

Human Resource and Skill Requirements in the Healthcare

Executive Summary



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Skill Development
Corporation

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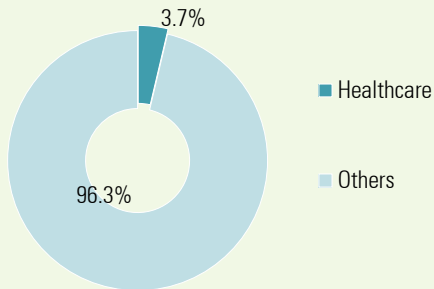
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Industry Overview

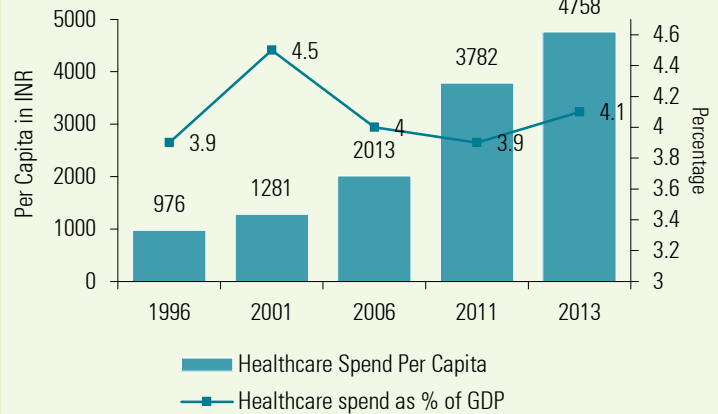
The healthcare sector grew by almost 100% from 2.75 (in 2008) to 4.8 lakh crores (in 2012). It is poised to grow to INR 9.64 lakh crores by 2017

Contribution of healthcare expenditure as a percent of India's GDP (FY13)



Source: World Health Report 2013

Healthcare Spend



Source KPMG in India analysis, IBEF 2013 report and World Bank data

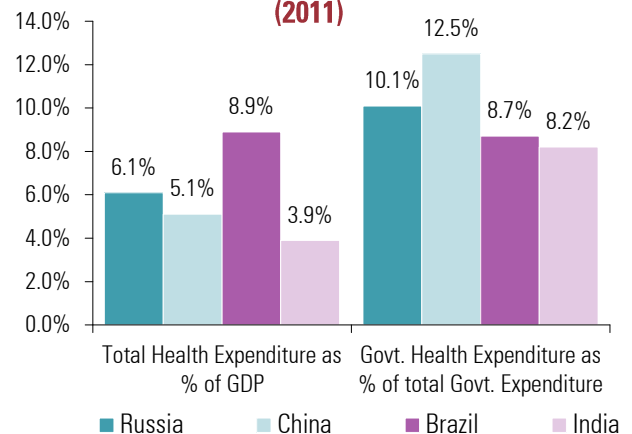
- With a diverse range of medical services, there are over 11 lakh allied health professionals in the country in the categories of nursing associates, sanitarians, medical assistants, medical equipment operators, optometrists, traditional and faith healers, physiotherapists, dieticians and dental assistants which is still short of the current demand.
- Although the expenditure on health has been on the rise, the per capita expenditure on health in India (INR 3844*) is significantly less than that in other developing countries (for example, it is INR 16988* in China)
- In the next few years, changing trends like increasing penetration of insurance, changing demographics, increase in consumer awareness and rise in chronic and lifestyle-related diseases will result in increased healthcare spend

Healthcare spending in India is low as compared to international standards and is dominated by private out-of-pocket expenditure

International comparison of healthcare spending

- Healthcare spending in India stands at a less than 5 percent of GDP, as compared to other developed countries. A significant share of these spending is private.
- Government expenditure on health also ranks much lower in comparison to peer nations
- Out-of-pocket expenditure comprises about 92 percent of private expenditure — as compared to the international average of nearly 50 percent
- In India, private healthcare accounts for about 75 percent of the country's total healthcare expenditure leading to issues such as unaffordability

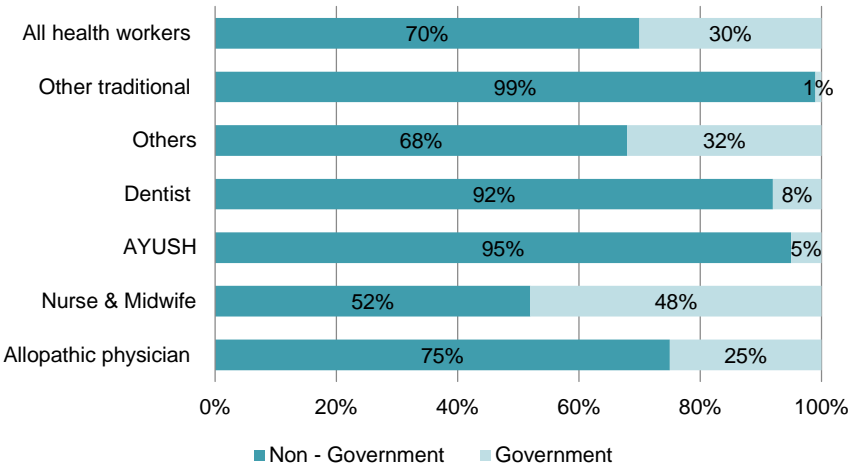
Comparison of Health Expenditure (2011)



Demographic characteristic of workforce

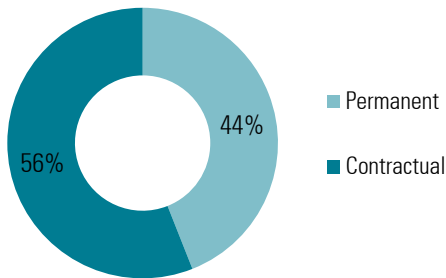
Workforce is largely concentrated in the urban areas and are mostly contractual in nature

Workforce is concentrated in urban regions particularly in the private sector



- Manpower — in terms of physicians — is concentrated in the private sector, increasing the urban-rural disparity
- The majority of dentists are concentrated in the private sector, both across urban and rural areas. This is largely attributed to the fact a majority of the dental services now offered are cosmetic in nature and attract a higher demand in the private sector

Contractual staff form more than half the workforce in Healthcare



- Most Allied Health Professionals (56 percent of the total head count) are hired on a contractual basis
- A majority of therapeutic and technical service providers, such as those in optometry, rehabilitation, dental, medical technology and surgical intervention, are mostly permanent/ In-house employees
- Miscellaneous category AHPs, such as general duty assistants and record keepers, are typically hired on a contractual basis

Need Gap Analysis

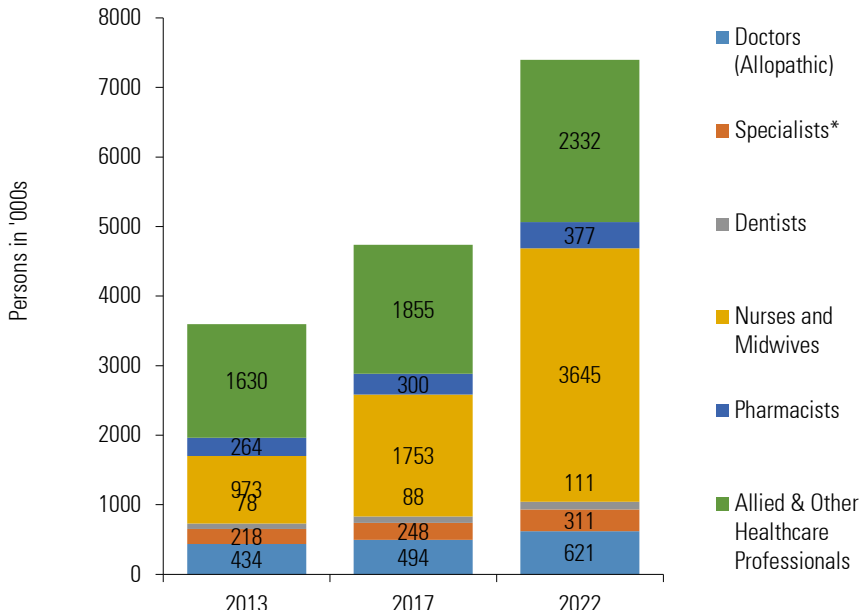
Parameter(per 10,000)	Global Avg.	India
Physicians	14.1	7
Nurses and midwives	29.2	17.1
Dentists	2.7	1
Pharmaceutical Personnel	4.3	5

- There is a significant gap in the availability of allopathic doctors and it is a trend that is likely to continue into the next five years
- There are over 7,50,000 registered Ayurveda, Yoga, Unani, Siddha and Homoeopathy (AYUSH) practitioners in the country
- These numbers, when combined with the total number of physicians trained in allopathy, fulfill, to an extent, the total requirement of medical practitioners required in the country

Incremental Human Resource Requirement (2013 – 22)

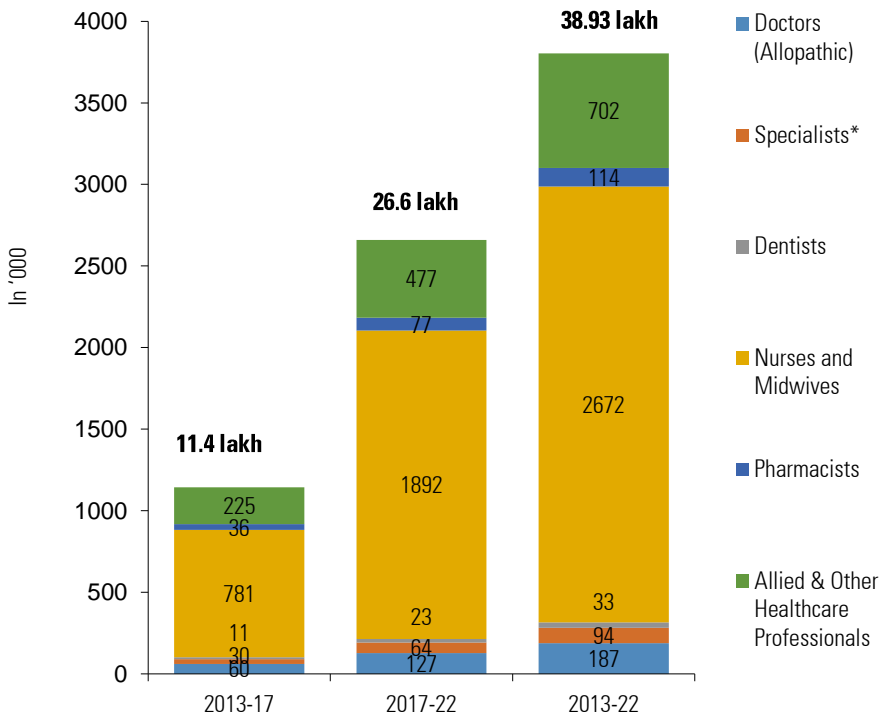
The sector currently employs around 36 lakh employees and is slated to employ more than 74 lakh by 2022

Work Force Demand Projections Across Various Roles in Healthcare



Workforce requirements for the Healthcare sector is expected to grow from 35.9 lakh in 2013 to 74 lakh in 2022 which is more than double its existing workforce to meet the market demand

Incremental demand for workforce in Healthcare



With shift in focus towards quality of service, particularly with the rising demand for tertiary and quaternary care, the industry requires specialized and highly skilled resources

As a result of this shift, a large increase in demand for nurses in particular is anticipated

Supply and Training Infrastructure

Skewed distribution of healthcare professionals as well as education facilities remains is a matter of concern

Differences in socio-economic, political factors results in inter-state disparity in availability of quality health professionals

- Gujarat, Karnataka, Maharashtra and West Bengal have the maximum number of hospitals
- South Indian states and Puducherry have a better population per hospital ratio than most other states
- There is also significant disparity in the number of hospitals and hospital beds serving the population across states
- The average population served per government hospital bed in states such as Uttar Pradesh and Bihar is way higher when compared to that in Kerala or West Bengal

Geographically skewed distribution of healthcare education facilities

- There are only 356 registered medical education institutions
- The total admission capacity is nearly ~45,000 students at the undergraduate level and about ~24000 students at the post-graduate level in the country

Andhra Pradesh*
Karnataka
Kerala
Maharashtra
Tamil Nadu



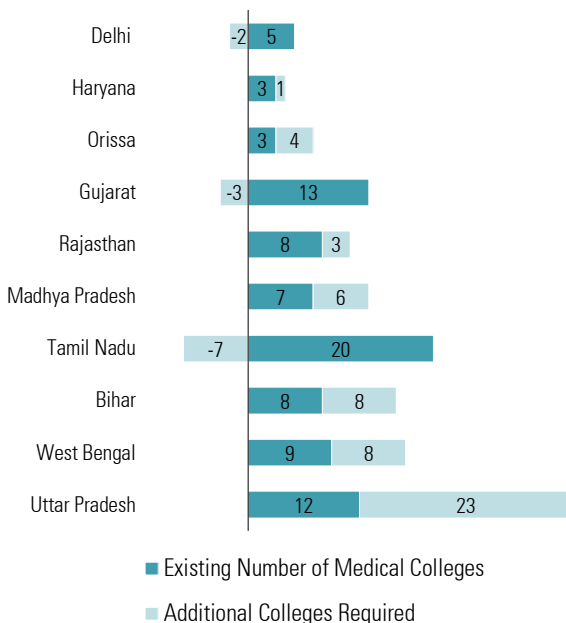
~31% share of population
~58% of medical colleges
~63% nursing colleges

Bihar
Madhya Pradesh
Rajasthan
Uttar Pradesh



~30% share of population
~9% nursing colleges

Supply and demand for medical colleges in select states



- The distribution of medical infrastructure, particularly Hospitals and Medical colleges is uneven across the nation, with some states such as Bihar, Uttar Pradesh experiencing a demand-supply gap, particularly in Medical Education
- As per Mudaliar Committee (1962) recommendations, there should be one medical college for 50 lakh population which explains the situation in densely populated states such as UP, Bihar which require large scale expansion of medical colleges and medical infrastructure
- Highly Urbanized regions including NCR are heavily concentrated with healthcare facilities while rural regions remain underdeveloped

Recommendations

Select recommendations and implications

Recommendation	Implications
Develop strong compensation schemes with long term benefits and high value-add	<ul style="list-style-type: none"> ▪ Players in the sector find it difficult to identify, recruit and retain top talent in the industry ▪ One of the key value adds for employees is training recognised by industry. Industry should formalize in-house training and certify the same and introduce more roles with in-house recruitment instead of the current preference for contractual employment
Increased focus on language and communication	<ul style="list-style-type: none"> ▪ Industry bodies to increase attention on soft skills part of the health sector to promote quality service delivery ▪ Training tie-ups could be considered with leading English and communication institutions and soft skills training providers
Set up regulatory authorities for various sub segments	<ul style="list-style-type: none"> ▪ Set up skill councils or regulatory authorities for allied professionals to maintain high quality and standards and to clearly define job roles ▪ Development of Recognition of Prior Learning (RPL) framework whereby current workforce across sub-sectors can register and be certified by the SSC, , increasing their employability quotient
Increase training supply by sector focused training providers with emphasis on rural outreach	<ul style="list-style-type: none"> ▪ Promote training infrastructure for healthcare industry through industry players to increase access to health infrastructure to remote areas ▪ Support private training providers to expand capacity for training in the industry by bringing in greater synergy between government schemes and training providers ▪ Incentivise industry players who offer captive training for niche areas and offer training in rural areas
Launch sectoral awareness programs in urban and rural areas targeting potential labour force	<ul style="list-style-type: none"> ▪ Promote vocational training in the field of Healthcare in rural and remote areas ▪ Tie up with industry, government to provide information on career options, career fairs, school education programs etc.
Launch innovative fee payment schemes	<ul style="list-style-type: none"> ▪ Innovative fee models including industry sponsorship or tie-ups between industry and training institutes or lagged fee structures can help increase the affordability of healthcare education to lower income groups
Provide regular upgrade and certification for training infrastructure and curriculum	<ul style="list-style-type: none"> ▪ Developing industry standards and providing up gradation certificates to training institutes and trainers will allow for continuous education of the sector ▪ Developing occupational standards which are periodically updated will also serve as a benchmark for skills and expertise required for various job roles
Incentivise skill upgrade through skill premium	<ul style="list-style-type: none"> ▪ Provide skill premium for those candidates with formal training experience ▪ Encourage employees to upgrade skills to remain relevant in the changing industry scenario ▪ Formalise the training relationship with employers to certify and credit the employees who have undergone training



cutting through complexity

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- Working closely with Central Govt., MoHRD, State Govts, Apex bodies and funding agencies
- Use of robust proprietary tools and methodologies assuring quality delivery to our clients

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