

## Healthcare as an Optional Public Service (HOPS)

### Why in news?

The lingering COVID-19 crisis is a good time to revive the universal health care (UHC).

### What is Universal Health Care (UHC)?

*WHO's goal- 1 billion more people benefitting from universal health coverage by 2023.*

*SDG target 3.8 focuses on achieving universal health coverage.*

- Universal health coverage means that all people have access to the health services they need, when and where they need them, without financial hardship.
- It includes the full range of essential health services, from health promotion to prevention, treatment, rehabilitation, and palliative care.
- Currently, at least half of the people in the world do not receive the health services they need.
- Monitoring progress towards UHC should focus on 2 things.
  - The proportion of a population that can access essential quality health services (SDG 3.8.1)
  - The proportion of the population that spends a large amount of household income on health (SDG 3.8.2).
- WHO uses 16 essential health services in 4 categories as indicators of the level and equity of coverage in countries
  1. Reproductive, maternal, newborn and child health
  2. Infectious diseases
  3. Noncommunicable diseases
  4. Service capacity and access

# How Universal Health Care Works

## Single Payer

Free government-provided health care paid for by income tax revenue



Every citizen has the same access to government-owned services (Example: The United Kingdom)

## Mandatory Insurance

Government-run health insurance fund financed by payroll tax on employers and/or employees



Private doctors and hospitals provide services (Example: Germany)

## National Health Insurance

Every citizen pays into a national plan provided by a single insurance company



Publicly funded and privately delivered (Example: Canada)

## What are the routes available to achieve UHC?

- **Public service-** In this approach, health care is provided as a free public service, just like the services of a fire brigade or public library.
- This socialist project has worked not only in communist countries such as Cuba but also in the capitalist world.
- **Social insurance-** It allows private as well as public provision of health care, but the costs are mostly borne by the social insurance fund(s) so that everyone has access to quality health care.
- The social insurance is one where insurance is compulsory and universal, financed mainly from general taxation, and run by a single non-profit agency in the public interest (Canada).
- Other models of social insurance include the one that is based on multiple non-profit insurance funds instead of a single payer (Germany).
- **HOPS framework-** Healthcare as an optional public service (HOPS) refers to the framework for UHC that would build primarily on health care as a public service.
- The idea is that everyone would have a legal right to receive free, quality health care in a public institution *if they wish*.
- Health care of decent quality is available to everyone as an optional public service.
- In Kerala and Tamil Nadu, most illnesses can be satisfactorily treated in the public sector, at little cost to the patient.
- Here, social insurance could play a limited role covering procedures that are not easily available in the public sector such as high-end surgeries.
- The main difficulty with the HOPS framework is to specify the scope of the proposed health-care guarantee, including quality standards.

*Tamil Nadu has proposed the Right to Health Bill that ensures State's commitment to quality health care for all.*

## What are the challenges associated with social insurance?

- **Absence of public health centres**- In the absence of public health centres, there is a danger of patients rushing to expensive hospitals making the system wasteful and expensive.
- **Costs**- Containing costs is a major challenge with social insurance, because patient and health-care provider have a joint interest in expensive care.
- Even small co-payments often exclude many poor patients from quality health care.
- **Regulating private health-care providers**- A crucial distinction needs to be made between for-profit and non-profit providers.
- For-profit health care is deeply problematic because of the conflict between the profit motive and the well-being of the patient.

## What are the pros and cons of UHC?

- **Pros of UHC**
  - Lowers overall health care costs
  - Lowers administrative costs
  - Standardizes service
  - Creates a healthier workforce
  - Prevents future social costs
  - Guides people to make healthier choices
- **Cons of UHC**
  - Healthy pay for the sickest
  - Less financial incentive to stay healthy
  - Long wait times for elective procedures
  - Doctors incentivized to cut care to lower costs
  - Health care costs may overwhelm government budgets
  - Government may limit services with low probability of success

### References

1. <https://www.thehindu.com/todays-paper/tp-opinion/hops-as-a-route-to-universal-health-care/article65316184.ece>
2. [https://www.who.int/news-room/fact-sheets/detail/universal-health-coverage-\(uhc\)](https://www.who.int/news-room/fact-sheets/detail/universal-health-coverage-(uhc))