

## **Do High Capital and Operational COST endorse HEALTHCARE hazards?**

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*'Eternal vigilance is the price of eternal development.'* Gordon B. Hinckley

### **Four Major Concerns:**

1. How the high infrastructure cost, which includes land, building, medical equipment of any hospital are being utilized?
2. Is GDP or economic development data is representing the majority of the population of the country?
3. What Percentage of population is covered under Health insurance policy? Do policy wordings suffice the 80% medical requirements?
4. Is unwanted Hospitalization and surgeries causing damage heavily?

Yes!! Probably the high capital and operational expenses are the major reasons for the medical malpractices!!

Hospital or healthcare Business projects are directly affected with high funding cost. Subsidy by government or soft national/ international borrowings would be a long-term solution.

Healthcare industry is moving forward very quickly and it is a high capital-intensive business to cope up with the upgraded technology. At the same time investing on medical equipment and maintaining the same standard by competing with top countries have become the most challenging task in the countries like India, Myanmar, Bangladesh, Nepal, Vietnam, Bhutan, Sikkim, Afghanistan, Sri Lanka and other Asian countries, where the GDP /wealth is not well distributed.

An angioplasty cost differently, rather heavily on the higher side in nearby countries due to medical ignorance, lack of interest on 'knowledge sharing' and high cost funding.

Any capital expenses on medical equipments are basically done on two aspects:

- Cost of the Equipment and Expected regular usage for revenue generation
- Equipment may become obsolete before time; which may lead to a non performing asset

Operational expenses are also very high in any standard hospital; planned number of years operational expenses are practically not sufficient due to aggressive start up plans! Plan fully planned wrong shorter gestation period for lenders attraction is one of the main cause for the entire manipulative acts. Knowingly wrong planning or operational expense budgeting is the most detrimental aspect; which leads to **unwanted surgery and unwanted hospitalization**.

Preventative health care process in developing countries is almost ignored, other than few negligible corporates or modern bodies for their employees and dependents. Life style alteration; periodic health check ups and proper diet can make things much better and this can possibly be done through a dynamic government strategies.

We all must understand that health care industry is not a charitable society; all sectors are being challenged with PBT and PAT; at the same time unwanted hospitalization and surgeries are not appreciated! But we must accept the fact that medical equipments are most expensive items and producing doctors are very expensive affairs; which will be loaded to the end customers. This is a very simple fact of life, which we are not ready to accept logically. It is always advisable to be covered medically through medical insurances or by critical illness rider through any Insurance Company. This will surely help to get the best of the treatment without any botheration.

Finally the role of the government to regulate the entire medical system in any country is a major ask of the hour. Government run and subsidized high standard hospital can really play the major leadership role to extend the best of the medical assistance to the citizen of their own country; it includes the financial support to the best brains to pursue medical career.

For any medical Assistance in India from neighboring countries (Nepal, Bhutan, Bangladesh, Myanmar, Vietnam, Afghanistan, Sri Lanka) you may contact: +91 9051481112/ anjan@excellentiam.org