

Preface

IN PURSUANCE OF THE RECOMMENDATIONS MADE BY THE COMMISSION ON MACROECONOMICS AND Health, WHO, India established the National Commission on Macroeconomics and Health (NCMH) in March, 2004. The main objective of the NCMH was to establish the centrality of health to development and make an evidence-based argument to increase investment in health. The Terms of Reference of the NMCH were mainly centered on identifying a package of essential health interventions that ought to be made available to all citizens and also list systemic constraints that need to be addressed for ensuring universal access to this package of services. The NCMH was also to indicate the resources required and targets that ought to be achieved by 2015.

The Terms of Reference of the NCMH were very widespread and spanned across a wide range of issues. For addressing each of the major concerns a broad outline of the approach to be adopted was prepared and shared with a large number of researchers, policy makers, experts from donor agencies and health activists. Based on the suggestions received, topics to be addressed were identified and studies / papers commissioned. Every paper was also peer reviewed by experts in that field. In all over 35 papers were commissioned. Due to limitations on time and resources, original field surveys were limited to a hundred percent facility survey in eight districts of Khammam(AP), Ujjain(MP), Varanasi(UP), Udaipur(Rajasthan), Kozhikode(Kerala), Jalna(Maharashtra), Nadia (West Bengal) and Vaishali (Bihar). For arriving at the estimates of public spending, we obtained information from other government departments, PSU's, FII's etc. and analyzed the data under the National Health Accounts Framework. Analysis of consumer surveys, the 57th. Round Survey National Sample Survey Organization on establishments, and other data bases related to drug manufacture and sales, import and export of medical devices etc. were also analyzed.

Principal focus was on critically evaluating the current status of the health system - its organizational structure, financing mechanisms, regulatory frameworks etc. The three key drivers of health costs - namely human resources, drugs and technology were specially studied in detail as the main concern for the future is going to be the rapid escalation of costs. Such analysis highlighted and reiterated several shortcomings in the country's health system which are well known and have been recognized for long. Clearly, a well conceived and sequenced system of reform emerged to be the priority area for policy attention so as to develop the capacity to absorb the promised funding of 2-3% of GDP in the next five years committed in the Common Minimum Program. What also emerged were that solutions for many of the issues have been known for long, but routinely ignored and not acted upon. It was impossible not to conclude that if only timely attention to the large number of recommendations already available had been accorded, the health system need not have been so inefficient, insensitive, dysfunctional and in such a crises as we find it today.

The background papers formed the basis for the main report of the Commission and its recommendations. We have attempted to bring into the public domain all the data and analysis that has been carried out by the NCMH, both in printed form (2 volumes) as well as in the website of the NCMH - www.ncmh.org. The main purpose has been to stimulate greater debate and research that would be useful for policy formulation. If this has been achieved even in a small measure, we would be content that our efforts have been worthwhile.

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Sujatha Rao

Secretary, NCMH