

Devolved power: key for health care in India

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India's colonial past, embedded caste system and uneven approach to decentralizing services have impeded universal access to health care. Professor Michael Tharakan talks to the *Bulletin* about the challenges of getting health care to the masses in India, the world's second largest country with a population of 1.1 billion.

Q: What has been India's experience since independence in 1947 in extending health-care services to the masses that were once there to serve the colonial elite?

A: The situation has improved quite a bit since independence. There is a national health system and we have medical colleges, research institutes and primary health care centres in almost all regions. Nevertheless, access to the health system is not the same for everyone. Colonial rule established an unequal system, while the caste system remains strong in certain regions. The result is that health and other basic facilities are inaccessible to certain groups. In addition, the centralized planning of the past 50 to 60 years has not produced even development throughout India, and that has affected basic services, including health.

Q: When did India start decentralizing? Is decentralization the key for making services more accessible?

A: During the colonial period there was some decentralization by local governments. One of the major advocates of decentralization, in fact, was Mahatma Gandhi, who talked about *gram swarajya* or village self-rule. Many attempts at decentralization after independence could not be sustained. Finally in 1992/1993, parliament passed two constitutional amendments, creating local governments in rural and urban areas. Since then, there has been a concerted effort to devolve powers and finance to local governments all over India.

Q: How effective is this structure compared with the centralization of the colonial period?

A: This is definitely a better system. At the tertiary political level, a decentralized system offers better service delivery, transparency, accountability and accessibility. India's decentralization has been uneven, however. Each village administration, the *gram panchayat*, must issue a charter of citizens' demands. But these objectives have not been achieved everywhere. Some states have fared better, notably Kerala, Karnataka, Sikkim and West Bengal.

Q: Can an effective system of health financing promote development and reduce poverty?

A: India's government seems to be moving away from a centralized system. The liberalized economy was one of the first demands of the growing middle class, which forms about 20% of the population. There is strong demand from this class for a health and health financing system to suit their demands, but if you cater only to that section, you neglect the poor. In a country like India where there is mass poverty, there will be great demand for funds for the health of the marginalized groups, but developing the health sector alone might not solve their problems; there has to be greater emphasis on development and poverty reduction.

Q: Should health insurance be mandatory for all Indians?

A: In the past 10 to 15 years, there has been much talk of making health insurance available for all Indian citizens, but this has not happened for two key reasons. One, insurance has not taken root over all India; it is voluntary. Second, where insurance schemes have been established for certain groups, such as agricultural workers, the premiums might be affordable, but to take advantage of them requires administrative experience and know-how. Because many Indian villages do not know much about insurance schemes, it requires a third party to act as a catalyst to convince them that they should be part of an insurance system. This is being done with some success by nongovernmental organizations.

Q: Would it be politically acceptable to make health insurance mandatory in India?

A: Passing legislation may not solve the problem. There must be a demand from the poorest of the poor for insurance to be successful and that demand has not emerged from most rural areas. Some states have introduced comprehensive group health insurance but it's not mandatory, it's still only for specific groups.

Q: How do you see the future of health financing in India's states?

A: Financing the health system cannot be the responsibility solely of the federal government. Linguistic and wider cultural differences mean it has to be coordinated more effectively at the state level also; the constitution of India envisages it this way. Delegating responsibility for health care to district and village authorities would benefit mass insurance schemes as the remittances or premiums can be realized with the help of elected local officials more effectively than centralized institutions. These local institutions require financing from state resources, so the devolution of financial powers and the way in which tax revenues and funds are distributed between states has to be examined to ensure a more even development across the country – and not just in and around the major metropolitan cities such as Kolkata, Mumbai and Chennai as has been the case in the past. ■