Evolving Corporate Governance in Indian Healthcare: An Ethical Perspective

Dr. Radha Mohan Chebolu
Associate Professor IBS, IFHE University Hyderabad -501203, India.
radhamohan@ibsindia.org
91-9948527348

D.Saravanan
Faculty of Operations & IT ICFAI Business School (IBS), Hyderabad, The ICFAI Foundation for Higher Education (IFHE) (Deemed to be university u/s 3 of the UGC Act 1956) Hyderabad-India.

Abstract
The ongoing trends in the Indian healthcare sector point to the need to evolve a strategic plan with concern towards ‘quality care’. This demands a massive governance agenda from a management perspective. The evolution of Corporate Hospitals, on a mammoth scale, across the country heralded a new era in the realm of ‘diagnosis’ and ‘treatment’ unfolding many technologies. The so-called boom in the service sector, found to be responsible for elevating the living standards of the middle class, needs to be channelised for a productive cause. The growing awareness of health disorders and treatment-seeking attitude among the cross section of people put enormous pressure on corporate hospitals to prescribe an action plan for meeting customer needs spread in different forms. The entry of foreign capital into the fold of healthcare services has also resulted in a competition between equal players as seen in the case of heart ailments. The individual-centric and group-centric management patterns found in the corporate hospitals require a healthy debate on the pros and cons of the phenomenon. The growing thrust towards ‘quality management’ also enables us to focus upon ‘clinical governance’ that finds special place in the so-called corporate governance framework. Apart from this, technological implications and the resulting cost escalation are identified as potential elements that need attention in the effective management of corporate hospitals. The journey from ‘commercialization’ to ‘corporatization’ in varying forms has been analyzed. Above all, the classic models of management followed in Banking, Finance and IT sectors, which came to be known as ‘Corporate Governance’ is being thrust upon corporate hospitals for implementation in view of its positive outcome elsewhere. Eventually, the management architecture involves the application of an ‘ethical code of conduct’ not only for gaining the investor’s trust but also for
enhancing the ‘brand image’ of the hospitals. The focus on customer-related issues be it ‘cost’ or ‘service’, at this crucial juncture would ensure a fair balance between business objectives and service delivery from a customer perspective. For driving corporate healthcare services towards ‘zero tolerance’ to ‘medical errors’ the pursuit of corporate governance practices seems to be imperative both from organizational and social perspectives. The blueprint prepared by ‘McKinsey’ for evolving a new health policy deserves to be given adequate attention while making policy overtures across the realm of corporate hospitals.

Key Words:
Ethics, Clinical Governance, accountability, transparency, commitment, entrepreneurship, medical tourism, human rights.

“Creating an ethical culture means instilling and maintaining a commitment to doing the right thing, this time and every time – so much so that it becomes entwined in the essential DNA of the firm.”

-William H. Donaldson

The growing market share for Wokhardt’s health care services and products at an astronomical level brings into fore the subject of corporate governance once again. In an era of global transformation, efforts to reform healthcare system are proliferating rapidly by drawing support from the influence of ‘cost’ and ‘accessibility’ factors. In fact, countries are experimenting with various systems for increasing the bandwidth of Medicare services by opting for cost-reduction strategies and other insurance packages. As such the Indian scenario offers us ample scope to probe to what extent the healthcare administration in private sector falls in line with the management strategies for evolving ‘cost-effectiveness’ and enhanced ‘quality care’ from customer perspective. Heralded as “the best country to be invested in” by Newsweek in 2004, India has emerged as the major player in global economic affairs by virtue of its skilled human resources and technocratic advancement in several domains. Most of the branded consultancies like Goldman Sachs do report the growing economic potentiality that is luring many Fortune 500 companies to take chance for investment in Indian scenario. The growing reputation for investment was not confined to industries like IT, Banking, Finance and other manufacturing sectors alone; rather these trends also influenced the healthcare sector. The very decision of International Finance Corporation (IFC), the private sector arm of World Bank group, making an equity investment of 1.3 percent in Apollo Hospitals Enterprise Limited makes it evident that the time is ripe for Indian healthcare sector to acquire a ‘corporate character’ marked with an ‘ethical code of conduct’ in tune with the changing priorities of the system. This seems to be necessary so as to keep pace with global investments.
drive, opine many corporate pundits. Stimulated by the success of big groups like Apollo, Escorts, Wockhardt, Aditya Birla, Hindujas, Fortis Healthcare, attempts are on the anvil to make Indian healthcare sector more viable for commercial enterprising as proved by the emergence of many second line corporate hospitals across the country. In this context what needs to be done to introduce effective management practices in the light of boom in healthcare sector assumes priority. The ‘value-consciousness’ that needs to be created among the hospital managers for acquiring ‘corporate governance’ perspective is analyzed by citing examples in the direction. This attempt can be justified as described below. The complexity of healthcare system requires understanding of short-term trends and near-term solutions from a managerial perspective. The ‘PriceWaterHouseCoopers’ award-winning research report named “Healthcast 2010: Smaller World, Bigger Expectations” also project the scenario that demands a management perspective based on endurable ethical standards. Is honesty the best policy for hospitals? Should a hospitable patient be told when an error causes injury? The nation’s corporate hospitals generally say ‘no’ to these questions. By and large the current scenario in corporate hospitals raises some critical questions about patient safety despite the quality professionals and world-class facilities being available for treatment. There is a growing awareness in recent times on the prevailing safety mechanism in corporate hospitals. Cases of failures often finding fault with post-operative care, leads to a fresh perspective on the whole subject. Thirty-four percent of U.S. patients received wrong medication, improper treatment or incorrect or delayed test results during the last two years, as reported by the Commonwealth Fund. Patients in the United States reported the highest rate of disorganized care at doctor’s offices -- 33 percent -- followed by Germany with 26 percent, Canada with 24 percent and New Zealand with 21 percent. Patients in Britain and Australia reported 19 percent. U.S. patients also stood out for shouldering more medical expenses than those in the other countries. More than half said they did not take their medicines or consult a doctor because of expensive costs. In the United Kingdom, where health care is subsidized by the government, 13 percent of patients said they went without health care. When this happens to be the scenario in developed countries, what is the state of affairs in the Indian context? This backdrop enables us to foresee the need for evolving ‘ethical practices’ in the corporate healthcare sector with due emphasis on the basic parameters like patient autonomy, beneficence, non-malfeasance, generosity and service.

Conceptualizing Corporate Governance in Healthcare
Admittedly the concept of Corporate Governance applied in other segments of economy, i.e., industry and services is absolutely relevant to the healthcare domain also. As defined in popular terms, ‘corporate governance’ precisely stands for timely and accurate disclosure of information regarding financial
situation, performance, ownership, and governance of the firm and the healthcare sector certainly, deserves to be brought into this fold. Relying on the basic premise of commitment to all the stakeholders i.e., employees, suppliers, customers, banks and other lenders, regulators, the environment and the community at large the concept of corporate governance is expected to play a pioneering role in redefining the service culture. Though it happens to be a multi-faceted subject handling the issues of ‘accountability’ and ‘transparency’ in the day-to-day affairs of firms, much needs to be done in terms of its extension towards healthcare sector, argue many corporate strategists. Precisely, the perception of management has to take a strong deviation from the routine service delivery to that of optimizing the welfare of the patients who visit the hospital. By keeping track of expansion attempts by some of the major firms, an attempt has been made here to describe the relevance of ‘clinical governance’. Viewed against the backdrop of growing public investments in healthcare sector through IPOs and FIIs, more attention is prescribed here to motivate the management to act as the trustees of shareholders’ capital but not as owner’s. Besides maintaining high degree of ‘disclosure’ levels for ensuring ‘transparency’ in the day-to-day functioning of hospitals is also expected out of this corporate governance proposition. The compliance of norms pertaining to prescribed health standards, financial markets, consumer rights and mechanism for grievances redressal also come under the ambit of governance, opine some healthcare analysts. Going by this conceptual understanding, the proposed ‘clinical governance’ as a prelude to corporate governance mechanism is accompanied by certain theoretical observations. This becomes inevitable more in terms of giving value for money paid by the customers and a more human approach. The imperative nature of protecting the health of citizens, come what may, certainly falls under ethical standards and so there is a need to streamline the functioning of hospitals and research centers with redefined objectives and ideals.

Indian Context

In the Indian context, a worrisome state of affairs pertaining to healthcare sector is indicated by the survey that estimates the intensity of chronic diseases like Diabetes, Hypertension, Cancer and Aids accounting for 65% of deaths by 2020. Compared to the previous times (53% in 2005) these diseases are growing by leaps and bounds and in the coming decade they are expected to claim 7.63 million lives in India (3.78 million in 1990). Described as a kind of shift in the profile of killer diseases, the study by Pricewaterhouse Copers also tries to locate the roots of these diseases in the lifestyle transformation taking place across the country in the light of growing sedentary jobs. As such they can be termed as ‘lifestyle diseases’ denoting the ills of ‘sedentary
lifestyle’, i.e., characterised by lack of physical activity, obesity, stress and consumption of a diet rich in fat. Dwelling at length on the need for revamping the health services in India with utmost quality, this study further throws light on the new paradigms in the management style.

The drastic transformation that is taking place in Indian the healthcare sector also provides us ample scope for making a critical estimate of the scenario by transforming India as the destination for ‘medical tourism’ of world. The emerging trends in the ‘diagnosis’ and ‘treatment’ processes in cities like Delhi, Mumbai, Chennai, Hyderabad, Bangalore, in the backdrop of new diseases and ailments, stand as a valid proof for the progress in the healthcare sector. Backed with sophisticated technology and highly skilled professionals the evolution of ‘corporate hospitals’ in some of the cities like Hyderabad offers a new definition to the image India enjoys across the world. Viewed from the perspective of technology the progress in healthcare sector stands undisputed in recent times, at the same time posing a new challenge to the ethical fabric of our country. The ‘cost-escalation’ and declining ‘access’ to quality Medicare to cross-sections further indicate the scenario that makes us believe that ‘health’ sector has emerged as the potential industry for reaping rich harvest. At a time when things are getting commercialized in the wake of Globalization, healthcare in the name of quality and sophistication has become vulnerable to commercial practices and enterprising activities. The enterprising outlook given to hospitals in cities and some of the district headquarters further proves the need for evolving a strategic perspective that demands an academic debate on a larger canvas. Corporate Governance, the new buzzword in the development discourse, which appears to have influenced the industrial management sector, deserves to be implemented in the management of health institutions at a faster rate. The growing diversity in the diseases pattern and intensity of chronic problems like Diabetes, Blood Pressure and Nervous disorders would bring forth the argument that staying ‘healthy’ is more important than becoming ‘wealthy’. The growing relevance for application of corporate governance principles in healthcare sector stands further justified with the mushrooming growth of corporate hospitals endowed with world-class technologies and surgeons in diverse fields. A critical look at the on-going trends in the direction of marketing the healthcare services by some of the big ventures brings into light the state of prevailing ethical practices. It also underscores the need for documentation of the marvelous performance of some of the departments like cardiology, gastro-enterology, and nephrology in the corporate hospitals with the advent of software technology and latest apparatus like MRI Scanning. The value-based strategies that needed to be implemented as part of executing the philosophy of ‘corporate governance’ have to be popularized for which attention is devoted here with reflections from some of the luminaries in the field.
India as Destination for ‘Medical Tourism’: Promises and Priorities

It’s an astonishing fact to note that around 47 million uninsured Americans are unable to make use of private medical facilities in their own country, while in UK, the picture seems to be quite alarming. It is found that the National Health Service is under immense pressure to meet the rising demands of growing population. What do these findings imply for us? In view of this rising consciousness on health issues in advanced countries like US and UK the implications are deeply felt in countries like India where the year 2006 had seen around 1.5 lakh foreign nationals visiting the country for various types of medical assistance. Implying further that the global business growth in healthcare ranks second only to retail sector and the McKinsey Report findings also testify the above scenario. In the light of this, it is estimated that the Indian healthcare sector will be worth a whopping Rs. 1200 billion by 2012.

While taking the available facts and figures into consideration, the bottom line becomes much more clearly with more portfolios in Indian healthcare sector coming to light. Be it as ‘healthcare economists’ or ‘healthcare managers’, aspiring medical graduates and post-graduates are finding many lucrative avenues of operation. Without losing their basic identity as medical practitioners they can pursue the new path on management lines by associating themselves with IT and Insurance industries. The newly evolved management domain for medical professionals raises many concerns on the basic issues that are found to be common in other industries. As such, there is a need to reinterpret the old management proverb, which says that management consists of two inter-related tasks – doing the right things and doing things right. This finds relevance in the context of much exposure given to the corporate hospitals that claim ‘quality’ as the pivot of their operations. At a time when the visits by cross-sections of the people to the branded hospitals are increasing by leaps and bounds the concern for quality among public needs to be judged from a new perspective. Hitherto, quality used to focus upon doing things in a right way, which may not be sufficient in the changing dynamics of healthcare system. As such, doing right things alone at the time of clinical services, in view of variation between regions, hospitals and professionals, assumes greater priority. The ongoing attempts by some of the branded hospitals in private sector towards promoting ‘health tourism’ make it imperative to probe the issue from an academic perspective. The tourism status given to healthcare industry is further testified by the growing number of visitors from across the world, in the name of ‘affordability’ and ‘quality treatment’. The possible repercussions on the management front in view of this trend need to be taken care of, says Dr. Mallika Goyal, the Retina Specialist working with Apollo Hospitals, Hyderabad. Being a member of ‘American Society of Retina Specialists’ (ASRS), she has excelled in treatment of Eye-related disorders and acquired name and fame as a ‘Consultant. 

880
Ophthalmologist’ and ‘Vitreo-Retinal Surgeon’, over a period of time. Given her expertise in American medical practices she strongly exhorts the priorities in this regard. Besides restoring the trust and confidence in the treatment practices adopted by corporate hospitals there is a need to establish ‘accountability’ on a large scale, she adds by citing the rate of increase in the medical errors. Precisely in the eye segment, there is a growing concern about the quality element from a section of people, who underwent cataract surgery in recent times. Though it appears to be a small event it has lot of magnitude in view of technology applications on wide scale. The ‘IOL’ treatment method being followed by the corporate firms deserves a critical examination in terms of quality of lenses used for the purpose. As such the accountability factor in the context of corporatization of hospitals demands immediate attention and has been highlighted by many scholars working on corporate governance in healthcare. The ‘growth vision’ added with ‘value perspective’ deserves to be implemented in the management of corporate hospitals in the light of proclaimed ‘medical ethics’ as seen in the western world. The ‘business tempo’ needs to be balanced with ‘service motto’ by advocating an ethical management strategy in the governance pattern, argue many of the professionals. At a time when debates alongside efforts are on for bringing medical profession under the purview of ‘Consumer Act’, a critical examination of the corporate hospitals scenario in the country requires much support. With focus on some of the corporate hospitals and the status of management practices evolved there an attempt has been made to bring into light the concept of ‘medical ethics’ that is catching attention across the world. The justifiable factors behind the ‘corporatization’ of hospitals find enough space in the analysis. The ‘cost’ factor behind medical education, responsible for commercialization of treatment process, is given adequate attention to trace the antecedents of current scenario. The very purpose behind articulating the ethical dimensions in the corporate governance strategies is to develop a ‘beneficiary perspective’ among the personnel who are in the seat of power. The coining of designations like, ‘Chairman’ ‘Executive Director’, ‘Managing Director’, popular in corporate world, in the management of organizations also brings into fore the orientation of governance pattern on new lines. The growing ‘alliances’ and ‘technology transfer’ agreements and MoUs between the major players do project the corporate trends demanding a radical revamp in the management style. This also becomes inevitable for meeting the social needs and welfare obligations set forth by the state.

Going by the figures of ‘World Health Organization’ (WHO) which estimates that mortality from diabetes and heart diseases cost India about $ 210 billion every year and is expected to increase to $ 335 billion in the next 10 years one should realize the gravity of situation in healthcare domain.
The overall picture presented here provides a fresh insight into the corporate healthcare with focus on the policy tuning to be done at this crucial juncture of achieving ‘Healthy India’ besides ‘Wealthy India’.

Towards Clinical Governance… Some Theoretical Underpinnings

The introduction of general management principles into the health service has raised important issues about health care professionals working within a managerial structure. This requires further exploration through discussion of working relationships between managers and health care professionals at clinical level. An understanding of this kind makes it imperative to have clinical management teams matching to the system. As such India needs to have a new perspective towards health administration keeping in line with the changing socio-economic scenario. The next generation medicos have to be more conscious about the management traits while taking up their roles as surgeons and physicians of various kinds, argues Dr. Harsh Vardhan Sharma, an outgoing graduate from Indian School of Business (ISB), Hyderabad. An upcoming management professional with a medical background at the graduate level, his views justify the thought of infusing the hospital administration with more professional tempo. With a true commitment to the domain of healthcare, he left practice and joined the ISB for pursuing business administration course, which could be made applicable in healthcare scenario. His services as a medical practitioner at the Delhi-based Guru Tej Bahadur Hospital and Sir Ganga Ram Hospital helped him to identify the lacunae on the management front and divert his career towards clinical governance. The line of thinking among the sizeable section of medical graduates in India to pursue Post-Graduation in the discipline of medicine alone, unmindful of administrative skills, needs to be deplored. In the US the B-Schools provide many specialization options in M.B.A for people with a medical background. Dr. Harsha Vardhan, endorsing support for the cause for clinical governance on corporate lines, draws attention to unique programs like MBA in healthcare management, which alone can make a difference to the healthcare sector in India. While exploring the element of ethical care in the domain of clinical services at the current juncture we come to know the relevance of ‘clinical management teams’ comprising doctors, nurses and mangers of the hospital. Maureen A. Coombs in his book, ‘Power and Conflict between Doctors and Nurses’, tries to analyze the role of decision-making in terms of extending clinical support to critically ill patients. He talks about how decision-making relies on the sharing of knowledge and information pertaining to the disease pattern and treatment process among clinical management teams and gives a direction to the required monitoring standards and interventions. This gives an impetus to the cause of facilitating effective management of clinical services based on distinct knowledge. This knowledge can be best utilized to understand the organizational needs of intensive care; resources required to provide and sustain support
services; and above all, to know how to work within the systems designed to support service delivery in the emerging corporate hospitals. Liam J. Donaldson, and J.A. Muir Gray have made an attempt to draw a parallel between ‘clinical governance’ and ‘corporate governance’ by highlighting the relevance of ‘quality’ and ‘accountability’ in the hospital administration. The common yardstick that is applied to measure the performance of a healthcare enterprise is ‘customer satisfaction’ associated with ‘quality management’ in surgical operations. The growing neck-deep competition among branded firms is further giving scope to adoption of cost-reduction practices as such, there is a need to further probe the impact it will have on the quality front, say John R. Kimberly and Etienne Minvielle in their work, “The Quality Imperative: Measurement and Management of Quality in Healthcare”. A critical examination of their views on quality dimension further anticipates the profound impact management strategies can have on quality sustenance even in the midst of cost-cutting measures. Seth B. Goldsmith on the other hand, tries to focus on the issue from the point of view of ‘compliance’ and ‘consumerism’ by tracing the governmental regulations. Healthcare organizations, while striving to comply with the regulatory framework prescribed by the State, have to endorse customer priorities in the name of ‘accountability’. Pointing to the need for tilting the hospital management towards ‘knowledge enterprise’, the above writings and their theoretical underpinnings make an attempt to view the whole issue from an HR perspective. As such it further throws light on the management of human resources with a strategic interest.

**Medicare: The Human Rights Perspective**

Tracing the antecedents of ‘civil rights’ that took the form of ‘human rights’ in recent times, one can easily discover the socio-economic dimensions attached to the phenomenon. The concept of human rights, evolved over a period of time, finds application in the context of healthcare too and is justified in the light of ‘right to live’ proclaimed as the fundamental right of a citizen. Even though the human rights are found to be the construction of Western thought their antecedents and popularity could be equally traceable in Indian thought from times immemorial. The justification for getting quality Medicare from the human rights perspective is testified by the UN declaration on Human Rights signed in 1948. Article 25 (1) of the Universal Declaration of Human Rights provides that everyone has the right to a standard of living adequate for the health and well being of himself and of his family, including … medical care. However, with the gradual widening of boundaries of medicine to encompass new areas like monitoring and protecting the health status of sick individuals even by the corporate hospitals there emerged a new consciousness in the direction. The State should evolve a collaborative mechanism for enlisting the services of the corporate hospitals as a social obligation to protect the health of the poor and
downtrodden. This further stands justified in terms of ‘corporate social responsibility’, which the newly emerging vendors are looking for. The campaign for AIDS education and ‘Hepatitis-B’ occupy prime attention in this regard demanding the increased role and responsibilities of private players. Even if we look at the domain of in-patients who seek quality services as a matter of right the governance strategies have to include them as an immediate priority. This further reminds us of the issue of accountability on the part of hospital administration for providing value to the money paid by the customers. Tamara Kohn and Rosemary Mckechnie have edited a book titled “Extending the Boundaries of Care: Medical Ethics and Caring Practices”, which sheds light on the human rights perspective to Medicare, providing justification to the views just expressed.

Making ‘Clinical Psychology’ and ‘Accreditation’ Part of ‘Clinical Governance’

Clinical Psychology is a small but rapidly growing profession in countries like UK where the professionals play a predominant role. The changing social order and the accompanying evils having a deep impact on the mindset of current generation necessarily make it evident that something needs to be done as part of clinical governance practices so as to influence the psychology of patients and to some extent of their companions. The increasing awareness on ‘stress management’ also sheds light on the new dimension of governance in healthcare sector. Besides applying the technology-driven strategies for the remedy of chronic diseases the management of the patients’ psychology also finds relevance for physical and mental health. It is also scientifically proved that mere treatment of physical disorders may not be fruitful when the mental disorders are left unattended to. The findings of Ian Fleming and Linda Steen in this regard gain credibility from corporate governance point of view. They stress the role of ‘clinical psychologists’ as ‘supervisors’ in the emerging scenario. Their book ‘Supervisors and Clinical Psychologists’ further sketches the role of clinical psychologists in the management of sophisticated treatment practices. The fact that effective clinical governance also relies heavily on the quality services rendered by a hospital firm, highlights the need of accreditation of corporate healthcare centers in India. The unprecedented growth of healthcare services by ‘Wockhardt’ across the globe can be located as case study that helps us to learn something on management front. As of today, Wockhardt stands out as one of the few corporate organizations in India encompassing both ends of the healthcare spectrum. Astonishingly, they made a name for themselves in the past decade not only in India but also across the globe. Its major outfits in India – Mumbai and Bangalore – have obtained the accreditation of the US ‘Joint Commission International’ (JCI) – the global arm of the ‘Joint Commission for Accreditation of Healthcare Organizations’ (JCAHO). As we know well, the so-called accreditation establishes the ‘image’ of a firm
beyond controversies. In this case, it entitled Wockhardt hospitals to receive and treat patients from US by enabling the claim of reimbursement of their medical expenses from their respective insurance companies or US government. By taking cue from Wockhardt which is in the forefront of extending world class Medicare services, the upcoming ventures in the stream have to set a benchmark for improving quality in ‘services’ and ‘diagnosis’. This would really imply the relevance of Clinical Governance on corporate lines, opine many observers.

Healing Vs Curing: A critical look at Diagnostic Services
The recent episode of an NRI doctor in US being prosecuted on grounds of fraudulent medical practices forms an interesting element to understand the governance pattern in corporate hospitals even in advanced countries. Dr. Totada Shanthaveerappa, and his assistant face 87 counts, including healthcare fraud and distributing unapproved and misbranded drugs as part of treatment procedure. They are charged of treating patients suffering from cancer and other life-threatening diseases with weed killer and insecticide. The prosecutors have found that the doctor and his assistant had injected numerous patients with unapproved and misbranded drugs, including ‘Dinitrophenol’, a commercial-grade weed killer and insecticide. The investigations further proved that Dinitrophenol was used as a heating agent to heat and kill cancer cells from the inside out and charged as much as $10,000 per treatment for giving injections of Austrian-made Ukrain, which has not been approved for use in the US. This event shows the deteriorating standards in medical profession giving signal for devising a fool-proof methodology in developing countries like India. Lack of ‘medical ethics’ or ‘professional accountability’ call it by any name, brings into light the state of affairs in hospitals in US and points to the need of evolving a corporate governance mechanism in the healthcare services across the country. The ‘healing’ strategy that forms the basic premise in the current medical treatment process may not be beneficial in the long run. As such the focus needs to be shifted towards curing the disease, which alone gives a permanent remedy and sustains the public health system. The attitudinal change that needs to be brought about in the medical practitioners in this regard demands lot of commitment to a set of values and principles. Instead of finding the root cause of problem if one attempts to reduce the intensity of disease as found in most of the corporate hospitals, the chain of repercussions that crop up further lead to a forceful expenditure on the treatment process intensifying the disease symptoms. Whether it is justifiable or not, the phenomenon needs to be debated by forecasting a major overhaul of the system. Dr. B.S.V. Raju, Neuro and Spine surgeon of Yashoda Super Specialty Hospitals, Hyderabad shares his concerns leading to a fresh insight on the subject. This further brings to the fore the line of thinking that dominates a host of surgeons and physicians in the treatment process. The very
methodology of medication practiced is fraught with certain flaws as they prescribe the drugs not for curing the disease but for minimizing the intensity of symptoms generated by it. Hence the need for repeated hospitalization and attendant evils like un-wanted expenditure on health matters. Though it cannot be generalized, in all the hospitals a majority of patients complain about this attitude of the medical community. Since the technicalities vary from patient to patient and context to context the intentions of doctors cannot be judged on this premise alone. Even the role played by the hospital management in the treatment process cannot be analyzed based on few examples, says an experienced Radiologist running a consultancy. Even the diagnosis is also found to be irrelevant as evidenced by many patients. The evolution of technology-driven diagnosis has been a boon at this critical juncture of meeting the threat of new diseases like HIV/AIDS. At the same time it has proved to be a bane as the need and affordability of patient are relegated to background. The increasing cash flows and profit ratio behind the diagnostic services are found to be tempting the corporate hospitals to adopt such un-ethical practices, opines a chartered accountant dealing with a leading corporate hospital. The emerging craze for MRI/CT scan in metropolitan cities is reflected through the packages being offered by the corporate hospitals. This also reminds us of the cutthroat competition that prevailed in the textiles and FMCG sectors. While approaching the doctor the patient psychology stands on a different platform and many considerations prevail upon him to accept the medical prescription. The need and inevitability of diagnosis prescribed in most of the corporate hospitals becomes questionable according to the feedback obtained from several sources. This further pushes the argument that there is a need for evolving ‘ethics code’ in this regard so as to formalize genuineness in treatment procedures.

From ‘Commercialization to Corporatization’: Is it a boon or bane?
The emerging scenario in the metros and other III-tier cities indicates the presence of matured enterprising activity in the health care sector. Many reasons can be cited for this phenomenon. The shift in focus towards money-making among agrarian communities, hailing from coastal regions of Andhra Pradesh, Tamilnadu, Karnataka, and Maharashtra, has resulted in the evolution of mega ventures in health care sector with technical support from NRIs, says a Sociologist studying the urbanization phenomenon. By mobilizing resources from stock market, these ventures took the epithet of ‘Super Speciality Hospitals’ by establishing their ‘brand image’ occasionally leading to ‘franchise’ form of expansion. The evolution of ‘franchise operations’ for the modern hospitals also denote the corporate perspectives that are driving the healthcare services in the urban areas. Mention may be made of Apollo Hospitals Group, which is leading the scene with an image of qualitative service. With a chain of hospitals spread across the country the multi-speciality services offered by Apollo Hospitals have
achieved reputation mostly because of the promptness and management ideology articulated by the Group Chairperson Dr. Pratap C. Reddy. In fact, he visualized the current scenario decades ago and laid the foundation for multi-speciality services in healthcare sector that established the brand name for Apollo group. The typical feature of these corporatization trends in healthcare sector is the provision of ‘Singe Window Services’ for diverse segments and the deployment of advanced technology in diagnosis and surgical operations leading to quality care at the end of the day. Viewed from this perspective the corporatization trends further endorse the viewpoint that health comes from wealth as most of these services are beyond the reach of the common man. The penetration of super speciality services to middle class segment has been the result of revolutionary changes in ‘insurance’ sector. This is largely due to the ‘Mediclaim’ policies and the ‘cashless treatment’ facility offered by the insurance companies through ‘Third Party Administrators’ (TPA). The opening of insurance sector to private players further triggered their operations and a competitive atmosphere is generated with the mushrooming packages and ‘group insurance’ policies. Above all, the withdrawal of government from the health services, as proved by the declining budgetary allocations, also gave scope to commercial enterprises to take the chance, opine many economists. The public policy of encouraging private enterprise in health and education has proved to be a bone of contention among intellectuals as it triggered corporatization of basic needs for which India is struggling to grapple with. Keeping aside the factual content of the argument that quality care and education have gone beyond the reach of the masses, one can identify the LPG trends in the economy with that of health sector corporatization. The proposed corporate governance strategies underpinning the human values, need to be incorporated in the management of hospitals, says Dr. Tagore Mohan Grandhi, an UK-based General Surgeon. He explores the perception that the current scenario of treatment methods is free from many pitfalls as the consumer can save his time and money in seeking cure to many of his chronic diseases at a single place. He further adds that the post-operative care and nursing services in the hospitals also point to the happiness and satisfaction one gets out of his visit to corporate hospitals. With six years of experience in the UK, he further attempts to compare the quality standards that prevail in India with that of UK. The cross-border expansion of hospitals in the name of acquisitions and integration of properties as witnessed in the case of Wockhardt, also brings to light the need of establishing best management principles and practices for sustaining the prospects emanating from the phenomenon. This would automatically prescribe the seeking of help from institutions of learning. To cite an example the Wockhardt management had invited global management guru C.K. Prahlad for a two-day session on management trends recently. Besides, the Bain Consulting firm had also been hired to assist the process of integration of the European companies in the coming days by establishing a 30-member
taskforce within the company for the purpose. At a time the sales turnover of Wockhardt is reaching around billion dollars, the attempts to sustain the growth process provide a major insight to many of the Indian firms trying to become potential players in the market.

Business Orientation: Value-added Services

It has become clear by now that private healthcare has undergone a sea change both in terms of nature and character, keeping aside its fallout and extent of improvement in quality. Before the advent of corporate hospitals, ‘philanthropy’ used to be the driving motto for the major players as they were run by trusts and large corporations leaving no scope for controversies. The ‘Jaslok’ and ‘Hinduja’ hospitals in Mumbai stand as examples of this trend if not the Apollo group which is promoted by Doctor-turned-entrepreneur, Dr. Pratap C. Reddy. But with the liberalization of economies across the globe many professionals, experts of the field have become entrepreneurs by starting their own concerns. The expertise and professional reputation in some segments like cardiology, nephrology and neurology have helped the doctors to acquire name and fame further making them venture into specialized institutes for advanced care and research. The ‘Care Hospitals’ in Hyderabad and ‘Escorts Heart Institute’ in Delhi stand in line as examples. For satisfying the entrepreneurial streak hidden in them, if not for encashing their professional reputation, we have individuals like Dr. Soma Raju who became successful ‘medical entrepreneur’ of modern times. As a natural extension to this phenomenon, a group of doctors, mostly NRIs, are on the path of pooling their expertise and resources to start a joint venture by taking the stock market support in terms of resource mobilization. The advent of public issue of shares and growing craze for investment in big hospitals further resemble the real corporate phenomenon imposing more responsibilities and commitments on the management front. The growing number of ‘stakeholders’ apart from ‘shareholders’ further enables them to search for a suitable business model but with ‘value addition’ to the services offered by the medical fraternity. The ‘Asian Heart Institute and Research’ (AHI) in Mumbai, found to be one of the state-of-art technology-driven hospital was floated by a team of nine doctors with equity management. Apart from their investment it had invited ‘equity capital’ from outside India, so that the current scenario can be interpreted as a boom for hospital industry. Apart from the business line difference between the old model of ‘trust’ administration and the current group management, Dr. Ramakanta Panda, who happens to be the CEO of AHIR, works out a qualitative difference in terms of service to patients. The enforcement of ‘responsiveness’ among doctors to patient needs and ‘commitment’ to job profile have become much easier in the new pattern of business structure, opine many patients who have observed the striking difference between the two. This eventual transformation in the business style has resulted in seeking ‘accreditation’ and ‘ISO certification’ to hospital services so as
to win the loyalty of the consumers. B.M. Birla Heart Research Institute in Kolkata possesses the ISO 9002 and ISO 14001 certification showing the way for the rest of the hospitals. This dimension brings into focus the need of value-addition to routine services offered by them. Reaching out to the customers of various kinds assumes significance in this regard. ‘Home Care Nursing’ for the aged, as seen in the case of Hinduja Hospital, Mumbai, and provision of emergency services round-the-clock to distant places occupy prime attention in this arena. It further spreads the message that hospitals while taking customer perception into consideration need to cross the set boundaries of normal services and involve themselves in several exigencies of the poor and needy. The so-called marketing strategies do figure in this context, which need to be equipped with all sorts of value content. Customer satisfaction needs to be the basic parameter in the stream of values that can be ascertained through a feedback mechanism as implemented in the Apollo Group Hospitals.

‘Professional Ethics’: The Prime Need of Healthcare Services
The recent raids by the IT department officials on the medical fraternity of corporate hospitals in Kerala have disclosed the phenomenon of hoarding of wealth through unethical means. Some doctors were found to have amassed unaccounted professional income. Collecting unauthorized extra amount to meet construction expenses is a popular practice. According to the IT sources the unaccounted amount runs into crores of rupees pointing out the need for debating this ‘corruption’ in corporate hospitals. The popular viewpoint amongst doctors today is that the skyrocketing cost of medical education gives scope to many unethical practices in the profession. The young lad coming out with flying colors having pursued specialization in various disciplines is much enthusiastic about reaping the benefits of the medical profession within a stipulated time. The presence of a ‘materialistic bent of mind’, contrary to professional ethics, among the bulk of the medical community occupying the chairs in corporate hospitals has resulted in violation of basic norms to be observed in extending medi-care. Lack of minimum ‘integrity’ towards the profession and ‘commitment’ to human values need to be deplored with some exceptions. The sizeable opinion of students from corporate colleges also supports the above viewpoint as they are determined to pursue an ‘overseas career’ by competing with the IT guys. While lamenting the above perception among professionals, Dr. T. Harita, an upcoming gynaecologist in Hyderabad, exhorts the need for cultivating ‘professional ethics’ through an institutional mechanism created for the purpose. As described earlier, Dr. Totada Shanthaveerappa was also accused of ‘money laundering’ by using the money from his Stockbridge practice to purchase assets as pointed out in the prosecution. Based on the US pattern, a regulatory authority needs to be floated beyond criticism, to run parallel to ‘Medical Council of India’ in streamlining the medical profession according to the ethical code of conduct demanded by the system. The
‘US phobia’ spread across the medical stream needs to be dispelled which otherwise may create a dearth of quality professionals in the country. By making the doctors community to work with minimum concern towards profession, the high rate of ‘subsidies’ involved in imparting medical education needed to be justified. Though the situation pertaining to corporate hospitals can be interpreted better they, too, need monitoring primarily to avoid committing errors in the process of treatment. Lack of proper awareness of consumer perspective is what makes the system unmindful of its duties and responsibilities. Keeping in view the sanctity of health services, the promulgation of professional ethics among corporate community deserves to be encouraged in the larger interest of the nation, opine many social organizations.

**Technology-driven Treatment: The Cost-benefit Analysis**

It is not an exaggeration to say that technology is the harbinger of progress in the medical field. As such, the new ventures in corporate sector insist upon upgrading the technology in tune with the changing times. **Invariably, the working agreements between hospitals and teaching institutions/research centers alone make the picture crystal clear to understand the relevance of technology factor. To enhance their image further besides improving the quality care Wockhardt has a long-term agreement with ‘Harvard Medical International’, Boston, USA whereby Wockhardt has access to Harvard’s expertise in the field of surgical and medical services as well as setting up and developing hospitals of excellence across the globe. The knowledge-sharing tie-ups with institutions of learning further generated interest in the marketing strategies of the group hospitals. While adopting this the cost factor hidden behind deployment of high-end technology in various domains also demands quality personnel for reaping a good harvest, says Dr. G. Nageswara Reddy, the internationally reputed Gaestro-enterologist of Asian Institute of Gaestroenterology, Hyderabad. The Quality care is blended with the level of sophistication in technology that makes a physician analyze the disease pattern and accordingly prescribe the treatment. It further implies that the extent of positive outcome is backed by the application of technology both at the diagnosis and treatment levels, opine most of the professionals. At the same time, it involves a huge expenditure both for the patient and authorities. The progress made on the technology front in the stream of ‘gaestroenterology’ stands as an example. Here the system is giving scope to more ambiguity among the patients who question the rationale behind technology application. This also brings into the fore the conflict between ‘technology’ and ‘talent’. Be it ‘Information/Communication Technology’ (ICT) or ‘medical apparatus’ there needs to be a proper perspective on the usage and application at the right time. Unwanted usage also creates more problems than solutions. While extolling the greatness of technology in coming to the rescue of healthcare sector, Ms. Sajjana identifies the evolution of ‘Medical
Transcription’ (MT) as an admirable benefit of the phenomenon. In addition to bringing ‘accountability’ and ‘transparency’, MT had generated employment in the Third World countries like India. While talking about the cost dimensions in healthcare services, we need to acknowledge the Indian corporate hospitals which are able to deliver high-quality services at cheaper rates. Apollo Hospitals is able to perform an ‘open heart surgery’ between $3000 – $5000, which is not possible in other countries. While taking pride in this achievement, the Chairman Dr. Pratap C. Reddy further endorses the quality aspects for which the group is reputed globally. Nearly 10 percent of people who visit Apollo are overseas patients. But according to Indian economic standards the cost factor becomes questionable, and as such a fresh perspective needs to be developed on the question of minimizing cost in critical areas by infusing new management policies.

From ‘Customer Relationship Management’ (CRM) to ‘Customer Managed Relationship’ (CMR)...

The academic pursuit undertaken in the context of evolving corporate governance practices in healthcare administration relies heavily upon ‘quality management’ as discussed earlier. This becomes inevitable as management is increasingly becoming conscious of enlisting ‘customer loyalty’ in the name of quality care. The ‘management thought’ rather ‘marketing philosophy’ applied here thrusts upon the customer relations in a productive way. The emphasis needs to be shifted from ‘customer relationship management’ to ‘customer managed relationship’ by focusing on the corporate governance practices like effectiveness, accountability, openness, checks and balances in each and every domain of hospital administration. As such, the term ‘good governance’ in the realm of clinical operations has to be applied in letter and spirit, opine most scholars. The growing relevance of insurance packages in the healthcare management is to be sustained by addressing genuine grievances of the policy users. A ‘user-friendly’ attitude has to be developed by streamlining and further simplifying the administrative practices. The evolution of a corporate culture in the hospital administration has to be supplemented with ‘ethical care’ based on human values and moral principles. Only then can we expect ‘repeat customers’ who also become the ambassadors of ‘brand image’ evolved by the firm. For the corporates, the image-making exercise depends on the extent of customer focus given in the board meetings by deviating from the routine financial matters like target realization and business expansion. While exploring the quality element from customer perspective, an ‘audit’ mechanism needs to be evolved at various stages with true commitment to stakeholders. The clinical audit that becomes relevant here also addresses the issue of ‘medical errors’ leading to ventilation of grievances by the customers. The alleged failure of post-operative care in most of the branded hospitals also
gives scope for further endorsement of an argument in favor of customer managed relationships across the spectrum.

**Societal Interface and Brand-making**

Interestingly, Wockhardt’s experiences in the realm of corporate healthcare services also denote the much-required societal interface besides profit seeking. It is found that Wockhardt in recent times has more focus on social welfare projects and one of the promising initiatives of the firm is ‘WHARF’ (Wockhardt Harvard Aids Research Foundation) which runs training programs for medical professionals and paramedical cadres in collaboration with the Harvard Medical International. With this, the HIV related training and information has been imparted to 12,000 doctors in Maharashtra alone and it is geared towards collaborating with State Reserve Police Force for increasing awareness among illiterates, says Nafisa Khorakiwala, the wife of Wockhardt Chairman who looks after the program. This is how Wockhardt is being rated as ‘a company with a heart and soul’ according to some observers. India is facing a situation where every segment of economy is reeling under demand recession, which naturally affects the healthcare sector also. The rise in nominal healthcare expenditure witnessed in the last decade stands at 16 percent per annum and is expected to double or triple in the coming decade. The growing relevance of ‘customer relationship’ in the changing scenario needs no endorsement as it has proved to be successful in other areas of economy. Evolving a strategic perspective to draw the customer attention and loyalty towards the services rendered by the hospitals assumes vital importance in view of severe competition among the major players. If we take Hyderabad as a case study, the need is to evolve new strategies to manage customer relationship in view of increasing pace of corporatization by hospitals like Yashoda, Apollo, Kamineni, Medinova, Medwin, CDR, Image, Care, and Usha Mullapudi Cardiac Center. Here the ‘brand name’ alone is not sufficient. For achieving cordial relationship with the customer segment the hospital management needs to implement the corporate philosophy that ensures quality care backed with values like ‘accountability’ and ‘responsiveness’. A value-based strategy needs to be put in practice while addressing the grievances from a ‘corporate social responsibility’ (CSR) perspective. Rather than confining to in-house operations they need to stretch themselves into ‘social service’ during times of natural calamities. Responding to public movements like AIDS, Hepatitis-B, Dengue, and other infectious diseases, the corporate hospitals need to express their concern towards the poor and needy. Joining the mainstream in fighting against ‘infant mortality’ and in preserving ‘child healthcare’, the corporate hospitals must take the lead. The recent episode of down-trodden children in Andhra Pradesh suffering from congenital heart diseases and the role played by Care Hospitals in coming to their rescue shows the ethical dimensions that are put in place in the management
strategies. The Narayana Hrudayala, Bangalore extended pioneering services in this regard by performing low-cost heart surgeries for many deserving people. Sri Satya Sai Super Specialty Hospitals, Puttaparthi in Andhra Pradesh has become synonymous with quality care, free of cost. The emerging hospitals need to emulate these examples by allocating expertise and resources towards the needy. Further the hospitals do need to tie up with the NGO sector for extending their services on a sustainable basis, suggests Dr. Sunita Reddy, a professional and social worker in Chennai. The publicity generated around the ‘blood and eye’ donation campaign, by most of the celebrities, also needs to be fine-tuned with the active involvement of corporate hospitals. This in the long run would strengthen their image by promoting the corporate-community relationship as a win-win situation. There is a need to mitigate the evils generated out of handling celebrities who are caught in the web of controversial dealings. The ‘media management’ in this regard has to be streamlined by avoiding undue focus on such episodes. There is a strong opinion among a cross-section of society for avoiding controversial dealings by the corporate hospitals, as it would tarnish their image established after painstaking efforts. This becomes evident when we look at the recent happenings at Care Hospital that was engaged in protecting the interests of celebrities often at the cost of image, opine some critics. Same is the case with regard to Apollo Hospitals also. This further implies the need for avoiding crime-related dealings with the customers by displaying their credentials of honesty and integrity. The so called ‘ethics management’ figures in this respect.

Hospitals and Pharma Industry: Need for a Symphony

With $4 billion in domestic sales and over $3 billion in exports in 2004-05, the Indian pharmaceutical industry is showing tremendous export-driven growth; as such, it needs to be geared to the advantage of healthcare sector. Even the healthcare industry has the highest number of plants approved by FDA (Food and Drugs Authority) outside USA. Even the world market was expected to exceed $55 billion in the year 2005 offering infinite potential. Drawing inspiration from the rising boom in the Pharma sector many veterans suggest the need for evolving a strong partnership between the two. India being the capital of ‘bulk drugs’ manufacture and exports, there is a possibility to further promote ‘discovery research’ in most of the neglected segments. In a strategic format a feedback mechanism can be evolved for the pharmaceutical industry and the major players like Dr.Reddy’s, Ranbaxy, Nicholas Piramal, Aurobindo, are expected to benefit from this rich source of information for upgrading their research parameters. In most of the western countries this kind of formal tie-up is witnessed which needs to be emulated in Indian context. The ‘Intellectual Properties Management’ (IPM), about which debate is going on in several streams in the context of globalization, acquires much significance in the light of tie-up between pharma industry and hospitals as it facilitates the free flow of information on crucial
segments from a practical perspective. Dr. T Poorna Chander working as a Senior Manager in the corporate IPM department of Dr. Reddy’s Laboratories also underscores the need for this kind of progressive tie-ups between hospitals and pharma industry as they provide fresh energy to the research domain. With his long experience in the field of Research and Development (R&D) and exposure towards IP Rights pertaining to pharma products, he advocates that an exchange mechanism needs to be created for advancing the skill set of medical professionals who would otherwise be confined to the hospital atmosphere. He also foresees the need for evolving this kind of MoUs in the city of Hyderabad where there is much potential for harnessing the knowledge from several spheres with the advent of ICICI Knowledge Park, Genome Valley, Biotechnology Park and tremendous IT infrastructure. An ideal combination of IT, Medical professionals, Pharma industry, and treasure of scientific knowledge needs to be developed through a formal mechanism. For achieving this noble objective, a pro-active role has to be played by the corporate hospitals and the medical fraternity as they have the much-required ‘interface’ with the clients. It is often observed that some of the hospitals do involve themselves in the research domain by integrating with advanced projects in the form of tie-ups. The recent signing of MoU between ‘Apollo Hospitals Group’ and ‘John Hopkins Medicine International’, U.S, marks the trend towards ‘exchange of knowledge’ that forms the cornerstone of corporate governance policies. The 10-year contract involves collaboration in the fields of continuing medical education programmes, partnership with clinical departments, nurse education, telemedicine and second opinion services. Signing another significant tie-up with ‘Am care Labs International’, an affiliate of Johns Hopkins International, the Chairman Dr.Pratap C.Reddy expressed the confidence for creating global excellence models in healthcare. This also appears to be true as the second tie-up proposes the establishment of referral high-end lab in Hyderabad, which will process samples collected from all over the country. Combining the teaching and treatment facilities, certain institutions are much ahead in the race. The Christian Missionaries and their contribution to the cause of advancement of medical technology have proved their mettle over the decades. The Christian Medical College (CMC), Vellore in Tamilnadu stands as a classic example of this trend. The entry of drug-makers into the fold of hospital sector is a new trend hopeful of infusing new energy into the booming industry. Analjit Singh, CEO, Max Healthcare Institute Private Limited strongly defends the phenomenon by saying that a combination of social and financial aspirations motivated Max Healthcare to take up the new venture coming up in Delhi. The experience of Piramal Group, which runs the Wellspring Hospital in Mumbai, in having a 50:50 joint venture with BUPA, a leading healthcare group of UK for expansion of healthcare services in and around Mumbai, also stands as an example of the corporate trend.
‘Ethics Management’: An Uphill Task…
The so-called debate on the need for percolation of management perspectives in the corporate hospitals and their functioning pattern takes a logical conclusion with the proclamation of an ‘ethics agenda’ which deserves to be implemented for better management of resources and efficiency promotion. However, the growing concern for ‘medical ethics’ as described by Howard C. Taylor in his article entitled, “The Ethics of the Physician in Human Reproduction” has to be articulated from a new perspective. He talks about the essential principles inherent in a doctor-patient relationship with a potential for continuity and recurrence in every new form of society. These principles include the priority to be given to patient's welfare, confidentiality of information, avoidance of abusing the medical privilege, loyalty to teacher and colleagues, and above all the duty to instruct the juniors in the profession. No doubt it seems to be an uphill task to execute the ethical philosophy by contradicting the profit-making agenda of governance. Even the advanced countries like US, Canada, UK are clamoring for imparting ethical practices across the management spectrum in view of rising ‘medical errors’ and ‘crime’. The priority for public health system, be it in government or private sector, finds ample attention in western societies and as such it needs to be reflected in the Indian case. The core issue in the Indian context is what constitutes medical ethics and should it be propounded to gain acceptance from corporate circles. Debates on ethical medical practices are a bit unusual not only in India but also in US and as such a beginning has to be made in this regard. Dr. Abraham Verghese, Director and distinguished Professor, Centre for Medical Humanities and Ethics, University of Texas Health Science Centre, San Antonio, U.S has made a pioneering contribution in the realm of ‘professional ethics’ for medical practitioners. According to him the whole concept rests on four pillars, i.e., Patient Autonomy, Beneficence, Non-malfeasance, Generosity and Service. Patient autonomy grants the right to get treated or not besides the type of treatment he feels suitable. He holds the view that people belonging to certain Christian sects do not prefer blood transfusion and in such case this argument stands valid. While deciding the mode and extent of treatment also, in view of conflicting opinions, preference should be given to the patient and not to his relatives. All the actions and decisions of doctors should aim at the best of the patient to ensure no damage at the end. Above all, the spirit of ‘generosity’ and ‘service motto’ should influence the mindset while executing the treatment process. Viewed from this perspective the tempo for elevating Indian medical standards on ethical lines assumes vital importance on which the corporate governance strategies propose to focus attention.
Journey from ‘Medicine’ to ‘Management’…
The entire gamut of happenings and analysis of trends in healthcare sector across the globe obviously pushes forward the need for sensing the management flavor that emanates from business demands of contemporary times. Either to leverage the market competition or balancing shareholders interests with that of stakeholders, in both the cases, the need for shifting the priorities in the realm of healthcare administration becomes inevitable. Assuming the fact that India has come a long way in focusing attention on many neglected areas of knowledge, it’s high time to look at various facets of hospitals administration by taking cue from technology boom. The boom witnessed in IT industry and other services like ‘banking’, ‘insurance’ also widened the scope for imparting many changes in the fold of healthcare system. Dr. Sanjay Mallik, Regional Director, Max Healthcare, who graduated with an MBA in healthcare from Faculty of Management Studies (FMS), University of Delhi makes some interesting observations in this context. Until recently the retired army personnel used to attend the administration matters of hospitals and the growing need for upgrading healthcare services on global standards further enabled a new vision on the subject. As a result the demand for professional healthcare managers who can apply management principles and practices in the efficient delivery of services had emerged. The journey from core areas of medicine to that of management field has been justified in the light of growing business orientation to the hospitals and the modern workplaces (hospitals) are composed of people from diverse backgrounds and disciplines. As such, the operational strategies and ethical issues on hospital premises have to fall in line with business priorities, which can be materialized only through a ‘doctor-turned-management professional’, argue many observers. By keeping in view the demand for professional managers in healthcare, though it is at a nascent stage, the leading corporates like Reliance, Wockhardt, MaxHealthcare, Fortis, Apollo Group and Hindujas are evincing keen interest for investment. Besides, the career openings for management cadre in healthcare sector, the global push witnessed in the light of World Bank’s thrust on reforming state-run hospitals across the country also gave rise to a new academic outlook on the domain. Moreover, the IT sector has opened up the field to many doctors who are most sought after in clinical trial interpretations. The growing demand for doctors to interpret the medical data, hitherto carried on by ‘medical transcriptionists’, also substantiates the argument for revisiting the medical profession from a new perspective. Even the McKinsey report predictions about growth in private health insurance i.e., 20 percent to 25 percent also created a demand for ‘health economists’ besides the emerging fields like medical tourism, telemedicine, and pharmaceuticals. By realizing the growing potential of healthcare
management in India the leading institution, Faculty of Management Studies (FMS) has been able to carve a niche in the field by incorporating the latest segments like IT, telemedicine and insurance into the curriculum. Following suite, branded institutes like ‘All India Institute of Medical Sciences’ (AIMS), New Delhi and ‘Tata Institute of Social Sciences’ (TISS), Mumbai also started offering a two-year program in hospital administration. While the programs are open for only medical graduates we find similar programs offered for non-medical graduates by the ‘Institute of Integrated Learning in Management’, New Delhi in association with Max Healthcare. The mushrooming growth of corporate institutions offering healthcare management courses obviously raises our horizon of understanding about health systems prevailing in the country. As such the demand for a more transparent and responsive administration catches the attention from public and this becomes more justifiable. If not for business priorities, but to reduce the rate of medical errors in the corporate hospitals the demand for ‘corporate governance’ based on ethical principles and practices gains more priority.

Conclusion
In recent times there is much hype generated around the concept, “India: The destination of Medical Tourism” and the efforts in the direction by CII (Confederation of Indian Industry) and IHCF (Indian Health Care Foundation) require a kind of moral sanctity. This could be possible only with the help of a new outlook on the management front for which attention is devoted in this paper. Call it ‘clinical governance’ or ‘corporate governance’, a new vision and perception is articulated above. While attempting to evolve ideal standards in the realm of clinical governance, the concept of corporate governance finds relevance as a vehicle for continuously improving the quality of patient care and helps in developing high standards in dealing with poor professional performance. The recent survey of Indian corporate hospitals makes it clear that the patient population to bed ratio stands at 1 bed per 1000, in relation to the WHO norm of 1 per 300 pointing to the need to expand healthcare services, at least 13 to 15 percent annually. The evolution of healthcare as a mammoth sector inviting the attention of corporate India, appears to be woefully fragmented and non-professional and as such it demands attention. Presumably, Rs. 4000 crore will be pumped to modernize the healthcare services, which may result in high-value hospitals and state-of-the-art equipment, both in public and private sectors. Providing scope to viable ‘business models’, permitting the affordability of patients becomes a topic of discussion among policy-makers, which can be possible through a ‘corporate governance’ strategy aimed at unleashing a competitive atmosphere for protecting the consumer interests. In view of the ‘industrial’ status given to health sector, with the mushrooming
growth of corporate hospitals in metros, attention also needs to be drawn towards inculcating a professional atmosphere, wherein the presence of management values takes a high seat of honor. This becomes inevitable in the light of alarming rise in medical errors, rationing, polarized clinicians, high staff turnover, dissatisfied consumers, and regulation standards across the world. Even the demand in consumers, inadequate supply of life-saving drugs, wasteful processes and above all the costly medical technology are putting enormous pressure on corporate hospitals thereby driving them to search for a feasible business model fitting to the changing times. Much debate is required at least, to put in practice the ‘universal protocol’ for prevention of medical errors in the Indian context, as the on-going commercial trends in healthcare sector further demand the need for ‘medical ethics’. Achieving ‘zero tolerance’ to surgical errors should be the target of big ventures and the emerging players also should chalk out a plan of action in this regard. With the advancement of research in medical technology and ‘healthcare populism’ a need has arisen to balance the growth in research with that of debate on ethical practices, which alone ensures the safety of human beings on earth. The cost, supply and service issues that figure prominently in the management of corporate hospitals need to be addressed with a visionary perspective in the coming years. It is also hoped that the success of corporate projects may set a stage for the mutually reinforcing relationship between ‘insurance’ and ‘healthcare’ for which a new orientation of management initiatives is much necessary. The healthy competition, capable of driving corporate hospitals to innovate themselves across the value chain by providing optimum quality services, has to be generated with the pursuit of CG strategies. Handled carefully, the shift in strategies towards a management orientation may generate wider markets for the upcoming ventures by enabling them to offer value-added services at the end of the day. The short-term break-even periods desired by most of the corporates become feasible only with the active coordination between ‘business strategies’ and ‘value-management’ in a right proportion.

It is estimated that by 2010, an additional 4.5 lakh hospital beds will be required to meet the challenge of diversified disease pattern for which attention is required in the form of mobilization of resources. This would automatically trigger the value of healthcare sector that reaches at $ 40 billion by 2012 indicating the adoption of many corporate finance strategies. Looking at the growth of private healthcare facilities in India vis-à-vis public healthcare facilities from the changed dimensions, one should realize the activation of more market forces. The huge requirement of $25.7 billion over the next three years is not a big task argue many market researchers by citing the current value of healthcare sector which stands at $34 billion, translating to roughly 6% of GDP.
As such, a new ‘corporate governance’ strategy has to be evolved that provides a framework to the emerging branded hospitals to be accountable for sustaining the quality of their treatment/services and establishing high standards of care through a congenial environment providing excellence in clinical services.

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