

# HOW CORPORATE SOCIAL RESPONSIBILITY CAN SHAPE INDIAN HEALTHCARE

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The health sector of India is in an ailing condition. Poor accessibility, unaffordability, lack of quality care, inadequate resources in terms of finance and healthcare provider makes the health sector insufficient to cater to the needs of such a huge population. Even though there has been development in the health sector, but it is mostly focused on the secondary and tertiary care. For tertiary care also, the public sector lacks quality and the private sector lacks affordability for the general population, thus creating inequity in health sector. Improving preventive care can improve the health and well-being, promote equity and save the population from facing financial burden. Therefore, focusing on preventive and primary care is very important.

The government spends only 1.6% of the GDP on health sector and out of which very less proportion goes to primary health care. Looking at the situation, we cannot expect government to take care of this single-handedly. The private sector can play an important role here by going beyond profit making and supporting the government in country's development. The Company Act, 2013 states that the companies with a net worth of ₹500 crore or revenue of ₹1,000 crore or net profit of ₹5 crore during the 3 immediately preceding fiscal year should spend 2% of their average net profit in the last three years on activities related to social development as corporate social responsibility (CSR) such as health, education, gender equality, sanitation, malnutrition and rural

development. In 2020, amendments to the act has been passed, under which the companies will be penalised for not complying to the act. This act pushes the companies to fulfil their social responsibility and duties towards the country.

Out of the 18655 crore spent on CSR in 2018-19 financial year, only 3216 crore goes to health care and out of that, most part goes to tertiary care. But currently, the primary sector needs more attention. Therefore, the companies should go beyond philanthropy and think of country's upliftment by improving its health sector and directing their funds in the right direction. Their focus should be directed towards primary health sector which can have a significant change in the healthcare of the country. The companies can bring a significant change with their contribution in the following ways:

1. Focusing more on preventive and primary health care: This can be done by conducting more awareness and screening programmes instead of building tertiary care hospitals and donating to the hospitals. The awareness campaigns and programmes should focus on changing lifestyle, food habits, physical activity as they are the reason for most diseases these days. They should not only focus on cure of the diseases, rather prevention should be their primary objective.
2. Increasing the number of doctors: The doctor-population ratio is 1:1456 in India while World Health Organization recommends this ratio to be 1:1000. So, there is a huge gap in this. Therefore, the companies can address this shortage by supporting more students for medical education, by giving scholarships and grants.
3. Increasing the number of doctors in rural areas: There is a huge shortage of human resource in health sector in rural areas because they are concentrated to urban and semi-urban areas due to the perks of higher earnings and better standard of living. The companies can solve this problem by improving the infrastructure and providing incentives to those serving in the rural areas and focusing their programmes more in rural areas. They can also provide basic training to the local people, so that they can serve the community when there is a lack of trained healthcare provider. Also, they can help in increasing the accessibility of the health care in the rural areas by improving the transportation or by helping them to reach to the health centres.
4. Enabling construction of community hospitals: Setting up community hospitals in tier two and tier three cities of the country.
5. Providing health insurances: The companies can help prevent the marginalized society from being pushed into poverty by providing financial support in terms of providing health insurances.

The corporates in India have the opportunity and capability to uplift the health system of the country

which in turn can bring a significant change in the health and productivity of the population. They just need to think in the right direction.

## **About the Author:**



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