

DETERMINANTS OF HOSPITAL SELECTION BY PATIENTS IN INDIA: A LITERATURE REVIEW

RAKESH PATHAK

Research Scholar, Amity Business School, Amity University Mumbai.

Dr. BHAWNA SHARMA

HOI, Amity Business School, Amity University Mumbai.

Abstract:

Healthcare sector has attracted the attention of policy makers and other stakeholders in India amid Covid 19 pandemic. Access and affordability have been crucial concerns for citizens in India. The patient has a difficult choice to choose between private and public sector hospitals considering access and affordability. This paper explores the factors determining choice of hospitals in India. The paper published on choice of hospitals in India have been considered for the study. It is observed that proximity, affordability, quality of service, waiting time significantly influences choice of hospitals. Public hospitals are not able to deliver services up to the satisfaction of the users. Human touch is needed in private and public sector hospitals for better and sustainable outcomes.

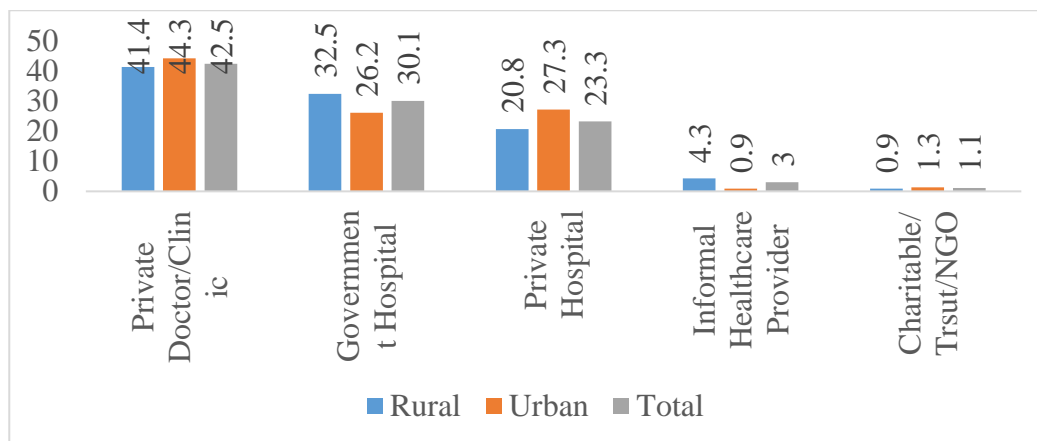
Keywords: Hospitals, India, Private, Public, Access, Affordability, Quality, Human Touch

INTRODUCTION

Healthcare sector has attracted the attention society in the Covid 19 pandemic. The infrastructure of the developed economies has not been able to deliver the services to the people. Developing economies has faced difficult times in Covid 19 pandemic due to poor infrastructure of healthcare. The policy makers and scientific community along with medical practitioners have worked in synergy and provided relief to needy people of India but also provided Covid Vaccines to many countries. The scarcity of beds in India has raised the concern. The public expenditure on healthcare is 2.1% of GDP in 2022 as compared to 1.8% in 2020-21. The number of allopathic doctors has increased from 0.83 million in 2010 to 1.3 million in 2021. Healthcare sector is one of the leading employment generators in 2021 as it employs 4.7 million people. Healthcare sector is expected to increase to US \$ 372 billion by 2022 (IBEF, 2022). The hospital industry is expected to grow from US \$ 61.79 billion in financial year 2017 to US \$ 132.84 billion in financial year 2022 (IBEF, 2022).

According to National Sample Survey 2017-18 more than two third population uses private sector healthcare services as shown in figure 1 (Anand & Thampi, 2020).

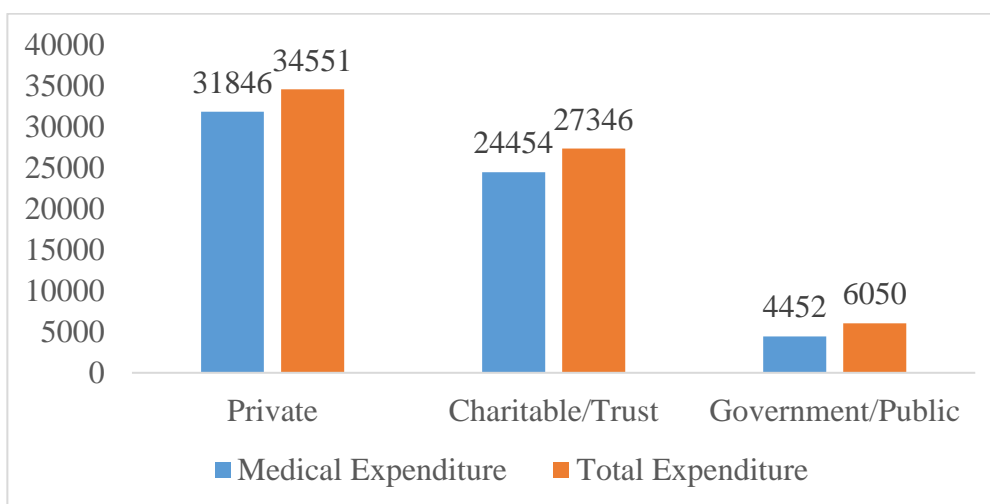
Figure 1: Treated Cases (%) by Different Types of Healthcare Service Provider



Source: Anand & Thampi, 2020

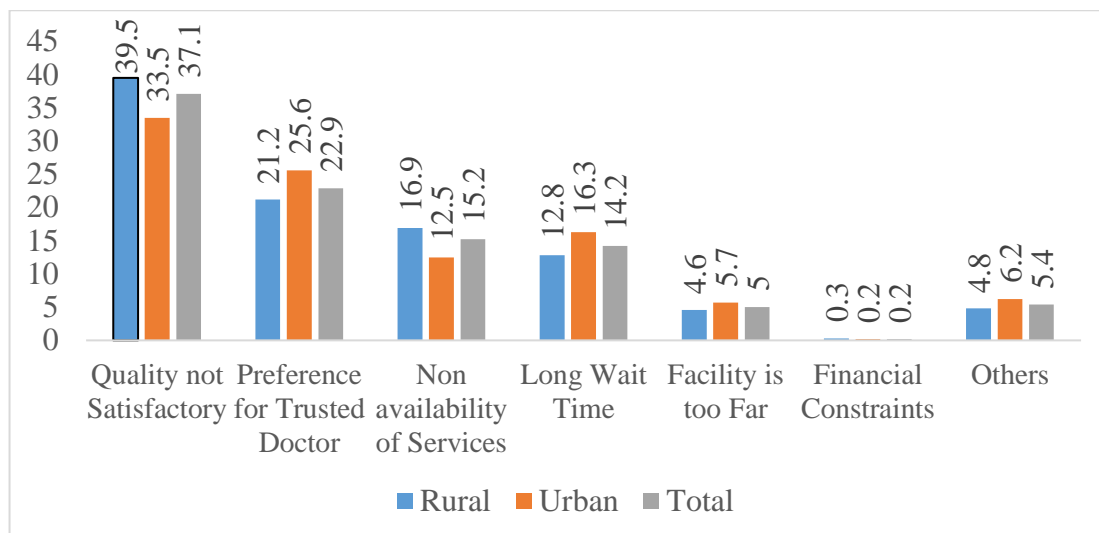
Average medical and total expenditure are significantly lower for public sector hospitals. Average expenditure of healthcare is INR 4452 and total expenditure is INR 6050 as compared to average expenditure of INR 31846 and total expenditure of INR 34551.

Figure 2: Average Medical and Total Expenditure (Indian Rupees)



Source: Anand & Thampi, 2020

Figure 3: Reasons (%) for Avoiding Public HealthCare Facilities

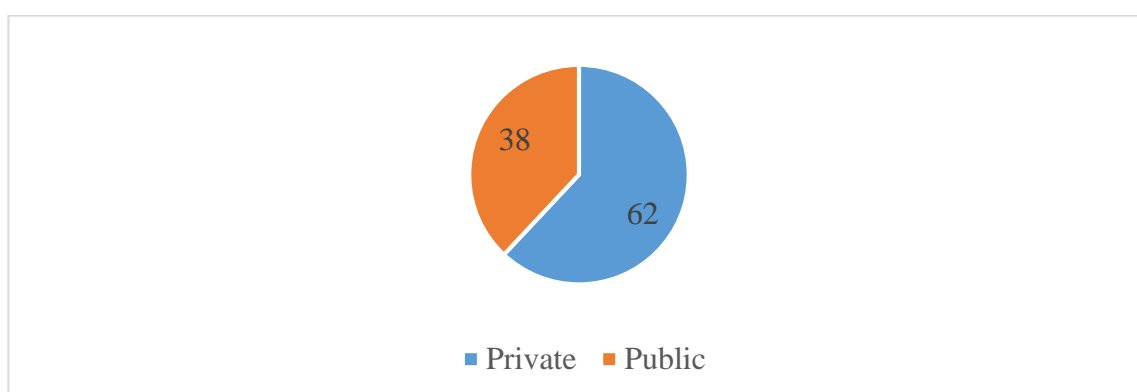


Source: Anand & Thampi, 2020

Lack of satisfactory quality of public healthcare facilities, preferred doctors, non-availability of required services and long waiting time have been found to be major reasons for not opting public healthcare facilities by urban and rural people in India.

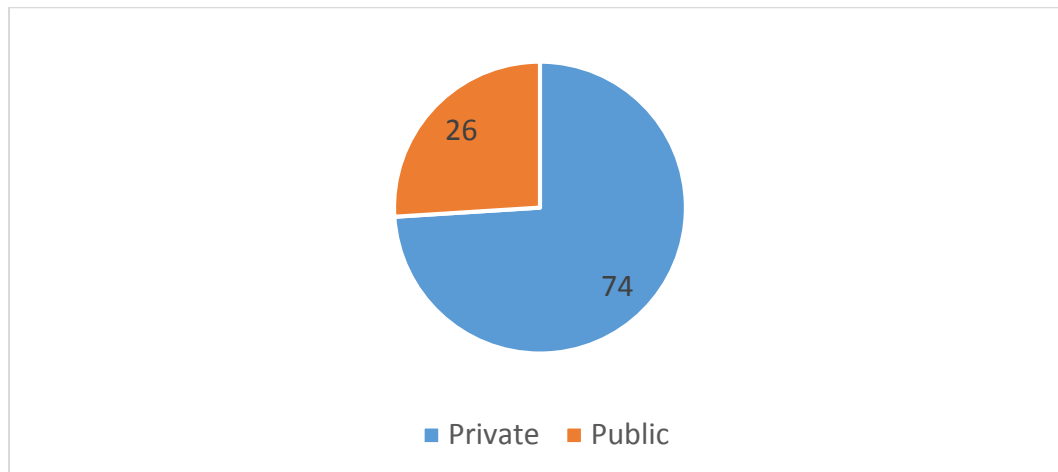
Public sector health facilities usage differs across different regions of India. Only 18% people use public health facilities in Bihar. 62% of beds are in private sector and 38% are in public sector in India (Anand & Thampi, 2020).

Figure 4: Distribution (%) of Hospital Beds in India



Source: Ghosh, 2021

Figure 5: Share (%) of OPD in India



Source: Ghosh, 2021

LITERATURE REVIEW

Features of service influence the choice of hospital (Lane and Lindquist, 1988). Referral influences selection of a hospital (Schwartz et al., 2005). Dimensions of quality of various aspects of services by hospital influences patient's choice of hospitals (Arrow, 1963). Attitude of staff, cleanliness, quality of services, image is considered by patients (Berkowitz and Flexner, 1981). Mosadeghard, (2014) recommended ten Ps of marketing for healthcare sector; product, price, place, promotion, people, process, package, performance, position and physical environment for influencing patients. The determinants of choice of hospital will vary from country to country due to cultural differences, insurance facilities, delivery system, national policies (Ghosh, 2015).

Malik and Sharma (2017) examined determinants of choice of private hospitals by patients in Delhi NCR. The study included 460 indoor patients of ten private hospitals in Delhi NCR. It was found that clinical effectiveness, professional competence and personal constituents significantly influence choice of private hospitals.

Advice of the doctor influences choice of hospital (Jannati et al., 2013). Distance from residence, brand image, insurance facility, cost born by patient determines choice of hospital (Akinci et al., 2005). Patients are driven by prior experience while choosing hospital (Lane and Lindquist, 1988).

Rajagopal (2010) examined choice of healthcare by low-income group in Kerala. It was found that people prefer private hospitals due to efficiency. But the concern of high cost of private hospitals are yet to be resolved.

Patel et al. (2010) investigated healthcare choices of peri-urban areas of Chandankhera. It was found that people belonging to lower socio-economic strata were mostly using public healthcare facilities. Preference for private hospitals are driven by low waiting period, proximity, and better facilities.

Chauhan et al. (2015) investigated choice of rural population in coastal regions in Southern part of India. 559 participants were considered for the study. Data was collected using questionnaire. Majority of patients visited public sector hospitals. Only one third participants preferred private hospitals. Eleven percent participants used no hospitals but preferred pharmacies to seek help.

Ngangbam & Roy (2019) examined choice of healthcare in North-East region in India. It was observed that lack of connectivity restricts access to quality healthcare to marginalised people in North East. Due to high cost, there is a tendency to seek alternative healthcare.

Sudha et al. (2003) examined healthcare preference for chest problems in urban and rural areas of South India. It was found that 57% of urban and 48% of rural people prefer public health services. The distance of hospital from home and good quality services were the factors significantly influencing choice of hospital? Choice of hospital was significantly influenced by literacy and income.

Varatharajan (2003) examined efficiency of public sector hospitals in Tamil Nadu. It was observed that funding constraints adversely affected the people of low-income strata.

Saikia & Das (2014) examined healthcare facilities in North-East part of India. It was found that after the launch of National Rural Health Mission in 2005, the facilities for healthcare have improved in North-East India. However, quality and availability of trained manpower remains a concern.

Kamra et al. (2016) examined the determinants of choice of hospitals in Northern India. It was found that patients, friends and relatives significantly influence choice of hospitals. Factors determining choice of hospitals are quality, responsiveness, affordability, facilities, privacy, and clinical support. Preferences towards hospital are different for different categories of people from different demographic profile.

Chatterjee et al. (2019) investigated healthcare preferences between public and private healthcare services. It was found that people with from low economic strata and chronic diseases and higher stay in hospital prefer to opt for public sector hospitals.

CONCLUSION

The healthcare has never been a criterion to highlight and contest in elections in India. There is no surprise that state and central government has not given much attention to healthcare. The gap was filled up by the capitalist business class that created private hospitals. The cleanliness, low quality of clinical care, high absenteeism, and high corruption has failed the public healthcare system. Citizens are left with little option but to go to private hospitals. Those who could not afford private hospitals have to be at the mercy of staff of public sector hospitals. The studies done in India by various researchers indicate that income group, proximity, brand image, attitude of staff, quality of clinical services, affordability, waiting period, insurance facilities, income. There are regional disparities in availability of healthcare facilities in different parts of India. There is need to enhance the cleanliness, attitude of staff, satisfaction of clinical service and infrastructure of public healthcare system. A developing country like India aspiring to become a super power and a developed nation, needs a robust public healthcare system in rural, semi urban, peri-urban and remote parts of the country. Accessible, affordable quality healthcare with a human touch is the need of the hour. Private hospitals must be scrutinised to ensure they provide services to the needy as per policies. Violates must be punished severely. Instead of just increasing budgetary allocation, government and policy maker's needs to focus on the delivery standards with available resources bring vibrancy and inclusiveness in the healthcare system. There is nothing wrong to make decent profits to make private hospitals sustainable and retain talent, but humanitarian considerations and moral values are needed for harmonious co-existence and sustainable development.

References

- Anand, I., & Thampi, A. (2020). Less than a third of Indians go to Public Hospitals for Treatment, Live Mint, <https://www.livemint.com/news/india/less-than-a-third-of-indians-go-to-public-hospitals-for-treatment-11588578426388.html>
- Akinci, F., Esatoglu, A.E., Tengilimoglu, D., & Parsons, A. (2004). Hospital choice factors: A case study in Turkey. *Health Marketing Quarterly*, 22(1), 3-19
- Arrow, K. J. (1963). Uncertainty in healthcare markets. *American Economic Review*, 53(5), 941-973
- Berkowitz, E. N., & Flexner, W. A. (1981). The market for healthcare services: Is there a nontraditional customer?. *Journal of Healthcare Marketing*, 1(1), 25-34
- Chatterjee, C., Nayak, N. C., Mahakud, J., & Chatterjee, S. C. (2019). Factors affecting the choice of health care utilisation between private and public services among the elderly population in India. *The International Journal of Health Planning and Management*, 34(1), e736-e751.
- Chauhan, R. C., Manikandan, P. A., Samuel, A., & Singh, Z. (2015). Determinants of health care seeking behavior among rural population of a coastal area in South India. *International Journal of Scientific Reports*, 1(2), 118-22.
- Ghosh, A. (2021). Private sector filled the gap in health that govt created. Don't ask for the moral price, The Print. <https://theprint.in/opinion/private-sector-filled-the-gap-in-health-that-govt-created-dont-ask-for-the-moral-price/700417/>

- Ghosh, M. (2015). An empirical study on hospital selection in India. *International Journal of Health Care Quality Assurance*, 28(1), 1- 19
- India Brand Equity Foundation (IBEF), (2022). Healthcare Industry in India, <https://www.ibef.org/industry/healthcare-india>
- Jannati, A., Bahrami, M.A., Gholizadeh, M., Alizadeh, L., & Khodayari, M.T. (2013). A survey of factors affecting patients' decision in selecting governmental and private hospitals in Tabriz, Iran. *Journal of Tourism Research and Hospitality*, 2(1), 1-4
- Kamra, V., Singh, H., & De, K. K. (2016). Factors affecting hospital choice decisions: An exploratory study of healthcare consumers in Northern India. *Asia Pacific Journal of Health Management*, 11(1), 76-84.
- Lane, P. M., & Lindquist, J. D. (1988). Hospital Choice: A Summary of the Key Empirical and Hypothetical finding of the 1980's. *Journal of Healthcare Marketing*, 8(4), 5-20
- Malik, J., & Sharma, V. C. (2017). Determinants of Patients' Choice of Healthcare provider A Study of Selected Private Hospitals in Delhi- NCR. *NICE Journal of Business*, 12(1), 45-59.
- Mosadeghard, A.M. (2014). Patient choice of a hospital: Implications for health policy and management. *International Journal of Healthcare Quality Assurance*, 27(2), 152-164
- Ngangbam, S., & Roy, A. K. (2019). Determinants of Health-seeking Behaviour in Northeast India. *Journal of Health Management*, 21(2), 234–257. <https://doi.org/10.1177/0972063419835118>
- Patel, P., Trivedi, K., Nayak, S., & Patel, P. (2010). Health Seeking Behavior of Peri-Urban Community of Chandkheda. *National Journal of Community Medicine*, 1(01), 35–36. <https://www.njcmindia.com/index.php/file/article/view/1974>
- Rajagopal, N. (2010). Transformational Process of Health Care Choice of Poor in Kerala. *Journal of Health Management*, 12(2), 123–135. <https://doi.org/10.1177/097206341001200202>
- Saikia, D., & Kangkana Das, K. (2014). Status of rural health infrastructure in the north-East India. *Management in Health*, 18(2).
- Schwartz, L. M., Woloshin, S., & Birkmeyer, J. D. (2005). How do elderly patients decide where to go for major surgery? Telephone interview survey. *BMJ (Clinical Research Ed.)*, 331(7520), 821-824
- Sudha, G., Nirupa, C., Rajasakthivel, M., Sivasubramanian, S., Sundaram, V., Bhatt, S., & Santha, T. (2003). Factors influencing the care-seeking behaviour of chest symptomatics: a community-based study involving rural and urban population in Tamil Nadu, South India. *Tropical Medicine & International Health*, 8(4), 336-341.
- Varatharajan, D. (2003). Public sector and efficiency: are they mutually exclusive? An alternative policy framework to improve the efficiency of public health care system in Tamilnadu, India. *Journal of Health and Population in Developing Countries*.