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Common goods for health

Doing better on CGH is the essence of the Indian health policy challenge today

SNAKES & LADDERS

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An ancient theme in health policy is the tension between prevention and cure. There is a need to do more on "Common goods for health" (CGH): The population-scale interventions which reduce the disease burden. This reflects new threats such as pandemics and air quality, and also the unfinished agenda of traditional public health in India. Given the growing fiscal exposure of the government to health care expenses, there is now a direct fiscal impetus to do more on these population-scale interventions.

At the foundation of health policy is the debate on prevention versus health. While the health care community focuses on curing people, there are important reasons in favour of prevention and not cure. From the viewpoint of any individual, it is better to not get sick as compared to getting well, even assuming the best health care system.

In recent years the World Health Organization (WHO) has launched a project titled "Common Goods for Health" (*http://bit.ly/CGH-india*) which aims to bring fresh energy back into the foundations, in population-scale public health. In the technical jargon of public economics, this covers market failure in the form of 'public goods' and 'externalities'. The phrase "Common Goods for Health" is a nice term that is more easily understood, and avoids the near-universal confusion associated with the terms 'public health', 'public good', and 'public health expenditure'.

Consider the dangers of a global pandemic such as Ebola, the problems of air quality in India, or the health consequences of environmental degradation and climate change. Each of these is a very large problem that has adverse consequences for hundreds of millions of people. If we merely focused upon health care, this is an inefficient response. We should not merely think about public policy responses in the form of curing people in an Ebola epidemic, or curing the people who are harmed by air quality in North India, etc. We must go upstream, and combat these problems at the root.

This calls for strengthening the foundations of public health. As an example, the best defence against global pandemics lies in the public health infrastructure that deals with communicable disease, including disease monitoring systems, emergency response, and immunisation. The political and governance systems, the world over, prioritise the urgent over the important: So these foundations tend to get overlooked. Doctors, politicians, and victims see value in health care and attach inadequate value to the invisible public health work, through which fewer people get sick in the first place. It is in the nature of the governance process to creep away from public health towards health care.

In India a lot remains to be done on the old agenda of public health, from a hundred years ago, which includes water and sanitation, communicable disease surveillance, and the institutional capacity for dealing with epidemics or natural disasters. A fresh look at the conditions prevalent today adds new elements to this public health agenda, including air quality, road safety, drug safety, food safety, water pollution, and antimicrobial resistance.

There is an interesting connection between CGH and public finance. Improvements in public health will reduce the extent to which people get sick, thus giving reduced health care expenditures, and thus reducing the fiscal burden associated with government programmes which pay for health care.

This justifies an enhanced focus upon CGH for governments worldwide, who have a worrying fiscal exposure to health care, even if the main consideration was public expenditure and not the happiness of the populace. Whether the government pays a health care provider, or the government pays an insurance company, ultimately the magnitude of these payments is linked to covered health care events. Doing better on CGH is a stepping stone for the financing and thus the feasibility of Universal Health Coverage (UHC).

While the Indian state was traditionally in the periphery when it came to the health care expenses, in the last decade, the fiscal exposure to health care expenses has risen sharply through the launch of many government-sponsored health insurance schemes or "GSHIS" (*http://bit.ly/gshis-paper*). There are concerns about the magnitude of the implicit debt associated with the health insurance promises made by the Indian state (*http://bit.ly/implicit-debt*). A fresh focus upon CGH will help reduce the expenditures and the fiscal risk associated with the promises that have been made about health care.

The CGH agenda cuts across many ministries and agencies of government. As an example, problems like air quality or road safety have a major impact upon health care expenses in India, and these problems lie outside the Ministry of Health. There is a need for coordination mechanisms that cut across various elements of the Indian state that have to discharge these responsibilities. This is similar to the problems of disaster risk resilience, which cut across many parts of the Indian state.

Suppose we lived in a world where health care worked perfectly well and it was entirely on the household balance sheet. Even in this world CGH is worth fighting for as people are happier if they never get sick in the first place.

In India we have many difficulties in health care. This amplifies the importance of CGH: It is better for a person to not get sick, as compared with going into a faulty health care system.

The Indian state is increasingly exposed to expenditures associated with health care. This amplifies the importance of CGH: To the extent that people do not get sick, the fiscal burden associated with a given set of promises made by the government will be smaller.

Global health policy is a supertanker and, of course, there will be no substantial change in the short run. The WHO's CGH project is, however, a push in the right direction, and is likely to slowly bring about a shift in health policy worldwide. It is particularly important in India, where the traditional public health agenda has obtained inadequate attention, and the disease burden is consequentially high.

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