

DELHI & MUMBAI SEEN MOST AFFECTED

Remote Control by Govt Leaves Many Pvt Hospitals with that Sinking Feeling

Say govt intervention has led to revenue losses in last 3 months even as some have either closed down or curtailed ops

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New Delhi | Mumbai: Private hospitals are feeling the pinch as the impact of Covid-19 results in increased government intervention. Diktats by various state governments, especially the ones in Delhi and Mumbai, have been pushing hospitals to reserve beds for Covid-19 while also introducing price caps on treatment. These measures have resulted in revenue losses over the last three months, executives at these hospitals say.

"Private healthcare providers are going through an unprecedented crisis. In the last three months some hospitals have curtailed operations or even closed down. At a time when the country requires every hospital bed to be available in the current crisis, we could end up losing capacity. It is a time for all stakeholders to sit together and plan how not to exacerbate the situation," said Dilip Jose, managing director, Manipal Hospitals.

In Delhi, which has seen over 14,000 Covid-19 cases, Max Super Speciality Hospital (Saket), Indraprastha Apollo Hospital, Sir Ganga Ram Hospital, Batra Hospital and Fortis Hospital (Shalimar Bagh), are the designated Covid-19 hospitals. But this is now seen falling short as the number of cases mount.

Delhi's health minister Satyendar Jain on Sunday tweeted an order issued by the DGHS (Directorate General Of Health Services) which stated that in order to increase the bed capacity for Covid-19 patients, 117 nursing homes and private hospitals having bed strength of 50 beds or more have been directed to reserve at least 20% of their total for Covid-19 patients.

The ongoing pandemic has impac-

ted the revenues of the hospitals which claim declining footfalls as well as rising consumables and staff costs have put their survival at stake. "The government should help us tide over the crisis; with no international patients and no elective surgeries taking place, there has been a 50-70% drop in revenue. The new directive will create more problems for us," said a person associated with a hospital's management and administration in Delhi.

Private hospitals that ET spoke to in Delhi also said mixing Covid and non-Covid patients will further lead

charitable trusts, are the hardest hit due to Covid-19.

Across the city's hospitals over 500 staff have been infected, leading to a shortage. Though these hospitals are blamed by some for 'profiteering' in a time of crisis, they say that they are charging their usual rates only for those patients who have insurance. Maharashtra has capped tariffs of hospitals giving Covid-19 care, but it has allowed hospitals to collect deposits and recover cost of other items such as drugs. A single drug like Tocilizumab used for badly ill patients costs ₹60,000. Rating firm ICRA, in a April

SURVIVAL AT STAKE PRIVATE HOSPITALS' MAIN CONCERNS



DELHI SCENE

COVID HOSPITALS...
Max Super Speciality Hospital (Saket), Indraprastha Apollo Hospital, Sir Ganga Ram Hospital, Batra Hospital and Fortis Hospital (Shalimar Bagh)

117 nursing homes, pvt hospitals with bed strength of 50 beds or more directed to reserve 20% of bed strength for Covid cases

Mixing Covid & non-Covid patients to further lead to spread of infection, say hospitals

1

Shortage of beds

2

Declining footfalls

3

Rising consumables & staff costs



MAHARASHTRA SCENE

Over 500 hospital staff infected, leading to a staff shortage

Pvt hospitals say they charge usual rates for insured patients

Maharashtra has capped tariffs of hospitals giving Covid-19 care

But state has allowed hospitals to collect deposits, recover cost of other items such as drugs

to spread of the infection. "This can worsen the situation and result in further spread of the disease. The overloaded hospitals can become hotspots," said a doctor associated with a leading private hospital.

Earlier, the Delhi government had designated only independent hospitals or those with separate blocks for the treatment of Covid-19 patients.

Many states like Rajasthan, Madhya Pradesh and Chhattisgarh, have taken over private hospitals as cases in certain districts increased.

In Mumbai, which is dominated by mid-size hospitals, mostly owned by

research note, said that the private sector space is dominated by smaller doctor-run facilities, in terms of the number of facilities and the number of beds. Those with limited financial flexibility will be hit the hardest.

"We are financially in a bad situation. Over time we have built up some reserves. We are pulling out from these reserves for daily operations to buy equipment. If you have to draw from your reserves for day to day operations, you are a sinking business," said Dr Sujit Chatterjee, CEO of Mumbai-based Hiranandani Hospital.