

**GOVERNMENT OF INDIA  
MINISTRY OF HEALTH AND FAMILY WELFARE  
DEPARTMENT OF HEALTH AND FAMILY WELFARE**

**LOK SABHA  
UNSTARRED QUESTION NO. 1266  
TO BE ANSWERED ON 9<sup>TH</sup> FEBRUARY, 2018**

**CORRUPTION IN PRIVATE HEALTHCARE SECTOR**

**1266. SHRI MANSHANKAR NINAMA:  
DR. RAMESH POKHRIYAL “NISHANK”:  
SHRI E.T. MOHAMMED BASHEER:**

Will the Minister of **HEALTH AND FAMILY WELFARE** be pleased to state:

- (a) the steps being taken by the Government to deal with corruption due to the large scale financial exploitation by private hospitals and their connivance with insurance companies in the country;
- (b) whether the Government proposes to deal with the complaints against these private hospitals of not making use of generic medicines, prescribing unwanted medical tests and conniving together by forming a corrupt group, if so, the details thereof and steps taken to address such complaints;
- (c) the measures being taken by the Government to make people aware in this regard during the last three years;
- (d) whether the Government proposes to make stringent regulations to control and improve the quality of private healthcare providers and if so, the details thereof; and
- (e) the steps taken/proposed to be taken by the Government in this direction?

**ANSWER  
THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND  
FAMILY WELFARE  
(SMT. ANUPRIYA PATEL)**

(a): Health being a State subject, it is the responsibility of the respective State/UT Government to take action to prevent corruption in healthcare sector.

The Government of India has, however, enacted Clinical Establishments (Registration and Regulation) Act, 2010 for registration and regulation of all clinical establishments (both Government and Private) in the country. In accordance with the Clinical Establishments (Central Government) Rules, 2012 under the said Act, the clinical establishments (in the States / Union Territories where the said Act is applicable) are required to display their rates at a conspicuous place and charge the rates for each type of procedures and services within the range

of rates determined from time to time in consultation with the State Governments. The National Council for Clinical Establishments has approved a standard list of medical procedures and a standard template for costing of medical procedures and the same has been shared with the States/UTs where the Act is applicable for appropriate action. The implementation and enforcement of the said Act is within the purview of the State/UT Governments.

(b) & (c): As stated in (a) above, 'health' being a State subject, it is the responsibility of the respective State Governments to take action to prevent and control such practices. Presently, such complaints, if and when these are received by the Central Government, are forwarded to the concerned State Government for appropriate action. Details of such cases with various States are, however, not maintained centrally.

The Medical Council of India (MCI) in its regulations namely the Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002(as amended on 21.09.2016) under Clause 1.5 has prescribed the use of Generic names of drugs as below:

*“Every physician should prescribe drugs with generic names legibly and preferably in capital letters and he/she shall ensure that there is a rational prescription and use of drugs”.*

Further, the Department of Pharmaceuticals has, keeping in view the reports that pharmaceutical companies indulge in unfair practices, formulated the “Uniform Code for Pharmaceutical Marketing Practices (UCPMP)”. It has come into operation with effect from 01.01.2015.

As stated above, the Government of India has also enacted Clinical Establishments (Registration and Regulation) Act, 2010 and also notified rules thereunder. The Act is currently applicable in eleven States and all Union Territories except Delhi. Other State Governments need to adopt this Act or make an Act of their own to regulate the Clinical Establishments.

Health being a State subject, the measures to make people educated and aware in this regard can only be taken by State/UT Government.

(d) & (e): Health is a State subject. However, as per the provisions of Clinical Establishments (Registration and Regulation) Act, 2010 and Clinical Establishments (Central Government) Rules, 2012 made thereunder, in addition to aforementioned conditions, the clinical establishments are also required to meet the norms such as minimum standards of facilities and services, minimum requirement of personnel, maintenance of records and reports and are required to follow Standard Treatment Guidelines issued by the Central/State Governments.

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