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Engaging Private Sector in Health Target of SDG

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Abstract

Private sector is playing an increasingly significant role to meet the targets of SDGs in all countries. In Bangladesh, healthcare is offered either through government-run hospitals or through privately-run clinics, but the private sector is also leading in health sector service. The role of NGOs in health sector is significant and they are working almost independently. The per capita per annum health expenditure is only about USD 27. Bangladesh spends 3.7% of its GDP on healthcare, and two-thirds of the healthcare expenditure is paid out-of-pocket and the rest is government's free treatment for government officials and a small part is from health insurance. Fifteen percent of sick people are not treated due to their inability to pay for the relatively high cost of healthcare. Around 6.4 million or 4% of people in Bangladesh get poorer every year due to excessive health costs. The public health facilities are located based on the administrative layout. For administrative purposes, the country is divided into 6 divisions, 64 districts, 508 sub-districts, and 4466 unions. There is a total of 2983 registered private hospitals around the country which provide 45,485 functional beds as of 2013. The bed-density in the private sector stands at 0.031%. All the 60 medical colleges in the private sector have hospitals and medical services. At present, there are 4280 registered private hospitals and clinics and 9061 diagnostic centers in the country. Ninety-three percent of the countries had consulted the private sector in reviewing their national strategy and progress on the SDGs, 68% recognized private investment as a crucial alternative means to complement public expenditure on the SDGs, and 43% of the reported efforts made by the countries to develop more public-private partnerships on SDG implementation.

Keywords: *Health budget, Healthcare, Private sector, Public sector, SDG*

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INTRODUCTION

To meet the targets of SDGs all over the world, private sector is playing a significant role. The policy of Bangladesh also has due recognition for the role of private sector in this regard. In the 7th FYP, about 78% of the total plan outlay is supposed to come from the private sector; so it is impossible to ignore private sector in attaining SDG goals [1].

Health plays a critical role in achieving development goal of any nation and conversely, development strategies can also have significant positive and negative impacts on the health of the population. Basic healthcare is a right given in the Constitution of Bangladesh and citizens expect it from the state free of cost or at subsidized price. There is a longstanding and polarized debate in global health, concerning the appropriate role and balance of the public and private sector in providing healthcare services to populations in low- and middle-income countries [2].

Unfortunately, overall healthcare consumption in Bangladesh in both public and private sectors is low compared with other countries and relative to need. In Bangladesh, healthcare is offered either through government-run hospitals or through privately-run clinics, but the private sector is also leading in health sector service. The role of NGOs in health sector is significant and they are working almost independently. The World Health Organization (WHO) is promoting and supporting the government to undertake partnership in preventive measures and also in running some hospitals and outlets throughout the country.

GOVERNMENT PARTICIPATION IN HEALTHCARE

Bangladesh government has many policy papers reflecting the awareness about health of the citizens. The Perspective Plan of Bangladesh 2010–2021, keeping in mind for making Vision 2021, emphasizes on

promoting and sustaining health and nutrition, and planning population (both containment and management) and converting them into human resources [3].

National Health Policy (NHP) 2011 recognizes that health is a recognized human right. In order to achieve good health for all people equity, gender parity, disabled, and marginalized population, access in healthcare needs to be ascertained. Improvement in health of people is essential for poverty reduction [4].

Healthcare can be provided through public and private providers. Public healthcare is usually provided by the government through national healthcare systems. Private healthcare can be provided through "for profit" hospitals and self-employed practitioners, and "not for profit" non-government organizations (NGOs). There are some medical systems, i.e., allopathic, homeopathic, Ayurvedic, etc., recognized by the state.

The state of health sector is not very impressive. The per capita per annum health expenditure is only about USD 27. Bangladesh spends 3.7% of its GDP on healthcare, and two-thirds of the healthcare expenditure is paid out-of-pocket and the rest is government's free treatment for government officials and a small part is from health insurance. According to the Bangladesh Bureau of Statistics (3) in 2010, 15% of sick people were not treated due to their inability to pay for the relatively high cost of healthcare [5]. A recent study of the International Center for Diarrheal Disease Research, Bangladesh (ICDDRB) revealed that around 6.4 million or 4% of people in Bangladesh get poorer every year due to excessive health costs [6].

Corruption adds to the expenses of patients a significant share of patients' medical expenditure. Although consultation is free but 41% of the patients who visit public health facilities pay about USD2 as consultation fee, which is about 16% of their total medical expenditure [7].

The citizens have low confidence in health system and go abroad for treatment. According to the official record of the Institute of Health Economics, University of Dhaka, Bangladeshis spend approximately Tk 500 million a year on foreign healthcare services [8].

The public health facilities are located based on the administrative layout. For administrative purposes, the country is divided into 6 divisions, 64 districts, 508 sub-districts, and 4466 unions. All the divisions and district cities and sub-district towns, and some unions have public hospitals and community clinics. The community clinics are the lowest-level static health facilities located at the ward level. There are 467 government hospitals at the upazila level and below, which altogether have 18,791 hospital beds. At the upazila level, there are 436 hospitals with 18,301 beds. At the union level, there are 31 hospitals with 490 beds and 1362 health facilities for outpatient services only. So, at the union level, there are 1393 health facilities. At the ward level, there are 12,584 community clinics in operation till date [9]. These hospitals are not sufficient.

There is a total of 128 public medical intuitions that provide secondary and tertiary level healthcare to both in and out-patients. Of these 128 institutions, 53 are district hospitals, 11 general hospitals, a medical university in Dhaka (BSMMU), and 63 other types of hospitals. The total number of seats for patients in these hospitals is 27,053. Asia-Pacific Observatory on Public Health Systems and Policies reports that there is a total of 2983 registered private hospitals around the country which provide 45,485 functional beds as of 2013. The bed-density in the private sector then stands at 0.031%. All the 60 medical colleges in the private sector have hospitals and medical services. At present, there are 4280 registered private hospitals and clinics and 9061 diagnostic centers in the country.

With such facilities, for example, only 15% of women underwent institutional delivery at public and private hospitals, and 8% deliveries were performed by caesarean section and rest of the deliveries with midwives at home. Over 80% of people in Bangladesh turn to non-public providers, with informal providers a frequent first resort often for poor and remote villagers [10].

The world average hospital bed density per ten thousand population is 2.7% whereas Bangladesh bed density is 0.6%. Total number of beds was 94,318 in 2014 and out of those 52% in public sector and 48% in private sector. The role of private sector in Bangladesh is also significant although it is unknown to the citizens.

Affordable medicine is one, with many low-income countries facing supply and distribution challenges for drugs. Bangladesh has 258 pharmaceutical industries, and only one is in public sector. Until recently, Bangladesh was the only LDC having capacity and quality of medicine to export to other markets including western countries. According to the Department of Drug Administration (up to April 2017), 98% of the required medicines were produced locally, while also exporting medicines and raw materials to 127 countries of the world including Europe and America.

Some preventive measures should be taken by the government. The international nonprofit organization Oxfam, in its report "Blind Optimism," concluded that "to achieve universal and equitable access to healthcare, the public sector must be made to work as the majority provider" [11].

The World Bank seeks "more pragmatic approaches that build on what is available" by engaging with the private sector in countries where public sector services perform poorly [12].The Center for Global Development similarly argued that the Oxfam report "ignored the informal sector," and that poor people "want to go" to private providers and will "persist in doing so" [13].

ROLE OF PRIVATE SECTOR

The private sector is used for the overwhelming majority of outpatient curative care, while the public sector is used for a larger proportion of hospital deliveries and preventive care. Private sector healthcare delivery in low- and middle-income countries is sometimes argued to be more efficient, accountable, and sustainable than the public sector delivery [14].

In Bangladesh, private healthcare is common and popular, regardless of income or area of residence, making the private sector an important player in health service provision [15].

The higher proportion of institutional deliveries in the public sector should be understood in the backdrop of the fact that overall proportion of institutional deliveries is only 8%. A survey by the Centre for International Epidemiological Training (CIET), Canada, showed that in Bangladesh, 13% of treatment seekers use government services, 27% use private/NGO services, and 60% unqualified services [16].

A study conducted by the Health Economics Unit (HEU) of the Ministry of Health and Family Welfare (MoHFW), Government of Bangladesh, found that the unavailability of doctors and nurses, their attitudes and behavior, lack of drugs, waiting time, travel time, etc., contributed to the low use of public hospitals.

About 90% of medical care for children with acute respiratory infection (ARI) or diarrhea is obtained from the private sector. This indicates the importance of the private sector in terms of access and signals the need for effective quality of care measures [10].

In Bangladesh, for example, public providers ranked lower than private providers on scale-based surveys in which patients assessed the diagnostic explanation given them, courtesy of staff, cleanliness of facilities, capacity building, and the availability of certain medical inputs [17].

Private sector assessment (PSA) of World Bank revealed from analysis of the findings from other studies that the private sector dominates the provision of basic care, nursing homes, laboratory, and ambulatory diagnostic services in Bangladesh. The public sector, however, remains the main provider of inpatient care. Private sector providers are a heterogeneous group, differing in their training, legal status, system of medicine used, type of organization and on whether or not they held a public sector employment as well,

and alterative private practitioners (APPs) are by far the largest group of providers. These include partially qualified or unqualified allopathic practitioners, drug vendors, and practitioners of non-allopathic or mixed systems of medicine.

One study by Syed Andaleeb published in *Health Policy Planning* (Oxford University Press, 2000) comments that since private hospitals are not subsidized and depend on income from clients (i.e., market incentives), they would be more motivated than public hospitals to provide quality services to patients to meet their needs more effectively and efficiently.

A study in Bangladesh found that private sector healthcare prices in the country –not just those associated with medications –have been growing far above the inflation rate [17].

Recently, Global Reporting Initiative (GRI) observed in their analysis of 43 reports find that 93% of the countries had consulted the private sector in reviewing their national strategy and progress on the SDGs, 68% recognized private investment as a crucial alternative means to complement public expenditure on the SDGs, and 43% of the reported efforts made by the countries to develop more public-private partnerships on SDG implementation.

CONCLUSION

The engagement of public and private sector in healthcare management in Bangladesh does not exist with perfect magnitude and congruence with their importance. It is limited to relationship of the regulator and the regulated. The relation can be changed to partnership to achieve SDG by 2030.

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