children and pregnant women are effectively implemented under its jurisdiction. Appropriate Government to ensure effective implementation of mid day meal and other nutritional schemes.
- 13. The Central Government shall, after due appropriation made by Parliament by law in this behalf, provide such sums of money to the State Governments as it thinks necessary for carrying out the provisions of this Act.** 15 Central Government to provide necessary funds.
- 14.** The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force. Act not in derogation of other laws.
- 15. (1)** The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act. Power to make rules.
- 20 (2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or 25 be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

STATEMENT OF OBJECTS AND REASONS

According to the World Health Organization (WHO), Universal Health coverage (UHC) refers to the provision of effective medical services to all for the betterment of their health. Access to the qualitative medical services must also be at an affordable price so as to prevent the less affluent sections of the society from experiencing significant financial hardships. The primary objective of the UHC is to deliver basic health care services to as much population as possible, while aiming for universal coverage.

In India, there is much variation in the income of the rich and the poor households. This unequal distribution of income makes it unfair to the households with low incomes by leaving them to buy medical services as per their abilities. In addition to this problem of inequality for access to affordable health care services, there also exists the problem of inefficiency. In the market for health care services, the patient has less information about his illness, its prognosis and the best course of treatment plan. The practitioners can exploit the information he has on the patient's health status. This case of asymmetric information makes the markets for health care services uncompetitive and necessitates Government intervention. This market for health care insurance also faces similar problem as the insurance providers have less information about the health status of the individuals.

Because of this lack of information about the health care services, households tends to postpone the treatment for easily curable disease until the disease progresses and inpatient expensive treatment is necessary. The treatment of preventable disease tends to get delayed when people are asked to pay for the medical services as per their abilities. Hence providing health insurance will help in lowering the incidence of preventable disease, empirical evidence from countries like Thailand suggests that with extensive availability of preventive health care, the need for inpatient treatment and expensive surgeries reduces sharply. Hence in the absence of affordable primary health care services, illnesses tend to become much harder and expensive to treat.

India can pay for the health insurance by investing in the low cost health care workers available. By focusing on the primary health care, much health gains can be achieved. It is important for the Government to focus on the health of its citizens. Health advancement improves the productivity of the labour force and is thus complementary to economic progress.

India, in its National Health Policy did envisage Universal health coverage, but it is not binding on the Government to implement its provisions.

Hence this Bill.

NEW DELHI;
June 28, 2017.

SUPRIYA SULE

FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for ensuring availability of affordable healthcare services for every person. Clause 4 of the Bill provides for free of cost healthcare facilities in public hospitals. Clause 5 of the Bill provides for free healthcare services on payment of annual health insurance premium. Clause 6 of the Bill provides constitution of a Committee to decide health insurance premium. Clause 7 of the Bill provides for providing necessary infrastructure to public hospitals. Clause 8 of the Bill provides for appointment of doctors in public hospitals. Clause 9 of the Bill provides for free of cost medicines in public health centres. Clause 11 of the Bill provides for skill development programmes to sensitize women healthcare workers. Clause 13 of the Bill provides for necessary funds for State Governments. The Bill, therefore, if enacted, will involve expenditure from the Consolidated Fund of India. It is estimated that a sum of rupees six thousand crore would be involved as recurring expenditure per annum from the Consolidated Fund of India.

A non-recurring expenditure of rupees hundred crore is also likely to be involved.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 15 of the Bill empowers the Central Government to make rules for carrying out the provisions of the Bill. As the rules will relate to matters of detail only, the delegation of legislative power is of a normal character.

LOK SABHA

A

BILL

to provide health insurance and health care services to all citizens of the country and for matters connected therewith.

(Shrimati Supriya Sule, M.P.)