

Healthcare Services for Human Development in Punjab: Public-Private Partnership

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Abstract :

Health is considered as a significant contributor to human development. Better healthcare services contribute not only to improved health condition, but also to the increased productivity and income of people. Thus, the provision of healthcare is the responsibility of the government. However, in Punjab due to low level of government spending on health sector, the performance of public sector is not so good both in curative and preventive cares. Thus, the private sector has become the major provider of medical care. But, the private healthcare system is mostly inequitable and expensive. Therefore, the government of Punjab adopted the public-private partnership model in the provision of healthcare facilities. The most important problem with this model is monitoring and enforcement. Hence, it is suggested to develop regulations for efficient monitoring and enforcement of agreed terms and conditions. It is also suggested to link this PPP model with the health insurance schemes so as to make it affordable to the poor and other vulnerable groups of the society.

Key Words: Human Development, Healthcare, Public Sector, Private Sector, PPP, Punjab

Introduction :

Health is wealth. It is central to human happiness and well-being. Healthy people live long, are more productive, and contribute to capital formation of in an economy (Arora, 2001; Adams et al. 2003). Thus, health makes a significant contribution to socio-economic progress of a country (Baro, 1996). Since 1990s with the pioneering work of Mankiw, Romer and Weil (1992) good health has been interpreted to raise the level of human capital and contribute to the economic productivity and growth of a country (Knowles & Owen, 1995; Bloom & Canning, 2000). Healthier workforce is less susceptible to ailments, more alert and more energetic and is consequently more productive and command higher earnings (Strauss & Thomas, 1998; WHO, 2001). Higher earnings lead to higher savings and investments in the economy. Thus, human as well as socio-economic development occurs (Mayer-Foulkes, 2001; Zon & Muysken, 2001). Precisely, health is an important entitlement that enhances capabilities of the poor people leading to increase in commodities and further improvement in health status (Bloom et al. 2004). Increase in investment in health sector raises the productive capacity of people and their income and thus, helps in reducing the incidence of poverty (Reddy, 1994). In this sense, the relationship between health and development is mutually reinforcing (Wani et al. 2013).

Healthcare services play a vital role in the socio-economic development of a country or region (Singh, 2010). In any economy, sustaining a healthy population requires investment on the healthcare services because positive improvements in people's health status are largely depends on presence of robust public healthcare system, knowledge of diseases, treatment process, and health infrastructure (Singh, 2014). According to World Health Organization, access to quality healthcare is the right of everybody. Thus, to develop an effective and efficiency healthcare delivery system in each country is the responsibility of the government (WHO, 1996). It is, further, stated by WHO that a well-functioning healthcare system requires a robust financing mechanism, well-trained and adequately paid workforce, reliable information for best policies, and well maintained facilities and logistics for the delivery of quality healthcare to people (Lekshmi et al. 2014). In this context, the role played by the public as well as private sector in noteworthy.

Since healthcare covers not only the medical care but all aspects of the preventive care, mainstream growth economists emphasize on the public provision of healthcare services (Mushkin, 1962; World Bank, 1993; WHO, 1996). The role of public sector has been justified on the ground of market failure in the provision of preventive healthcare services, achieving equity in health outcomes,

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