UNIT 9 HEALTH INDUSTRIES

Structure

9.0 INTRODUCTION

Indian healthcare industry is a thriving business which caters to activities ranging from manufacturing drugs, vaccines, surgical equipments to latest research and advancement in health care and lifestyle modification. There are best hospitals in India mostly situated in the capital cities of different states which are not only multi-specialists, but equips with luxury facilities like air ambulance, tele- medicine conferencing with global renowned surgeons, usage of robotics and artificial intelligence for promoting holistic health.

India is also becoming the hub of beauty and aesthetics industry with surgical options to make the best of bodily features at affordable prices compared to other countries in the world. Hence it is no less to say that India has become a renowned medical tourist destination promoting medical tourism. Within this backdrop, this Unit will focus on various exiting industries in the health sector. The Unit will discuss wellness, nutrition, vaccines, drugs and surrogacy as booking industries within health care sector. Let us now read about the learning outcomes of this Unit.

9.1 LEARNING OUTCOMES

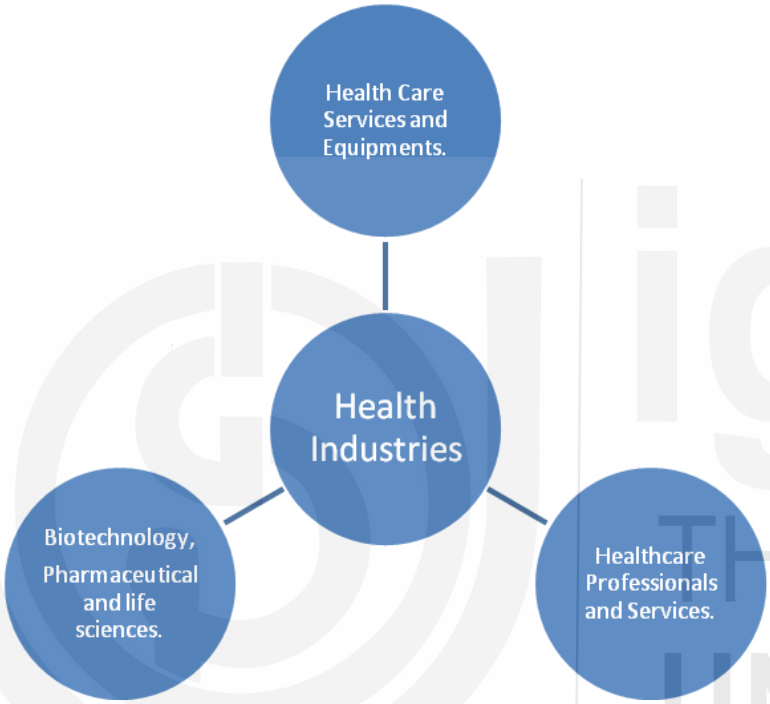
After studying this Unit, you would be able to:

- Explain various concepts related to health industries;
- Discuss the demand on the rise of health industries in India; and
- Engage in potential of health care industries from a gender perspective.

9.2 INDUSTRIES WITHIN THE HEALTH CARE SECTORS

Health Care Sector is a booming industry with the market share rise in manufacturing of drugs, medical equipments, health insurance and other medical facilities. It is estimated in 2022, health care market in India will be $373 billion. The issue of lifestyle disease and health insurance will grow (IBEF, October 21 2020, Healthcare Industries in India). This draws a major source of investments from pharmaceutical companies, research industries and patent technology.

Figure 9.1: Types of Health Industries



Source: Techno Func, 2020

Health Care Services and Equipment

It comprises of various medical supplies relating to equipments such as MRI machines, surgical robots, medicines and health care services for diagnosing, monitoring and treatment of various diseases. There are laboratories and complete health packages for various diseases and its monitoring. A new technology known as **Defibrillation** provides electric current to the heart in the case of abnormal heartbeats which is majorly outsourced.

Pharmaceutical, biotechnology and life sciences

These industries are evolving on day-to-day basis with latest products, composition and combination of medicines, preparation and sales, nutritional supplements made from semi-synthesis of biological sources and other sources. Sale of antioxidant and collagen-based products to keep a youthful appeal among masses is on high demand through health supplements and anti-ageing creams.

Healthcare Providers and Professionals

A health care provider is an institution (such as a hospital or clinic) or person (such as a physician, nurse, allied health professional, or community health worker) that provides preventive, curative, promotional, rehabilitative, or palliative care services in a systematic way to individuals, families or communities. Every multispeciality hospital has their range of professional team which is possible due to demand for specialists by patients and their family members.

9.3 SCOPE OF HEALTH INDUSTRIES

The United Nations International Standard Industrial Classification of All Economic Activities (ISIC) categorizes the health care industry as generally consisting of

- Hospital Activities
- Medical and Dental Practice Activities
- Other human health activities

The first two categories are traditionally found, yet in the 21st century, the third category of professionals range from physiotherapist, midwives, pathology and imaging, diagnostic clinics and other allied health professionals such as speech therapist, chiropractioner, music therapist, occupational therapist, optometry, hydrotherapy, acupuncture and so on.

With rise of infrastructure and communication bridging rural areas; emergence of blood banks, sperm banks, organ donation and transplantation banks, air ambulance are major facilities under the common roof of health industries. Another set of scope is seen through hospice, palliative care, nursing care facilities, home for elderly, convalescent homes for the critically ill and elderly population.

In the metropolitan cities of India, elderly packages for holistic health at a reasonable cost per month based on their needed suitable plans are catching up. Elderly population is taken care with access to certified nurses, attendants, 24 hours emergency services and helpdesks, support for rehabilitation in post-stroke, cancer and dementia. Regular reminder for medicines and care calls are also initiated.

9.4 REGULATION THROUGH FOOD AND DRUGS ADMINISTRATION (FDA)

The Food and Drug Administration (FDA) , India Office was established in 2008 as a measure to ensure safety, quality and effectiveness of food and medical products to be exported to the United States of America. There is a regularity of commodity specific inspections to meet the legislative mandates of FDA specification, building a quality data to inform regulatory decisions and actions of FDA. This would be enhancing the oversight capacity, safety and quality to FDA's knowledge of India's legal requirement and jurisdiction with strong partnership with authorities, industries, academia, and non-

governmental organizations is the need of the hour.

9.5 HEALTH TOURISM

Tourism refers to traveling mainly for leisure or business; however the definition is redefined recently through the coinage of 'health or medical tourism'. India ranks 6 out of 46 in Medical Tourism Index (2020-21). It is mainly growing so that tourists may enjoy the best facilities and medical practitioners at a lesser cost with world class facilities. It is mostly inward towards Asian countries. Services mainly range from complicated transplants, replacement, cosmetic surgeries, psychiatry, alternative treatments and even burial services. It is still not a formalized practice for readdressal or quality control as individuals chooses hospitals from tourism packages or internet facilities.

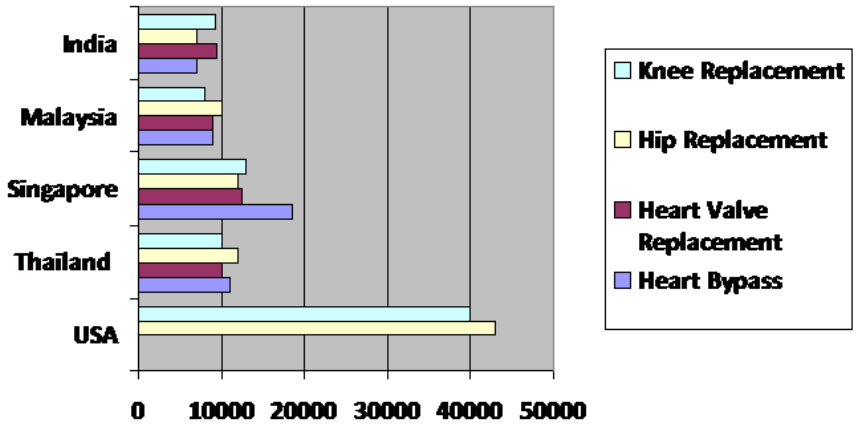
According to Chavda (2019), there is lot of medical companies in India. Vaidam is the only Medical Tourism Company which is ISO registered and **National Accreditation Board for Hospitals and Health Providers (NABH)** accredited with 70 MOUs in more than twenty countries that shows transparency in cost in every medical procedure and costs in their website. Other companies like MediConnectIndia (awarded National Tourism Award) provide services to medical tourists. **Tour2India4Health** is also India's first government recognized Medical Value Provider. These medical tourism companies provide facilities from initial checkups to post treatment consultations.

Table 9.1: Cost of Treatment Worldwide

Procedure Cost in USD ($)	USA	Thailand	Singapore	Malaysia	India
Heart Bypass	1,30,000	11,000	18,500	9,000	7,000
Heart Valve Replacement	1,60,000	10,000	12,500	9,000	9,500
Hip Replacement	43,000	12,000	12,000	10,000	7,020
Knee Replacement	40,000	10,000	13,000	8,000	9,200

Source: https://www.shalby.org/international-patients/compare-rates/

Figure 9.2: Data on Medical Tourism



According to the graph, India has the cheapest rate for medical tourism which makes it a haven for these five kinds of treatment facility centres. Asian countries have much lesser rate of cost compared to United States of America. Hence it makes a viable option for medical tourism in South Asia.

Check Your Progress Exercise I

Note: I. Use this space given below to answer the question.

II. Compare your answer with the Course material of this Unit.

1. Define medical tourism.

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2. Name the industries falling with medical healthcare.

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9.5 VACCINES

You will read about vaccines in Unit 5 of BGS 004. In this section, we will briefly discuss about vaccines in the context of Covid-19. According to Watson et.al. (2022), the first COVID-19 vaccines outside a clinical trial was administered on December 8, 2020 to ensure vaccines to reach globally. Vaccines were the only way to save more than ten million lives from the virus. It was set by WHO and Covid-19 Vaccines Global Access (COVAX). However, there were shortfalls and challenges due to short supply as some

countries got a greater proportion, pharmaceuticals could not meet the contractual obligations to COVAX, they had short expiry period and supply was less in number. As a result, a lot of low-income group countries suffered. There are companies in the race of vaccine trails and monopoly namely Moderna, CanSino Biological, Novavax, SinoVac, BioNTech, Chinese Academy of Medical Sciences, Inovio to name a few (intellizence, 2021).

9.6 WELLNESS INDUSTRIES

The Wellness Industry in India marks a rise of a health-conscious class of population who not only defies the agents and factors of ageing but showcases the young and energetic sections through advertisement. India is a young country due to its demographic dividend hence the Ministry of AYUSH, Government of India also promote wellness as a part of country's development. Under Ayushman Bharat (2019-2024) campaign, Health and Wellness Centres are promoted for States and Union Territories under the National AYUSH Mission (NAM). It is envisioned to reduce burden of disease and expenditure by promoting holistic wellness. Therefore, reputed Trusts and NGO's and AYUSH educational institutes are utilized for awareness and capacity building. The basic aim is to promote healthy lifestyle, food, knowledge on medicinal plants, management of common disease, oral health, elderly and palliative care, pregnancy, neo-natal, reproductive health, outpatient care and screening and monitoring of all non-communicable disease. Wellness Packages are also provided by private agencies and hotels in Karnataka, Uttarakhand, and Kerala to name a few states to improve various diseases and manage stress related diseases.

9.7 HEALTH INSURANCE IN INDIA: A CASE STUDY

Health insurance in India works under the principle of 'utmost good faith' for both the insurer and insured with no fraud occurrence. It is estimated that around 130 million people in India may suffer according to the Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Pricewaterhouse Coopers (PwC) study (PTI, 2013). Hence a stable health industry is mandatory for a growing developing economy such as India to curb the vicious cycle of poverty both at the state and the national level. Health insurance such as *Rashtriya Swasthya Bima Yojana* was initiated in 2008 under Ministry of Labour and Employment, Government of India. The aim was to help the Below Poverty Line (BPL) section of unorganized workers with five members was a prime example of social security. However, the coverage could not be on an extensive scale especially in rural areas as awareness and reach to remote location is less. Total sum insurance was Rs 30000 covering pre-existing diseases and transportation cost within the limit of Rs 1000. Rs 30 were the annual registration fee. The data on March 25, 2013; the scheme had 34,285,737 smart cards and 5097128 cases of hospitalization (National portal of India, 2016).

Another massive scheme for health insurance is the *Ayushman Bharat (Pradhan Mantri Jan Arogya Yojana).* It covers a wide range of poor

including over 10 crore poor and 50 crore beneficiaries. It is under National Health Protection Mission providing coverage upto 5 lakhs per family cashless in both government and private empanelled hospitals. NITI Aayog, State Health Agency and Union Health and Family Welfare Ministry shall simultaneously look into its provisions. It has covered nearly 40 % of the population and mainly under the SECC census data.

There are new health insurance players' everydays covering both terminal ill and critical ill patients with pre-existing, existing, out- patient department (OPD) and pregnancy as well. During emergency, most of the hospitals offer cashless treatment with empanelled hospitals covering 30 to 60 days pre and post hospitalization. There are other benefits such as Critical Illness cover, Air Ambulances, tele conferencing, international consultation, Personal Accident covers for disability. The limitation of health insurance with more premium amounts has lesser waiting period time. Health insurance has wider plans for senior citizens too. There are also tax benefits while buying a health insurance under Section 80D of Income Tax Act, 1961 where the tax exemption ranges from Rupees 25000 to 75000.

With the recent pandemic, almost all health insurance plans cover corona virus (COVID-19) treatment. As per the Insurance Regulatory and Development Authority of India (IRDAI) guidelines, insurers have also launched COVID-19 specific best health insurance namely *Corona Rakshak Policy* and *Corona Kavach* that pays for health cover as well as PPE kits, masks, gloves and 100 percent no claim bonus. It has the age group of 18-65 as entry limit. The minimum insurance is 50,000 Rupees and maximum cap range to 5 Lakh with both policy term and home- based treatment that can range from three an half months to nine and half months covering hospitalization cost of entire family.

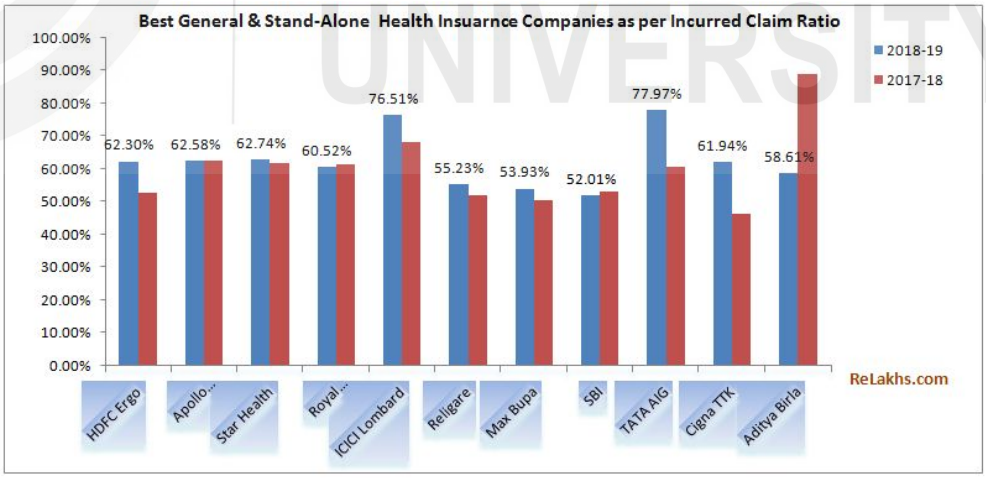

Figure 9.3: Health Insurance Companies and Incurred Claim Ratio
Source:https://www.relakhs.com/health-insurance-incurred-claims-ratio-2018-19-irda-data/

According to the Fig.1.3, Aditya Birla Health Insurance was the highest Incurred Claim Ratio in 2017 and the second was ICICI Lombard. While in 2018, TATA AIG was the highest claim settler. The second position for settling claims in 2018 was ICICI Lombard followed by Apollo Munich. India has a large array of health insurers depending on the income and need

of the population.

Let us now contextualize health industries in relation to gender and reproduction in the next section.

9.8 THE COMMERCIALIZATION OF SURROGACY

The following section has been adapted from Unit 4: Surrogacy of the course MWG 004.

Let us now look at surrogacy as a form of health services provided by various health industries. In India, particularly commercial surrogacy is located and operationalised in relation to market.

Box 9.4: India's Dominance as a 'Surrogacy Hub/Capital'

- Lower costs (I/4th of the costs in the West)
- Large top-notch private healthcare providers
- English-speaking providers
- A socio-political climate that encourages the outsourcing of Indian labour
- World-famous tourist destinations
- Presence of a large number of women willing to be surrogates
- The absence of government regulation

Over the years infertility 'treatment' in India, including surrogacy, has achieved the proportions of an industry. Though projected as pro-women and couched in the language of choice, rights and altruism, this market seeks women as clients and their reproductive body parts as commodities. In the case of surrogacy, poorer women have emerged as 'rentable wombs'; the suppliers of cheap reproductive labour. Surrogacy has now become a major component of the larger fertility industry, which also includes technologies for assisted conception. This reveals significantly that economic globalisation today is no longer restricted to goods but includes services as well. Medical services, and now fertility services, are becoming increasingly commercialised, and this has resulted in a phenomenal growth in people travelling across the globe to access these services. India is the newly emerging destination for this medical, and now reproductive, tourism.

India's health care sector has emerged as the largest in the service sector in the country, contributing 6.2 per cent to the country's GDP; by 2012, this figure is expected to rise to 8 per cent, thus employing a staggering 9 million people.

(http://shodhganga.inflibnet.ac.in/bitstream/10603/2590/9/09_chapter%201.pdf)

It is estimated that the size of the medical tourism market in the country will be Rs.1, 95,000 crores in 2012. An integral part of the growing medical tourism industry, the fertility industry, is slated to bring additional revenue of $1-2 billion by 2012 (Sarojini et.al, 2011). In fact, India is already regarded as the surrogacy outsourcing capital of the world, and is often termed the "mother destination". According to one estimate, India's rapidly growing commercial surrogacy industry is worth U.S. $445 million per year (Economic Times, 2008). There are no reliable statistics available for how many surrogacies are arranged in India for foreigners, but there is a lot of anecdotal evidence of a sharp rise in the instances of commercial surrogacy. This is also corroborated by various media reports, which range from being laudatory to critical of the surrogacy industry. In 2008, Rudy Rupak, co-founder and president of Planet M Hospital, California, a medical tourism agency, pointed out the growth trends in surrogacy, and mentioned that he expected to send at least 100 couples to India for surrogacy, up from 25 in 2007, the first year that he began offering the service (http://www.planethospital.com).

While friends or relatives can act as surrogates in altruistic surrogacy arrangement, in instances of commercial surrogacy, the surrogates are generally recruited through:

- fertility clinics, which have surrogacy programmes
- surrogacy agents, and websites or online recruitment links
- advertisements in the classified section of magazines (both English and Hindi)
- voluntary advertising by individuals looking to act as surrogates.

Apart from ART clinics that offer surrogacy as one in a range of services, other organisations have also sprung up to provide diverse kinds of support services to further the growth of the surrogacy industry. These include private healthcare consultants, travel agencies, the hospitality industry, government tourism departments, surrogacy agents, hostels for surrogates and surrogacy law firms. ART clinics in India have tied up with foreign hospitals and companies to solicit 'clients' globally in a bid to expand their clientele. As is evident in the example of Planet M Hospital above, some of these companies are headquartered in the United States or in other countries, from where the 'clients' are sourced. Often these companies also employ on-the-ground support staff in India, where the surrogates reside. They act as 'full-service' brokers between commissioning couples/individuals and the clinics, providing all 'services' in surrogacy. Typically, surrogacy is just one of the many medical tourism services these companies offer, but its exponential growth in recent years has resulted in it becoming a critical service component on offer. Commercial egg donation is emerging as another commercial venture where reverse tourism is seen to occur, with companies bringing in women from first world countries to donate their eggs as well as travel in India.

Clinics and other actors offering/ promoting surrogacy services claim that by providing surrogacy as an option, they are simply responding to the existing

market demand of desperate women to become mothers. In interviews conducted by **Sama**, a resource group for women and health, as part of a research project on the growing commercialization of ARTs, providers communicated their discomfort with "emotional" surrogacy. They see commercial surrogacy as a win-win situation that gives the commissioning parents the child they want, and the surrogate mother the money she needs. They insist that surrogacy is opening up new avenues for women to earn money and "better their lot". It is argued that Indian women have high fertility as it is, and often give birth to four or five children. As such, one surrogate pregnancy that will help them improve their living conditions, or pay for a child's operation, cannot be a 'bad thing'. From the surrogate's perspective, financial benefit is cited as the main reason why women are ready to act as surrogates. The money earned from surrogacy can be used to provide the surrogate's own children with a good education, to buy a house, to overcome a financial crisis, or to generally improve the living standard of the family. Surrogacy is thus projected as a better option than, and even a way out of, the sex trade. While the comparison between surrogacy and sex work is not a simple one, it does provide an additional dimension to examine and understand commercial surrogacy. The comparison between the two in the public imaginary as stigmatised work, also results in constant negotiation by the surrogates both at an ideological and practical level.

Anand [a town in the western state of Gujarat] has become the epicentre of the commercial surrogacy industry in India. In surrogacy hostels here, surrogate mothers are carefully chosen and cared for with rich nutritional support, and medical supervision that is comparable to international standards. However, this is ironic given that most of these mothers were probably deprived of basic nutritional support and medical facilities when they gave birth to their own children, as they often belong to the lowest socio-economic rung of the population.

Further, surrogacy arrangements where both sperm and eggs are required from donors create three mothers for the child; the gestational mother (surrogate), the genetic mother (donor) and the intended mother (commissioning parent/s). This raises a whole range of ethical dilemmas.

Box 9.5: Advertisements for Fertility Services

The website of a fertility services provider Institute of Reproductive Medicine and Women's Health (IRMWH) has the heading 'A woman's best friend', under which the caption reads 'They say women make the world go round. How true! It is because they are mothers: The creators and sustainers of every generation.' Their work is described as 'revolving around women' and is a 'harbinger of hope for childless couples'(http://www.madrasmedicalmission.org/irm.html).

Agencies make large profits by recruiting commercial surrogates, whose services are aggressively advertised by the agencies. The 'selling point' becomes the 'quality' of the surrogate, which is determined by her social background, looks and, preferably, by proven fertility. The advertisements for surrogates highlight this, and typically read, "Good looking, fair, 27-year-lady from respected family available for surrogate mother. Only rich and genuine people contact" (Sama, 2009, p.14). As a whole, ART services are advertised on websites, in fancy brochures, on walls and hoardings on streets, near adoption agencies and on local cable channels and bus stops. The images, language and slogans used serve to reinforce the tragedy of childlessness and the sentimentality of childbearing, particularly motherhood. At the same time, concerns and complications that come with medical intervention (like side effects, costs, efficacy, and so on) are pushed into the background. Within the larger discourse of the medicalisation of childlessness, surrogacy is projected as the altruistic and noble 'gift' of motherhood, from one woman to another. Surrogacy is most often associated with the values of benevolence and altruism. 'Giving the gift of life', 'helping someone build a family' and other such phrases are often used to emphasize the 'good deed' of renting one's womb. This is deployed equally in commercial surrogacy, wherein the economic aspect is disguised as well as justified in altruistic terms. The ever expanding access to ARTs and the option of surrogacy also means that alternative forms of parenthood or voluntary childlessness are not even considered and more or less excluded as choices.

It is therefore not surprising to find that today, commercial surrogacy has been routinised and normalised to a large extent, with 'stories' of surrogacy slowly finding their way into popular imagination, as well as local moral worlds and discourses.

Check Your Progress Exercise II

Note: I. Use this space given below to answer the question.

II. Compare your answer with the course material of this Unit.

1. "India as a surrogacy hub". Do you agree or disagree with this statement? Justify your answer with recent data.

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2. Describe the ways through which surrogates are recruited in the surrogacy industries.

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9.9 LET US SUM UP

With the rise of environmental degradation, overpopulation, adulterated food and polluted water; there is an increase level of health complication and morbidity factors in recent years. This trend will continue until a breakthrough pledge is made by nations of the world where people are losing on hygienic food, quality water, mental rest and connecting to Mother Nature through physical activities. There is tremendous rise of health industries which will continue to boom to reduce the mortality and morbidity factor in modern times. This unit has highlighted the concepts, demands and engagement of health industries in recent times looking into the curative, preventive and rehabilitative measures that has made the industry successful in India and it will further generate more income in all future possibilities.

9.10 UNIT END QUESTIONS

1. Write an essay on health industries in India.
2. Define surrogacy and discuss the aspect of commercialization of surrogacy in India.

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