Calls for advertising and market reforms in health care

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In 1995, national dailies carried front-page reports on the need to control doctors' and lawyers' fees. The reports were a reflection of the salaried middle class' growing concern over the high cost of health care. However, the issue soon died a natural death — a demonstration of the political clout of those whose income was sought to be controlled.

The news reports originated in the 13th report of the Committee on Subordinate Legislation, dealing with rules and regulations under the Medical Council Act, 1956. The report was presented to the upper house of parliament on December 9, 1994. Some of the report's observationsalso indicted the functioning of the medical profession and its legally constituted self-regulatory bodies, the Indian and State Medical Councils.

However, the report did not indicate a concern about doctors' high fees or the financial burden of health care borne by poor people. Having implicitly accepted that the market should drive health care services in our country, our honourable parliamentarians only endeavoured to make the doctor-patient transaction at the market place "transparent".

The report noted that the code of medical ethics did not guarantee patients prior information of doctors' fees, and this was inadequate in protecting consumer sovereignity. It concluded that there should be some means "by which the patient could learn in advance the fee charged by all or most of the physicians of the type required by him, in which case he would be able to select the physician whose fee will suit him. It would also enable him to know what services are included in the fee charged and to compare the fee to be paid to a doctor with what others charge for similar services."

Representatives of the medical councils protested that publicising doctors' services and prices would amount to advertising, which is prohibited by the code of medical ethics. The committee dismissed this protest by recommending suitable amendments in the code. It also asserted that "a directory containing all details of the physician and their charges should be published by the Medical Council of India." Also, "the Medical Council should make it compulsory for the doctors in private practice to notify their fees to the Medical Council which should include the standard charges for various services, operations etc." Clearly, the report was concerned only with the paying consumer. It had nothing specific to offer to consumers of free services in the governement health centres.

The committee's recommendations reflected a trend in political thinking. Since then, there has been less talk about strengthening the primary health centre network to provide medical care. Medical care even in rural areas will be increasingly left to the private sector.

The committee's recommendations were meant to restore the credibility of the private health sector -- which had taken a beating in recent years -- by injecting transparency into the marketplace transaction, while simultaneously blunting the emerging demand for price controls in health care. A shift in the national policy has called for a withdrawal from commitment to public sector health services, along with some token regulation of the private health sector. The committee's report is a reflection of this policy change.

The political scene is preoccupied with ensuring a competitive and corruption-free business environment. The suggestion of "transparency" is necessarily tagged with the idea of providing consumers information, a long-standing demand of consumer groups. After all, when one has no alternative but to buy health care, it is always good to be able to make a "rational choice". Second, once the principle of providing information to consumers is accepted, more demands for information on other aspects of health can be made.

The demand for information on services and the way services are managed is valid irrespective of the way in which health care is organised — whether private, nationalised or a mixture of the two. However, there are limits to the information actually given by doctors and understood by patients in a market-based organisation of health services. The United States is a classic case study. Here, "information" and "choice" are considered essential elements of the medical care transaction. Consumer groups are strong, and courts and juries are sympathetic to litigants. Hospital prices and services are rated by consumer groups and consumers can obtain data on outcomes of various treatments provided by hospitals. Codes of medical ethics are also modified to allow some advertisement, to institutionalise peer review for assessing doctors' competency, and so on. Yet, can the US health system claim that consumers are making rational choices, that access to services is universal, that fees are reasonable and people's health status and the quality of care are commensurate to the country's health care expenditure?

No. The US may top in the provision of unnecessary investigations, medications and surgeries. The health industry ensures the increasing medicalisation of people's lives to increase demand for their services. Though health expenditure in the US is the highest in the world, the health status of its people is not. There is no universal access to health care, and millions of US citizens do not full health insurance coverage. Finally, people have absolutely no control over the management of health services, an area tightly guarded by the corporations owning the system and professionals running it.

(A longer version of this comment was publishd as an editorial in Jesani A: Market reforms in health care. Radical Journal of Health *1995; 1 (3) New Series: 171-3).*

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