

Maharashtra Draft Bill - Cut Practice in Health Care Services

Why in news?

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Maharashtra has recently drafted the "Prevention of Cut Practice in Health Care Services Act, 2017.

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What is it about?

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- The bill is to address the rampant "Cut" Practice which refers to the commissions paid for making medical referrals.

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- The practice involves those in the medical network such as the doctors, pharmaceutical companies, diagnostic laboratories and hospitals.

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- Several MBBS graduates see this as a means of recovering their investment in medical education.

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- Also, with rising competitors, medical practitioners resort to commissions practice as a means of survival.

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- The bill will be the first of its kind in India to make a formal recognition of the commissions practise for referral of patients.

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- The ultimate objective is to reduce the cost to the patient who pays fees that include the commission to the referring doctor.

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What does the draft Bill propose?

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- The bill provides for investigating allegations of money exchange, 'cuts', commissions or material gifts offered in exchange for referral of patients.
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- It prohibits all healthcare service providers from demanding or accepting gratification through these means.
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- This applies to hospitals, doctors, pharma companies, diagnostic labs, maternity homes, dispensaries and clinics.
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- It authorises the Maharashtra Anti-Corruption Bureau (ACB) as the investigating agency.
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- Punishment ranges from a fine of Rs 50,000 to imprisonment up to five years.
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What are the shortfalls?

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- The **ACB**, whose primary competence is in the investigation of corruption, may find it difficult to pursue **technical or scientific inquiries**.
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- E.g. Establishing the need and validity of a test or consultation recommended by a doctor.
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- Officials from the implementing body said **malpractice in the cash form** may be difficult to trace.
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- It is also difficult to establish if a particular drug, manufactured by a certain company was prescribed actually for pecuniary gains.
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- Also, since anyone can file a complaint, there is a concern among doctors that this could be misused against honest doctors.
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- There are systems wherein a doctor or clinic ties up with a diagnostic lab to share profits.
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- But going by the definition of 'cut' practice in the draft Bill, even this can be investigated on technical grounds, even if no 'cut' has been paid.
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- Besides, the draft Bill has not made any mention of the **medical tourism**.
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- Notably this commonly works through an agent routing international medical

patients to specific corporate hospitals for a commission.

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Source: Indian Express

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