207 28/11/14



No. V-16020/37/2014-ME-I Government of India Ministry of Health and Family Welfare (ME-I Division)

Nirman Bhavan, New Delhi, Dated the November, 2014.

То,

1. The Director, AIIMS, Ansari Nagar, New Delhi.

2. PGIMER, Sector 16, Chandigarh 160012

3. JIPMER, Dhanvantari Nagar, Puducherry 605006

4. GMCH, Sector 32 B, Chandigarh 160030

Subject: - Letter dated 24.09.2014 of Sh. Pradeep S. Mehta, Secretary General, and CUTS International regarding unholy alliance in Healthcare service in India.

Sir,

I am directed to forward to herewith a copy of BoP Section, MoHFW OM No. Z-17017/04/2014 dated 20.10.2014 alongiwth a copy of Sh. Pradeep S. Mehta, Secretary General, CUTS International letter dated 24.09.2014 on the above subject, which is self-explanatory for information and necessary action.

Yours faithfully,

Encl: as above.

(S.N.Sharma)

Under Secretary to the Government of India Tel. No. 23061883.

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F.No. Z-17017/04/2014-BP Government of India Department of Health and Family Welfare

(Bureau of Planning)

Room No. 502 A, Nirman Bhavan, Dated: 20th October, 2014

OFFICE MEMORANDUM

Subject: Letter from Shri. Pradeep S.Mehta, Secretary General, CUTS International - forwarding of - Reg.

Please find enclosed in original, the letter dated 24th September, 2014 (Along with enclosures of Letter dated 23rd July, 2014), received from Shri. Pradeep S. Mehta, Secretary General, CUTS International, Jaipur, for information and necessary action.

> (J.Rajesh Kumar) Director (BOP)

To

JS (KLS)

areep S. Mehta

Secretary General, CUTS International Chairman, CUTS Institute for Regulation and Competition Cell: +91.9829013131 psm@cuts.org, www.pradeepsmehta.com D-217, Bhaskar Marg, Bant Park Jaipur 302 016, India Ph: +91.141.2282821 Fx: +91.141.2282485 www.cuts-international.org

C.182/2796

24th Sept. 2014

Dr Harsh Vardhan, Hon'b'le Union Minister of Health & Family Welfare, Ministry of Health & Family Welfare, Government of India

Nirman Bhawan, C-Wing, New Delhi 110001

Dear Dr. Howsh Van

Unholy alliance in Healthcare services in India Launching a National Prescription Audit scheme

Greetings!

Kindly refer to my letter No. C.182/2796 of 23rd July, 2014 regarding the subject which remains unresponded, nor any action by the Ministry. A copy is enclosed for your kind perusal.

I was hoping to meet you in person at today's event organised by IDFC on release of their report on Health Care Infrastructure but you could not attend due to other preoccupations.

I will be grateful for your kind response.

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Yours sincerely

Dir TIKE BOP 'Pradeep S Mehta

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(Anni, Negi)

Pradeep S. Mehta

SCUTS International

Secretary General, CUTS International Chairman, CUTS Institute for Regulation and Competition
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C.182/2796

2014.07.23

Dr Harsh Vardhan Hon'ble Minister of Health & Family Welfare, Ministry of Health & Family Welfare, Government of India, Nirman Bhawan, C-Wing, New Delhi 110 001

Deen Dr. Haush Vondham,

Unholy Alliance in Healthcare Services in India

Greetings from CUTS International!

- 2. You may kindly recall that in 1995, when you were Delhi State's Health Minister, you had released our report at the Press Club on rational drug prescribing, which had captured irrational prescribing for the reasons that you have reiterated yesterday. (http://timesofindia.indiatimes.com/india/Doctors-diagnostic-cartels-fleecing-patients-Harsh-Vardhan/articleshow/38888075.cms?prtpage=1). Here you have expressed concern about the existing practice of cuts and have indicated that the Government is considering some actions to address this malaise.
- 3. As you might be aware, CUTS is a public policy think-tank working on issues that affect the common consumer since 1983. We welcome your stance on the matter and would like to extend our support and cooperation for this cause. CUTS has for long been raising this issue about the *Unholy Alliance in healthcare Services in India*, and are happy that the matter seem to be eventually receiving some attention. The Union Government had suggested a need for *Prescription Audit* under the ambit of draft National Antibiotic Policy 2011, however, there was no further action on this. However, In August 2013 the State Government of Gujarat announced 'prescription audit' for all government hospitals. We hope this can be replicated across the country including in private healthcare institutions. We feel 'prescription audit' would help curb some of these malpractices and tendencies in the healthcare services sector.
- 4. In 1995 the report that you had released was done with the support of medical doctors we had conducted analysis of over 2000 prescription from across six states (Andhra Pradesh, Gujarat, Maharashtra, Rajasthan, Tamil Nadu & West Bengal).

- 5. As an ardent advocate on this subject, CUTS undertook another study in 2009 in the states of Assam and Chhattisgarh, which clearly pointed out the occurrence of such and other malpractices in the healthcare sector in the country. The report is available at: http://www.cuts-ccier.org/cohed/pdf/Unholy_Alliances in Healthcare Services-COHED.pdf. Later, in another study, we were again able to uncover some of these malpractices across four states (Andhra Pradesh, Gujarat, Himachal Pradesh and West Bengal) in 2011-12. This report can be viewed at: http://www.cuts-ccier.org/BRCC/pdf/Rethinking Business Responsibility in India.pdf. Copies of these reports are enclosed for your kind perusal.
- 6. We had taken up this matter with the Competition Commission of India actively. However, they have not initiated any action, in spite of several reminders and personal meetings.
- 7. We urge the Ministry of Health & Family Welfare to consider fast tracking implementation of Prescription Audit, covering both medicines and diagnostic tests across the country, as that would serve the interest of the ordinary Indian consumers:

Looking forward to your valued response, I remain,

with warm regul

Yours sincerely,

Pradeep S Mehta