

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

**LOK SABHA
UNSTARRED QUESTION NO. 1025
TO BE ANSWERED ON 08TH FEBRUARY, 2019**

UNETHICAL PRACTICES BY PRIVATE HOSPITALS

**1025. SHRI VINAYAK BHAURAO RAUT:
DR. SHRIKANT EKNATH SHINDE:
SHRI DHARMENDRA YADAV:
SHRI RAJAN VICHARE:
DR. PRITAM GOPINATH MUNDE:
SHRI SHRIRANG APPA BARNE:**

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

- (a) whether several patients and health groups have criticized excessive and unethical pricing by private hospitals and stressed need for regulation of healthcare charges, if so, the details thereof;
- (b) whether as per the National Pharmaceutical Pricing Authority (NPPA) about 25 per cent of a hospital bill is the cost of non-scheduled formulations, or those medicines that are not under price controls, if so, the details thereof;
- (c) whether NPPA has recommended a policy intervention to address the unethical practices carried out by private hospitals, if so, the details thereof;
- (d) the initiative taken by the Union Government to frame policy to address the unethical practices carried out by private hospitals; and
- (e) the time by which the policy is likely to be framed and implemented?

**ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND
FAMILY WELFARE
(SHRI ASHWINI KUMAR CHOUBEY)**

(a): The Government is aware of the reports appearing at different fora about some such cases of overcharging by the private healthcare establishments. 'Health' being a State subject, the reports, as received by the Ministry of Health & Family Welfare, Government of India are referred to the concerned State Governments for appropriate action.

(b): The National Pharmaceutical Pricing Authority (NPPA) has examined the billing data of hospitals and noticed that there is substantial gap between the procurement prices of drugs and amounts at which the drugs are billed to the patients. It was also observed that the total cost on scheduled medicines (specified under National List of Essential Medicines (NLEM) and brought under price control) used in the treatment is only 4.10% as compared to 25.67% on non-scheduled formulations.

(c): No.

(d) & (e): As per the constitutional provision, 'Health' is a State subject. Therefore, State/UT Governments may frame policy to address the unethical practices carried out by private hospitals under the appropriate statutory provisions applicable in the respective State/UT.

The Government of India has 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 framed under the aforementioned Act, in the States/Union Territories where the said Act is in force, the clinical establishments are required to meet the norms such as minimum standards of facilities and services, minimum requirement of personnel, maintenance of records and reports, and displaying of rates at a conspicuous place. The clinical establishments are also required to follow Standard Treatment Guidelines issued by the Central/State Governments and charge rates for each type of procedure and service within the range of rates determined from time to time in consultation with the State Governments.

Currently, the Clinical Establishments Act, 2010 has been adopted by and applicable in 11 States namely Sikkim, Mizoram, Arunachal Pradesh, Himachal Pradesh, Uttar Pradesh, Bihar, Jharkhand, Rajasthan Uttarakhand, Assam and Haryana and all Union Territories except Delhi. Other States may adopt the Act under clause (1) of Article 252 of the Constitution.