Healthcare Related Measures in Budget-2016 Receive Applause

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BS RAWAT

Union Finance Minister Arun Jaitley on February 29 rose to the occasion to meet the rising expectations of the healthcare industry and the aam aadmi as he presented his third general budget.

Highlighting the initiatives taken by the NDA government, prime minister Narendra Modi said, "In the health sector the government has taken many initiatives. We want to stand shoulder to shoulder with people in times of illness."

Pankaj R. Patel, chairman and managing director, Cadila Healthcare said, "There has been a push on the social sector, particularly healthcare. The insurance policy offering coverage to the people that government is planning is in the right direction."

Dr. Prathap C. Reddy, Chairman, Apollo Hospitals Group, said, "Healthcare has finally taken the centre stage in the Budget. The announcement of a National Dialysis Services Programme could not have come at a better time, given the burgeoning growth of non-communicable diseases."

Anjan Bose, secretary general of NATHEALTH said, "Higher allocation and spending should boost universal healthcare. 15% increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage."

Rajiv Nath, Forum, Coordinator, Medical Devices Industry said, "Focus on enhanced healthcare facilities for rural population and medical insurance for senior citizens is laudable, but we would have been happier if some concrete steps to bring down overall healthcare cost were also announced."

Poonam Muttreja, Executive Director, Population Foundation of India, said, "It is bound to save millions of Indians from slipping into penury due to catastrophic illnesses. The provision of 3,000 new generic drug stores is also likely to ease the availability and affordability of medicines for the poor."

Varun Khanna, Managing Director- BD (Becton, Dickinson & Co) India - a leading medical technology company, said, "The budget looks fairly positive for the healthcare sector. An impetus to higher public healthcare spending would have made it more favorable."

Mr Hari S. Bhartia, Co-Chairman & Managing Director, Jubilant Life Sciences Limited, said that there is a clear need to focus on preventive healthcare in order to decrease the mortality rate and disease burden in the country.
Dr K K Aggarwal, Hon. Secretary General of IMA said, ‘Budget 2016 gives indirect Health Benefits as Tax exemptions given to certain dialysis equipments including basic custom and excise duty as well as CVD. A Dialysis Centre in every district will reduce kidney related mortality in 2.2 lakh rural patients.”

Rollback import duty hike on med equipment, devices: FICCI

Posted on: 06:26 PM IST Mar 02, 2016
PRESS TRUST OF INDIA

New Delhi: The recent hike in customs duty on import of medical equipment and medical devices could adversely impact the affordability of healthcare, industry body FICCI said on Wednesday.

The hike "in import duty of medical equipment and devices and the resultant cost implications on care provision are likely to affect affordability of medical care in the country," FICCI said.

Commenting on the development, FICCI Medical Devices Forum Chairman Probir Das said: "In light of Make in India's realisation and continued affordable healthcare access in the country, the increase in customs duties should be reviewed".
Manufacturing of high-end and complex equipment and devices such as MRIs, CTs and new generation heart valves require technology transfer, ecosystem for manufacturing all of which are time consuming, FICCI Medical Electronics Forum Chairman Milan Rao said. "Hence, any such duty increase for technologically advanced equipment and devices must be introduced in a phased manner over 3-5 years," he added.

The move has already been opposed by Apex healthcare industry body NATHEALTH which said: "expressed serious concerns on the recent hike in customs duty on import of medical equipment and medical devices and its adverse impact on the overall healthcare ecosystem."

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Press Trust of India | New Delhi March 2, 2016 Last Updated at 18:13 IST

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Budget 2016: Duty waiver for dialysis equipment to cut costs for renal patients

By Prabha Raghavan, ET Bureau | Feb 29, 2016, 05.37 PM IST

READ MORE ON Union Budget | kidney dialysis equipment | Budget 2016 | Arun Jaitley

NEW DELHI: In a move that will likely cut charges of dialysis procedures for patients with kidney ailments, finance minister Arun Jaitley today announced duty exemptions on certain parts of kidney dialysis equipment in the Union Budget 2016.

Exemptions on basic customs duty, excise countervailing duty (CVD) and special additional duty (SAD) would contribute to arresting India’s high non-communicable disease (NCD) and out-of-pocket (OOP) healthcare expenditure burden, according to the finance minister. Only 50% of India’s dialysis demands are met because the 4,950 centres currently existing here are largely concentrated in the private sector and major towns, explained Jaitley.

"Almost 2.2 lakh new patients of end-stage renal diseases get added in India every year, resulting in an additional demand for 3.4 crore dialysis sessions," said Jaitley in his speech at the Parliament. "Each dialysis session costs around Rs2, 000—an annual expenditure of more than Rs3 lakh," he said, adding that most families had to incur additional costs for frequent long distance trips to access these dialysis services.
The move is being seen as a step towards increasing affordability for treatment against NCDs. "While you cannot pick up all (NCDs) simultaneously, this means you are reducing the cost down further for dialysis treatment at least," said Anjan Bose, Secretary General, Healthcare Federation of India.

The exemptions would also bolster the National Dialysis Service Program announced in Jaitley’s budget speech, said healthcare and medical devices industry representatives. The program, introduced to provide dialysis services in all district hospitals, would be *FUNDED* through a Public-Private-Partnership (PPP) model under the National Health Mission, he said.

The program, along with the duty exemptions, would also enhance dialysis services in both the public and private sector, according to professional services firm PricewaterhouseCoopers Ltd (PwC) India’s healthcare partner and leader, Rana Mehta.

"The National Dialysis Program has a potential of pushing the current growth of 9% in public dialysis facilities between 15-17%," he said. "Private dialysis centres are growing by 15% CAGR. If a reduction in price of dialysis equipment happens by approximately 5%, it will provide an additional 2-3% growth to the private dialysis sector."

At the same time, some medical devices industry members argue that the move may not necessarily translate to cheaper treatments for patients because only certain parts used to make the dialysis equipment will be enjoying exemptions.

"They've made an exemption in the parts of the product. How much time will you take to make those plants?" asked Pavan Choudhary, Chairman, Medical Equipment Division, Confederation of Indian Industry (CII). According to him, the country doesn't have the sufficient infrastructure required to assemble a dialysis machine.

Even those who feel that the exemptions would help reducing OOPs for renal patients say it would only be a bip in ensuring cost-effective medical equipment to patients here.

"Exempting duties for dialysis equipment is a very small step, because if you take the whole gamut medical technology today, 75% is still imported," said Bose. "If you see the total import cost for medical equipment, my guess is that dialysis represents only 0.5%-1% of it," he said.
Industry members also argue that retaining the recent hike in import duty on medical devices would actually work against a lot of the healthcare measures announced today like increasing the health insurance coverage to Rs1 lakh per family.

"On one side, they're trying to reduce (the OOP burden). On the other side, they've increased the cost of healthcare (by their recent import duty hike). Finally, the government will end up paying more," said Varun Khanna, chairman of the Advanced Medical Technology Association (AdvaMed), an association of medical device manufacturers. "It's good that the government has started thinking on a disease vertical, but ideally, we should have a far broader spectrum for duty exemption and INVESTMENT," he said.

According to Khanna, the recent hike could increase treatment costs for patients needing other medical devices by at least 7.5%. "Even a simple blood test could become more expensive," he said.

Budget 2016: Healthcare has finally taken centre stage in Budget, says Prathap C Reddy

"Plans to launch new health protection scheme and making quality medicines available at affordable prices will help people get access to healthcare."

New Delhi: Plans to launch new health protection scheme and making quality medicines available at affordable prices with plans to launch 3,000 Jan Aushadhi stores proposed in the Budget will help more people in getting access to proper healthcare, say industry players.

Reacting to Finance Minister Arun Jaitley’s proposals in the Budget 2016-17, Apollo Hospitals Group Chairman Prathap C Reddy said: "Healthcare has finally taken the centre stage in the Budget.

The Health Protection Scheme of Rs 1 lakh to cover unforeseen illness in poor families with an additional Rs 30,000 for senior citizens is a long-awaited and welcome step in deepening access."

In addition, the government’s plan to add 3,000 pharmacies under the Jan Aushadhi Yojana to provide generic drugs at affordable rates is a commendable move, he added.

Expressing similar views, industry body NATHEALTH Secretary General Anjan Bose said: "Higher allocation & spending should boost universal healthcare...15 per cent increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage."
The healthcare industry is, however, concerned since the government has not addressed the issue of recent increase in import duty on medical equipment and devices, Bose said.

In budget speech, Jaitley today said that catastrophic health events are the single most important cause of unforeseen out-of-pocket expenditure which pushes lakhs of households below the poverty line every year.

In order to help poor and economically weak families, "the government will launch a new health protection scheme which will provide health cover up to Rs 1 lakh per family. For senior citizens of age 60 years and above belonging to this category, an additional top-up package up to Rs 30,000 will be provided," Jaitley said.

Hailing the budget proposals, Deloitte Touche Tohmatsu India LLP Partner on Healthcare Sector Charu Sehgal said: "The announcement of a new universal health Insurance scheme with a coverage of Rs 1 lakh per family and additional Rs 30,000 for the senior citizens towards hospitalisation care is a welcome move."

It was a critical need and will have a positive impact on increasing affordability, therefore spurring demand. Increased demand will in turn incentivise supply of healthcare delivery in rural areas, she added.

"The budget looked at the healthcare as a key area for inclusive growth, however the focus has majorly been on health cover and palliative care," Omron Healthcare India MD Hisao Masuda said.

On an overall level, the government has introduced measures to ease implementation and development through the PPP model, but there is a need to initiate specific partnerships to upgrade healthcare infrastructure beyond urban areas, he added.

The much awaited Union budget 2016-17 is here. FM Arun Jaitley has announced that the government will set up 3000 new drug stores across the country to handle the shortage of drugs, especially in rural areas. He has also provided health insurance of up to Rs 1 lakh per family. Another important announcement was about the launch of National Dialysis Programme to deal with the high costs involved in renal dialysis processes.

As part of the programme, every district hospital will have facilities of renal dialysis. Jaitley also added in his budget speech that dialysis equipment will be exempt from customs duty, fully or partially.

Here’s what the health industry has to say:

**Dr. Prathap C Reddy, Chairman, Apollo Hospitals Group**

With specific focus on improving the livelihood of India’s soul, its rural population, the Union Budget 2016-17 seems to be aimed at putting more money in the hands of the citizens.

Three specific initiatives that I think will go a long way in creating an educated, healthier and stronger India are the government’s aim to double income of farmers in five years; new initiatives to increase irrigation access, and its objective to skill 1-crore youth in the next three years. On the other hand, healthcare has finally taken the center stage in the Budget.
The Health Protection Scheme of Rs 1 lakh to cover unforeseen illness in poor families with an additional Rs 30,000 for senior citizens is a long-awaited and welcome step in deepening access.

In addition, the government’s plan to add 3,000 pharmacies under the Jan Aushadhi Yojana to provide generic drugs at affordable rates is a commendable move.

Moreover, the announcement of a National Dialysis Services Programme could not have come at a better time, given the burgeoning growth of non-communicable diseases.

According to the Finance Minister, the programme will be made available in all district hospitals on a public-private partnership model and on behalf of all the healthcare private sector providers, we welcome this endeavour.

As always, the health sector in the country will be happy to partner with the government to ensure a healthier India.

Mr. Anjan Bose, Secretary General, NATHEALTH

The 15% increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage.

It is promising to note that the Government intends to provide health insurance coverage to underprivileged class through the new Health Protection Scheme of Rs 1 lakh to cover unforeseen illness in poor families.

This should also act as a catalyst for investment in healthcare sector and help in improving affordability and accessibility of quality healthcare.

This is all the more important considering that nearly 75% of India population is currently without any health insurance.

Further, announcement of National Dialysis Service programme is yet another welcome measure for the health sector.

The industry could have a major role to play in this as the programme would be carried out in PPP mode in district hospitals.
Exemption of custom duty on dialysis equipment would further support this commendable programme.

However, the health care industry is concerned since the Government has not addressed the issue of recent increase in import duty on medical equipment and devices.

The medical technology sector is in an infancy stage with manufacturing limited to less complex devices. More than 75% of medical equipment / devices are still imported and hence the duty increase will result in increase in healthcare cost.

Healthcare sector was also looking forward to positive response from the government to its recommendations of Exempting of Healthcare Services from GST, Increase of tax holiday for establishing healthcare facilities from the current period of five to ten years in non-metros, Increase in Tax Exemption on Preventive Health checkup and setting up of a healthcare infrastructure fund as well as a medical innovation fund.

Dr. Om Manchanda, CEO, Dr. Lal PathLabs
The Union Budget 2016 proposal for healthcare covering weaker section of the society is a path-breaking step.

The proposed health coverage is essential to bring the poor under the healthcare umbrella.

The budget also proposes setting up 3000 medical stores under Prime Minister’s Jan Aushadhi Yojana which is first of its kind initiative at such a scale.

For these initiatives to reach the poor, successful implementation will be important.

Dr. PM Bhujang, President, Association of Hospital
Out of the nine pillars of Union Budget, one was social healthcare. The major highlight in healthcare sector was the introduction of National Dialysis Programme.

Also, the government has announced an exemption on basic dialysis equipment from custom duty, which is in line with AOH’s recommendation.

However, the government should also consider exemption of custom duty on critical medical equipment.
Another important announcement was for the opening of new medical stores with better quality and affordable medicines for common man.

This proposal will help to reduce the overall healthcare expenditure for the public in general. However, the quality of the medicines should be ensured.

The newly introduced health protection scheme will provide health cover up to INR one lakh per family. For senior citizens an additional top-up package of up to INR 30,000 will be provided. This particular healthcare insurance announcement is a welcome proposal.

In comparison to previous years, the 2016 Union budget seemed to lack lustre in terms of the health care sector. Health care being one of the major concerns in the country, a lesser amount of focus was given to the development of this sector.

**Ashish Mehrotra, CEO and MD, Max Bupa Health Insurance**

This year’s budget takes forward the Government’s clear resolve to accelerate the momentum in the health insurance space and make quality healthcare affordable and accessible to all sections of the society.

Healthcare needs of the rural sector and those of senior citizens have been declared as the critical pillars of the Union Budget 2016-17.

The government has announced a universal health insurance programme that will cover the BPL population.

Given that the category is seriously under penetrated, this will provide health protection to one third of the country’s population.

With this scheme, the existing health coverage limit for BPL families (Rs. 30,000 under RSBY) has been significantly increased, with the provision of one lakh health coverage for each BPL family.

This will boost health insurance penetration which is currently under 5% and mostly restricted to urban areas, curtail OOP expenses, stimulate industry growth and provide access to those below the poverty line to avail quality healthcare.

[http://www.indiainsurance.co/blog/insurance-sector/health-budget-2016-a-mere-eyewash/](http://www.indiainsurance.co/blog/insurance-sector/health-budget-2016-a-mere-eyewash/)
Rollback import duty hike on med equipment, devices: FICCI

PTI

March 2, 2016 | UPDATED 18:15 IST

New Delhi, Mar 2 (PTI) The recent hike in customs duty on import of medical equipment and medical devices could adversely impact the affordability of healthcare, industry body FICCI said today.

The hike "in import duty of medical equipment and devices and the resultant cost implications on care provision are likely to affect affordability of medical care in the country," FICCI said. Commenting on the development, FICCI Medical Devices Forum Chairman Probir Das said: "In light of Make in Indias realisation and continued affordable healthcare access in the country, the increase in customs duties should be reviewed".

Manufacturing of high-end and complex equipment and devices such as MRIs, CTs and new generation heart valves require technology transfer, ecosystem for manufacturing all of which are time consuming, FICCI Medical Electronics Forum Chairman Milan Rao said. "Hence, any such duty increase for technologically advanced equipment and devices must be introduced in a phased manner over 3-5 years," he added.

The move has already been opposed by Apex healthcare industry body NATHEALTH which said: "expressed serious concerns on the recent hike in customs duty on import of medical equipment and medical devices and its adverse impact on the overall healthcare ecosystem." PTI

This is unedited, unformatted feed from the Press Trust of India wire.

http://indiatoday.intoday.in/story/rollback-import-duty-hike-on-med-equipment-devices-ficci/1/610266.html
Increase in Customs Duty Negatively Impacts the Healthcare Sector

Monday, February 29, 2016 General News

Industry urges a rollback in customs duty increase of import for medical equipment and medical devices where there is inadequate local manufacturing.

In a letter to the Ministry of Health & Family Welfare, NATHENHealth, Apex healthcare industry body has expressed serious concerns on the recent hike in customs duty on import of medical equipment and medical devices and its adverse impact on the overall healthcare ecosystem.

Recently, the Central Government, vide Customs Notification Nos. 4 and 5 of 2016, increased the applicable Basic Customs Duty on imported medical equipment and medical devices from 5% to 7.5% and the applicable Special Additional Duty from 0% to 4%. Along with the corresponding increase in surcharge & cess, this results in the applicable customs duty rate increasing from 11.64% to 18.94%, an overall increase of 7.3%. At the same time, the Government has reduced the Customs duties on import of raw materials, spares etc. used in manufacturing medical equipment and devices from 7.5% to 5%, a reduction of 2.5%.

Anjan Bose, Secretary General, NATHENHealth, informs, “The net reduction in duty on raw materials is 2.5% whereas the net increase in Customs duty for equipment is 7.3%, thereby creating an inequity. The medical technology sector is in an infancy stage with manufacturing limited to less complex devices. More than 75% of medical equipment / devices is still imported and hence the duty increase will result in increase in healthcare cost”.

Domestic manufacturing is limited to low complexity equipment and devices. To be able to consistently manufacture high quality and high end technology equipment and devices in the country, there is a need to build technical competency which can be acquired only over a period of time. “Therefore, while incentivizing domestic manufacture is an immediate need, disincentives in the form of higher duties for equipment & device imports need to happen over a longer period of time allowing manufacturers to work on technology development and the related INVESTMENT”. This is important for India to achieve not only its goals for “Make in India”, but its health policy goals as articulated in India’s National Health Policy 2015”, emphasized Anjan Bose, Secretary General, NATHENHealth.
There are many high-end equipment such as Magnetic Resonance Imaging (MRI), Cyclotrons, High-end Computed Tomography (CT) and Cath Labs, and several complex and critical medical devices such as new generation heart valves, grafts, oxygenators, wherein the technology to source and manufacture in India could take 3-5 years to develop, in addition to substantial INVESTMENT that needs to be made. There are no manufacturers of MRI equipment, Cyclotrons and many critical medical devices currently in the country and manufacturing of CTs and Cath Labs is only in the early stages and is not available for higher-end machines.

Penetration of the critical medical equipment and devices is very low. E.g., there are only around 1500 MRIs in the country, 150 PET CTs and 20 Cyclotrons. India does fewer than 160,000 cardiac surgeries and less than 300,000 angioplasties annually. A comparison with developed countries indicates that we need to increase the number of equipment and devices at least tenfold to serve the current population. Increasing the duties would further reduce penetration of such important equipment and devices that are critical to healthcare outcomes in the country.

Equipment and medical device costs in India are generally at the lowest levels compared to other countries. Despite these low costs, affordability for patients is still limited due to low insurance coverage and low purchasing power in the lower strata. The impact of this increased import duty would mean that life saving and life enhancing equipment and devices would become more costly, resulting in higher FINANCIAL burden on the patients and the healthcare system.

Since 2011, the Indian Rupee has depreciated versus the US $ by over 50%. Effectively, this means cost of imported equipment and medical devices has already increased by over 50% in 4 years. While increases in customs duties might have been important 4-5 years ago to protect domestic manufacturing interests, this is not the case anymore. Increasing customs duty in this scenario increases the net cost of equipment and devices to service providers and therefore makes it unviable for many providers to buy such products. This is especially so in Tier 2/3 cities and rural MARKETS, so access to quality healthcare is likely to reduce in areas where it needs to improve the most.

Before increasing customs duty on medical devices we need to be aware of the customs duty regimes in our neighbouring countries e.g. ASEAN countries. Medical devices, due to their small bulk and high value, make very good candidates for unauthorised imports into the country if our rates of custom duties are fixed at levels higher than those that prevail in these neighbourhoods. This would result in loss of customs revenue of the Government. Much more importantly the patients would be beset with products which do not have adequate service and legal guarantees.

Standards of quality medical care and healthcare practitioner skills are elevated and accelerated through access to high-quality and innovative medical devices and diagnostics. A unique facet of medical devices as compared to pharmaceuticals is their integral nature with the surrounding healthcare delivery system and infrastructure. It is critical that doctors and nurses have access to the latest technologies in medical devices to ensure both quality outcome goals for patients and goals to strengthen healthcare provider capacity. This includes access to consumables that promote patient safety and quality outcomes and diagnostics that promote rapid and accurate treatment protocols. This requires access to imported medical technologies while domestic manufacturing capacity is also increased.

Union Budget 2016: Jaitley promises to change the way you travel

Posted by: Jessica Tranter in Business 18 hours ago 0 31 Views

BJP veteran LK Advani on Monday commended the union budget for 2016-17 presented by Finance Minister Arun Jaitley describing it as “one of the best so far”.

In this regard, he said, the government appreciated the 75 lakh middle class and lower middle class families for willingly giving up cooking gas subsidy.

Today the biggest challenge to economy is rural distress and agrarian distress. “The work on the National Waterways is also being expedited Rs 800 crore has been provided for these initiatives”, the Finance Minister said.

“We are grateful to our farmers for being the backbone of the country’s food security, we need to think beyond food security and give back to our farmers a sense of income security”, Jaitley said.

“Persons with relatively higher income can bear a higher tax cost”, said Finance Minister Arun Jaitley in his Budget speech in Parliament.

The government countered criticism that its effort to boost rural welfare was politically motivated, saying it was helping the most vulnerable section of the economy. “I believe that the tax treatment should be uniform for defined benefit and defined contribution pension plans”, said Mr Jaitley while presenting the Union Budget.

As per the corporate tax for 2015-16 fiscal, domestic companies were levied with an income tax at the rate of 30 per cent, with a surcharge of five percent levied if the net income of the company for the year was in the range of Rs 10 crore. He also proposed to increase the limit of deduction of rent paid U/s. 80 GG from Rs.24,000 per annum to Rs.60,000 to provide relief to those who live in rented houses.

Elsewhere in his speech, the finance minister said the government would permit 100% foreign direct investment (FDI) in marketing of food products produced and manufactured in India, via its established single window clearance procedures for overseas investors. “And fiscal targets have been maintained”.

Expressing similar views, industry body NATHEALTH Secretary General Anjan Bose said: “Higher allocation & spending should boost universal healthcare, a 15 per cent increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage”. But feeble global demand has caused its exports to shrink for 14 months in a row and private investment remains weak.

“Similarly, 10 of the 25 non-functional air strips with the Airports Authority of India will also be developed”, said Jaitley.
In the last Budget, a total of Rs 79,526 crore were allocated for rural development activities including MGNREGA, for which the allocation then was Rs 34,699 crore. “So the budget is agriculture and rural sector centric”.

And while allocating funds for farmers, electrification of villages, dairy projects and this government’s pet project – Swachh Bharat Scheme, he didn’t forget THE ENTREPRENEURS of the country. He said that a total allocation of Rs 35,984 crore is proposed for this goal in order to double the INCOME of farmers by 2022.

Source: Mercurynewsdaily Business

http://www.mo4ch.com/union-budget-2016-jaitley-promises-to-change-the-way-you-travel/
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Commenting on the development, FICCI Medical Devices Forum Chairman Probir Das said: "In light of Make in India's realisation and continued affordable healthcare access in the country, the increase in customs duties should be reviewed".
Manufacturing of high-end and complex equipment and devices such as MRIs, CTs and new generation heart valves require technology transfer, ecosystem for manufacturing all of which are time consuming, FICCI Medical Electronics Forum Chairman Milan Rao said.
"Hence, any such duty increase for technologically advanced equipment and devices must be introduced in a phased manner over 3-5 years," he added.
The move has already been opposed by Apex healthcare industry body NATHEALTH which said: "expressed serious concerns on the recent hike in customs duty on import of medical equipment and medical devices and its adverse impact on the overall healthcare ecosystem."

http://news.panchamithra.in/rollback-import-duty-hike-on-med-equipment-devices-ficci
Mixed reactions on Union Budget 2016-17 from industry players
Our Bureau, Mumbai, Tuesday, March 01, 2016, 16:10 Hrs [IST]

There were mixed reactions from the industry captains on the Union Budget 2016-17 presented by Union finance minister Arun Jaitley on February 29. While some hailed the budget for focusing attention on the social sectors including health and higher allocation and spending to boost universal healthcare, there were critics also among the industry who said that there is no fundamental change to increase public healthcare spending.

Speaking on the Union Budget, Anjan Bose, secretary general, NATHEALTH said that 15 per cent increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage. It is promising to note that the government intends to provide health insurance coverage to underprivileged class through the new Health Protection Scheme of Rs. 1 lakh to cover unforeseen illness in poor families. This should also act as a catalyst for investment in healthcare sector and help in improving affordability and accessibility of quality healthcare.

Reacting to the budget, Satish Reddy, chairman, Dr. Reddy's Laboratories, commented that the budget 2016 has been a mixed bag overall. The focus on infrastructure, rural development and social sector spending are important catalysts for boosting the economy's growth rate. On the healthcare front, the budgetary emphasis on the sector was fairly muted. While certain initiatives such as the new health insurance scheme or the National Dialysis Services programme are good, perhaps a more holistic, well rounded thrust would have served the sector better in delivering good health to those in need of it. “The finance minister began his speech by articulating the 9 pillars through which his budget proposals were built, that would have a transformative impact on the economy and people. The social sector, including healthcare was in the top 5. We now look forward to a positive impact on this important aspect of India’s growth story,” he added.

Pradeep Dadha, founder & CEO, Netmeds.com, said, “The Union Budget announcement of 2016 to make available quality medicines at affordable prices by reinvigorating the supply of generic drugs through opening of 3,000 stores in 2016-17 under Prime Minister’s Jan Aushadhi Yojana, is a very welcome and innovative move by the government.”

Dr. Naresh Trehan, chairman & managing director, Medanta - The Medicity said, “The budget in my view was very thought through and well pointed towards the social sector. It brings great relief to farmers and people who are marginalised. The social scheme & the infrastructure movement forward to create jobs, so I think from that point of view at the base level it has done a lot, for the real ground reality people. As far as health is concerned, it’s a great move forward to insure every family for Rs.1 lakh, which imminently gives them the security that they can access healthcare that was the idea how to create universal access. For elderly, its Rs.1.30 lakh which is even better.”

Vishal Bali, co-founder and chairman, Medwell Ventures, said, “Budget 2016 once again neglects the overall development of the healthcare sector. For a sector that has an intense demand supply gap, the finance minister has given it a cursory attention. There is no fundamental change to increase public healthcare spending and give it the necessary boost towards 2 per cent of GDP. The budget is also silent on Universal Healthcare coverage agenda which has been often discussed by the government. Healthcare should have been an integral part of the focus that has been given to infrastructure. Holding fiscal deficit at 3.5 per cent of the GDP is a good but healthcare given the miss as a national agenda.”

“The FM has identified healthcare as one of the nine pillars for development and progress, and various proposals have been introduced. As a industry, India is becoming ever-more critical for global healthcare companies,” said Anand Mehta, a partner with Khaitan & Co and its Pharmaceuticals and Healthcare practice.

Hisao Masuda, MD, Omron Healthcare India, said, “The budget looked at the healthcare as a key area for inclusive growth, however the focus has majorly been on health cover and palliative care. On an overall level, the government has introduced measures to ease implementation and development through the PPP model, but there is a need to initiate specific partnerships to upgrade healthcare infrastructure beyond urban areas. There is a clear need to focus on preventive healthcare in order to decrease the mortality rate and disease burden of the country.”

“The Union Budget 2016 proposal for healthcare covering weaker section of the society is a path breaking step. The
proposed health coverage is to Rs. 1 lakh per family and additional top up of Rs. 30,000 for senior citizens below poverty line is essential to bring the poor under the healthcare umbrella. The budget also proposes setting up 3000 medical stores under Prime Minister’s Jan Aushadhi Yojana which is first of its kind initiative at such a scale. For these initiatives to reach the poor, successful implementation will be important,” said Dr. Om Manchanda, CEO, Dr. Lal PathLabs.

“The government’s announcement to launch dialysis service programme and open 3000 medical stores is a welcome move making basic healthcare more available to masses living beyond metros and tier 1 cities. Also, the government’s plan to provide tax holiday to startups will propel growth in the healthcare ecosystem by driving innovation amongst new-age. Healthcare startups will now be able to take lead in breaking the archaic mode of providing services to the end customers making the entire healthcare experience to be easy and simple,” said Amit Mookim, services head, South Asia, IMS Health.

Commenting on the Budget, Hari S. Bhartia, co-chairman & managing director, Jubilant Life Sciences said that overall it is a very balanced Budget & would give a boost to growth sentiments & revive domestic economy. The finance minister has kept the fiscal discipline by keeping the budget deficit to 3.5 per cent in 2016-17. This will give greater confidence to investors, both in India and overseas.

“The needs of the pharmaceuticals and Ayurveda industry did not get much attention in the Budget. No clear cut incentive has been provided for promoting the manufacture of plant-based medicines in India using modern plants and technology, even though there are sops for the farming community and food processing industry. The government was expected to introduce several industry-friendly policies and incentives to provide a major push to the growth of the Indian bulk drug industry for it to be a formidable force globally. However, no major tax reforms (especially on the indirect tax front) have been announced by the government. A good thing in the budget is the announcement of a special patent regime with 10 per cent rate of tax on income from worldwide exploitation of patents developed and registered in India. This will promote drug discovery in the private sector, especially in the Ayurvedic and phytomedicine segment which is expected to grow by leaps and bounds in the coming years,” said Raman Mehta, founder, Alchem International- leader in the field of phytoceuticals.

Ameera Shah, MD & CEO- Metropolis Healthcare said, “Overall a promising budget. Its heartening to see the fiscal discipline and a slew of initiatives for the under privileged. A lot of emphasis on infrastructure has set the right tone for overall economic reform. When it comes to healthcare, the Union Budget has rightly addressed the issue of unexpected healthcare expenses being a burden and pushing families in to poverty. The Health Protection Scheme and the Rs.1 lakh cover will surely help the families in need. However the budget has once again failed to address any kind of healthcare reform. It is important that the leaders from this industry are heard in the policy process where they can join hands with the government to spearhead more planned and regulated for health and healthcare. This by far has been the most disappointing budget for health. It is time that the government realizes that health is an important indicator of economic development and work towards an overarching vision for healthcare.”

'Healthcare Has Finally Taken Centre Stage In Budget'

Press Trust of India | Last Updated: March 01, 2016 17:50 (IST)

New Delhi: Plans to launch new health protection scheme and making quality medicines available at affordable prices with plans to launch 3,000 Jan Aushadhi stores proposed in the Budget will help more people in getting access to proper healthcare, say industry players.
Reacting to Finance Minister Arun Jaitley's proposals in the Budget 2016-17, Apollo Hospitals Group Chairman Prathap C Reddy said: "Healthcare has finally taken the centre stage in the Budget.

The Health Protection Scheme of ₹ 1 lakh to cover unforeseen illness in poor families with an additional ₹ 30,000 for senior citizens is a long-awaited and welcome step in deepening access."

In addition, the government’s plan to add 3,000 pharmacies under the Jan Aushadhi Yojana to provide generic drugs at affordable rates is a commendable move, he added.

Expressing similar views, industry body NATHEALTH Secretary General Anjan Bose said: "Higher allocation & spending should boost universal healthcare...15 per cent increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage."

The healthcare industry is, however, concerned since the government has not addressed the issue of recent increase in import duty on medical equipment and devices, Bose said.

In budget speech, Jaitley today said that catastrophic health events are the single most important cause of unforeseen out-of-pocket expenditure which pushes lakhs of households below the poverty line every year.

In order to help poor and economically weak families, "the government will launch a new health protection scheme which will provide health cover up to ₹ 1 lakh per family."
For senior citizens of age 60 years and above belonging to this category, an additional top-up package up to ₹30,000 will be provided," Jaitley said.

Hailing the budget proposals, Deloitte Touche Tohmatsu India LLP Partner on Healthcare Sector Charu Sehgal said: "The announcement of a new universal health Insurance scheme with a coverage of ₹1 lakh per family and additional ₹30,000 for the senior citizens towards hospitalisation care is a welcome move."

It was a critical need and will have a positive impact on increasing affordability, therefore spurring demand. Increased demand will in turn incentivise supply of healthcare delivery in rural areas, she added.

"The budget looked at the healthcare as a key area for inclusive growth, however the focus has majorly been on health cover and palliative care," Omron Healthcare India MD Hisao Masuda said.

On an overall level, the government has introduced measures to ease implementation and development through the PPP model, but there is a need to initiate specific partnerships to upgrade healthcare infrastructure beyond urban areas, he added.

(This story has not been edited by NDTV staff and is autogenerated from a syndicated feed.)

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Health Budget 2016: A mere eyewash?

Kalpana Sharma | TNN | Mar 1, 2016, 10.43 AM IST

HIGHLIGHTS

India’s soul, its rural population, the Union Budget 2016-17 seems to be aimed at putting more money in the hands of the citizens.

• The Health Protection Scheme of Rs 1 lakh to cover unforeseen illness in poor families with an additional Rs 30,000 for senior citizens is a long-awaited and welcome step in deepening access.

The much awaited Union budget 2016-17 is here. FM Arun Jaitley has announced that the government will set up 3000 new drug stores across the country to handle the shortage of drugs, especially in rural areas.

Then he has provided health insurance of up to Rs 1 lakh per family. Another important announcement was about the launch of National Dialysis Programme to deal with the high costs involved in renal dialysis processes. As part of the programme, every district hospital will have facilities of renal dialysis. Jaitley also added in his budget speech that dialysis equipment will be exempt from customs duty, fully or partially. Here’s what the health industry has to say:
Dr. Prathap C Reddy, Chairman, Apollo Hospitals Group

With a specific focus on improving the livelihood of India's soul, its rural population, the Union Budget 2016-17 seems to be aimed at putting more money in the hands of the citizens. Three specific initiatives that I think will go a long way in creating an educated, healthier and stronger India are the government's aim to double income of farmers in five years; new initiatives to increase irrigation access, and its objective to skill 1-crore youth in the next three years. On the other hand, healthcare has finally taken the center stage in the Budget.

The Health Protection Scheme of Rs 1 lakh to cover unforeseen illness in poor families with an additional Rs 30,000 for senior citizens is a long-awaited and welcome step in deepening access. In addition, the government's plan to add 3,000 pharmacies under the Jan Aushadhi Yojana to provide generic drugs at affordable rates is a commendable move.

Moreover, the announcement of a National Dialysis Services Programme could not have come at a better time, given the burgeoning growth of non-communicable diseases. According to the Finance Minister, the programme will be made available in all district hospitals on a public-private partnership model and on behalf of all the healthcare private sector providers, we welcome this endeavour. As always, the health sector in the country will be happy to partner with the government to ensure a healthier India.

Mr. Anjan Bose, Secretary General, Natwealth

There is 15% increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage. It is promising to note that the Government intends to provide health insurance coverage to under privileged class through the new Health Protection Scheme of Rs. One Lakh to cover unforeseen illness in poor families. This should also act as a catalyst for investment in healthcare sector and help in improving affordability and accessibility of quality healthcare. This is all the more important considering that nearly 75% of India population is currently without any health insurance.
Further, announcement of National Dialysis Service programme is yet another welcome measure for the health sector. The industry could have a major role to play in this as the programme would be carried out in PPP mode in district hospitals. Exemption of custom duty on dialysis equipment would further support this commendable programme.

However, the health care industry is concerned since the Government has not addressed the issue of recent increase in import duty on medical equipment and devices. The medical technology sector is in an infancy stage with manufacturing limited to less complex devices. More than 75% of medical equipment / devices are still imported and hence the duty increase will result in increase in healthcare cost.

Healthcare sector was also looking forward to positive response from the government to its recommendations of Exempting of Healthcare Services from GST, Increase of tax holiday for establishing healthcare facilities from the current period of five to ten years in non-metros, Increase in Tax Exemption on Preventive Health checkup and setting up of a healthcare infrastructure fund as well as a medical innovation fund.

Dr. Om Manchanda, CEO, Dr. Lal PathLabs

The Union Budget 2016 proposal for healthcare covering weaker section of the society is a path breaking step. The proposed health coverage is to Rs 1 lakh per family and additional top up of Rs 30,000 for senior citizens below poverty line is essential to bring the poor under the healthcare umbrella. The budget also proposes setting up 3000 medical stores under Prime Minister's Jan Aushadhi Yojana which is first of its kind initiative at such a scale. For these initiatives to reach the poor, successful implementation will be important.

Dr. PM Bhujang, President, Association of Hospital

Out of the nine pillars of Union Budget one was social healthcare. The major highlight in healthcare sector was the introduction of National Dialysis Programme. Also, the government has announced an exemption on basic dialysis equipment from custom duty, which is in line with AOH's recommendation. However, the
government should also consider exemption of custom duty on critical medical equipments. Another important announcement provided for the opening of new medical stores with better quality and affordable medicines for common man. This proposal will help to reduce the overall healthcare expenditure for the public in general. However, the quality of the medicines should be ensured. The newly introduced health protection scheme will provide health cover up to INR one lakh per family. For senior citizens an additional top-up package of up to INR 30,000 will be provided. This particular healthcare insurance announcement is a welcome proposal.

In comparison to previous years, the 2016 Union budget seemed to lack lustre in terms of the health care sector. Health care being one of the major concerns in the country, a lesser amount of focus was given to the development of this sector.

Ashish Mehrotra, CEO and MD, Max Bupa Health Insurance

Budget 2016: Top industry reactions to Arun Jaitley’s speech

The industry had mixed reactions to the Budget presented by finance minister Arun Jaitley. In what is being mostly seen as a pro-rural and pro-poor budget, contrasting views emerged. Here are some of the major reactions from big names in Indian business:

1. “It is overall a very positive budget for the real estate sector and Credai is certain that this will spur the market and induce the home buyer who has been waiting ever since for some special incentive to actually be able to buy a house.”

Getamber Anand, Credai president
2. “We were expecting more radical reforms in the Budget for startups. While we welcome the three-year tax holiday, the fact that the Budget has retained MAT negates much of the advantages, as we have cash-flow problems in initial years.”

Ravi Gururaj, chairman of Nascomm Product Council

3. “We thank the finance minister for presenting an inclusive and well-rounded budget, which will not only help the Indian economy at large but also provide an opportunity to all in becoming part of the overall growth process.”

Girish Srivastava, Indian Broadcasting Federation secretary

4. “We are disappointed with the Budget. The proposed 1% excise duty will reduce the ease of doing business as the gems and jewellery sector consists of less educated but highly skilled manpower, who are not equipped to deal with the cumbersome process required for it.”

Sreedhar GV, chairman of All India Gems and Jewellery Federation
5. "Higher allocation and spending should boost universal healthcare. 15% increase in government spending on the social sectors with focus on healthcare should go a long way in ensuring universal health coverage."

Anjan Bose, secretary general of NATHEALTH

6. "The budget has laid out a good road-map for improving education systems at school and higher education levels with a focus towards job creation and imparting skills."

Ratnesh Kumar Jha, MD, Cambridge University Press (South Asia)

7. "With the levy, the price of domestically made phones will go up by one per cent. We would request government to roll back this duty."

Indian Cellular Association president Pankaj Mohindroo

8. "It may not be a populous one with incentives but there is enough balancing which has not harmed the common man rather aims at giving incentives to entrepreneurs in some segments."

Raghupati Singhania, chairman and MD, JK Tyre & Industries Limited

http://timesofindia.indiatimes.com/listshow/51199690.cms