

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

**LOK SABHA
UNSTARRED QUESTION NO. 686
TO BE ANSWERED ON 20th JULY, 2018**

EXORBITANT CHARGES IN HOSPITALS

**686. SHRI RAJAN VICHARE:
SHRI SANJAY HARIBHAU JADHAV:
SHRI VENKATESH BABU T.G.:**

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

- (a) whether the Government has noticed that private hospitals charge patients exorbitantly and supply medicine only from their in-house pharmacies, if so, the details thereof;
- (b) whether the Government has initiated any action against such hospitals and if so, the details thereof;
- (c) whether the Government is considering to take any specific steps to check arbitrariness of the hospitals and the pharmacy companies and if so, the details thereof; and
- (d) the steps already taken/being taken by the Government to regulate such practices?

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

(a): Yes. Based on complaints and media reports on overpricing and inflated bills to the patients by some hospitals, National Pharmaceutical Pricing Authority (NPPA) had asked for details of billing from these hospitals under the provisions of Drugs (Prices Control) Order, 2013 (DPCO, 2013). Based on the data submitted by the hospitals, NPPA has noticed that there is a gap between the procurement prices of drugs and amounts at which the drugs are billed to the patients.

As per the detailed bills submitted by the hospitals, NPPA had noticed that most of the drugs, devices and disposables were used and sold by the hospitals from their own in-house pharmacies. Study reports prepared on the basis of information submitted by these hospitals is available under the "What's New" link of website of NPPA. (www.nppaindia.nic.in).

(b): Since Health is a State subject, it is for the respective State/UT Government to take action against the private hospitals under the appropriate statutory provisions applicable in the State/UT.

(c) & (d): 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.

Also, the Government of India has enacted Clinical Establishments (Registration and Regulation) Act, 2010 for registration and regulation of all clinical establishments in the country (both Government and Private) with a view to prescribing the minimum standards of facilities and services provided by them. Currently, the Act is applicable only in eleven (11) States and all Union Territories except Delhi. Other States may adopt the Act under clause (1) of Article 252 of the Constitution.

In terms of the Clinical Establishments (Central Government) Rules, 2012 notified under this Act, the clinical establishments are required to follow Standard Treatment Guidelines as may be issued by Central/State Governments, 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 which has been shared with the States/UTs where the Act is applicable for taking appropriate action by them. The implementation and enforcement of the said Act falls within the remit of the States/Union territories.