The Developmental Phase of Private Health Care Sector: History of Nursing Homes in the Early Years after Independence in Kolkata.

Amrita Bagchi

Department of History, Bethune College, Kolkata

Abstract: The paper begins by examining the global trends in health policy and the perceptions obtaining in India in the early years of Independence. However, the main focus of this paper is to trace the growth of private medical establishments in Kolkata from the 1940s to early1990s. Basing on interviews and oral sources of a wide cross-section of health workers, this study tries to tell the story of causes, development and characteristics of the nursing homes in pre liberalisation era in Kolkata. The story is brought down to the early 1990s when the era of corporate healthcare made its beginning. The paper ends with providing some insights on the current position of the small erstwhile popular nursing homes in a globalised metropolis.

Key Words: *private health care, nursing homes, government, pre liberalisation, doctors.*

Introduction:

A substantial part of the private healthcare sector existed between 1947 and the pre-liberalization era. But neither in India, nor in most other developing countries, was there any governmental policy directed towards the promotion of private healthcare. It is only in the recent past that the policies promoted by the World Bank and other international organizations have placed a high priority upon the increasing role of this sector, especially in the developing countries.

In most of the developing countries, even a few decades back, the government was viewed as the sole player in the healthcare sector. The International Conference on Primary Health Care, Alma Ata, in 1978, strongly reaffirmed that health was a fundamental human right and that the attainment of the highest possible level of health was a most important world-wide social goal whose realization required active inputs from many other social and economic sectors in addition to the health sector. The primary position of the government, at least in the policymakers' eyes, was confirmed by the influential Alma Ata declaration, which viewed the government as the major vehicle for improvement in people's health status. However, a great deal has been researched and written about the performance of the public healthcare providers but similar knowledge on the private health sector has only begun to emerge over the last few years.

A.Jesani and S.Anantharam have correctly pointed out that the private sector and relevance of privatization policies in the healthcare services are perhaps the least studied areas in our

country. It is therefore amply clear that the policy of turning a blind eye to the private healthcare sector has created a monster which is eating away a big chunk of India's valuable resources.

The idea of calling upon private capital for financing healthcare was first clearly articulated in the document *'Financing Health Care: An Agenda for Reform'* (World Bank 1987), which set the policy agenda for the late 1980s. However, the importance of the private health sector was recognized properly only after the publication of the *World Development Report* (WDR) *1993*: Investing *in Health*. This was actually a manifestation of the trend towards international mobilization around the theme of a smaller role for the government in healthcare.

Global policymakers have tended to recognize the *WDR 1993* as the 'starting point' for recognizing the private healthcare sector as a major component of health services. What is significant is that private healthcare which had existed in the form of small nursing homes and clinics (in the early years after Independence, in case of India) was overlooked completely by international agencies and global policymakers.

Against these backdrop, the present paper intends to trace the growth of small nursing homes and their changing profile in Kolkata in the decades following independence and more precisely in the pre Liberalisation era.

Private healthcare existed substantially prior to globalization. In the pre-globalization-liberalization era, private healthcare was confined almost entirely to secondary level healthcare. Post-reform policies or more precisely globalization provided the platform whereby private and corporate players were allowed large-scale entry into tertiary level healthcare. And herein lies the significance of post-liberalization privatization. Since tertiary level healthcare involves multi speciality hospitals, privatization in this domain implies large-scale influx of corporate capital. Thus as opposed to pre-liberalization private healthcare, post-liberalization privatization is in essence corporatization. From now on, healthcare would flaunt itself quite unabashedly as a purely business proposition where the profits would mostly come from the upwardly mobile social strata, in place of the nationalist and leftist image of healthcare as a service for all the people

Tracing the History of Nursing Homes in the early years after Independence: Causes, Development and Charecteristics.

There is a serious paucity of data regarding the nature or even size of the private health sector. The government documents have not recorded its growth and there seems to be almost deliberate silence on documenting the rise of the private health sector.As there is a lack of historical records in this regard, oral sources or interviews were used to weave the story of the growth of nursing homes in Calcutta. This survey is based entirely on interviews with the physicians, managers or administrators and sometimes of the nurses and attendants of the nursing homes. The nursing homes that are unevenly distributed all over Kolkata were chosen on a random basis

It is necessary to mention that the private nursing homes, in the early period after Independence, did not mushroom due to any global drive towards privatization. Nor was it due to so much dismal performance of the public sector. The real impetus towards setting up of nursing homes sprang from a number of causes. First and foremost was the need, felt by somewhat affluent middle-class families, of getting more personalised care than was possible in government health establishments. Secondly, there was among physicians a set of entrepreneurs who felt the drive to address this need. But, the whole thing operated at a rather small scale. The nursing home was in many ways an extension of the doctor's private practice. Hence, the nursing homes often had a personal touch; sometimes the patients' meals would be cooked by the doctor's wife or at least the cooking supervised by her.

Under the West Bengal Clinical Establishments Act of 1950, it is mandatory for all nursing homes to get registered. However, the list of registered nursing homes available with the state health department does not show their date of establishment. Instead, it shows the date of renewal of the registration. As a result, it is difficult to have an idea of the growth of private nursing homes over the years. There is also absence of crucial information on a large number of establishments.

The West Bengal Clinical Establishment Act of 1950 was an Act to introduce the system of registration and licencing in respect of clinical establishment. The Statements and Objectives of the act were available in the Proceedings of the meetings of the West Bengal Legislative Assembly held on 29th September 1950 and the Act came into force in 15th February 1952. It has clarified 'clinical establishment' as any nursing home, physical therapy establishment, clinical laboratory, hospital, dispensary (with bed) medical camp, medical clinic, medical institution of analogous establishment, by whatever name called. According to this Act, 'maternity home' means where women are usually (received or accomodated or both) for the purpose of confinement and ante natal and post natal care in connection with child birth. While 'nursing home'was an establishment where persons suffering from illness, injury or infirmity whether of body or mind are usually for the purpose of nursing and treatment and includes maternity home. No person can keep or carry a medical establishment without being registered in respect of a license granted therefore. West Bengal Clinical establishment Act 1950 has clarified different clauses regarding the application for getting registered under this Act. It has also pointed out the rules about the cancellation of the registration and licence of the 'clinical establishments'.

There is no doubt though that the private healthcare sector in Kolkata is huge, varied, complex and heterogeneous in character. Any uniform or singular pattern of growth cannot be identified. Over the years this sector has expanded, diversified and became one of the significant healthcare providers in the city vis a vis the state.

However, the classification of hospitals on the basis of ownership pattern in *Health on the March* does speak of a private sector. But this 'private sector' does not represent the nursing homes that grew up in the decades after Independence. On the other hand, according to the 1962 issue of the *Health on the March*, we come across two categories of private hospitals:

(a) Private aided
(b) Private non-aided

In 1962, the number of hospitals and hospital beds under 'private aided category' were 23 and 3,146 respectively, while the corresponding figures under the private non-aided category were only 6 and 290. In 1963, the 'private aided' category had been replaced by 'state-aided' hospitals and the number of such hospitals had been slightly reduced to 22 and the number of beds to 3,047. From 1972, the 'private aided' category generally came to signify philanthropic organizations (including missionary efforts). With some alteration of the basis of calculating the number of hospitals and hospital beds, again from 1979, there had been the re-appearance of the 'private aided' category. However, the category 'private non-aided' continued to remain unclear. But it is beyond doubt that neither the 'private aided' nor the 'private non-aided' category represented the *nursing homes of Calcutta.*

Not a single government document makes any reference to the existence of nursing homes in the city of Calcutta in the decades immediately following Independence.

However, *Swasthya Dwipika*, in its editorial section of December 1967 issue, described out the healthcare infrastructure in Calcutta and devoted just a single sentence mentioning that Calcutta had 50/60 private nursing homes. Discussions with physicians who were active during the 1960s indicate that the above estimate is possibly an exaggeration and the actual number would not have been more than 40.

Sections of the medical establishment in the 1950s were not comfortable with the fast growth of the nursing homes in the city. This is revealed in the editorial of Journal of Indian Medical Associations (JIMA) in its May 1952 issue, which also recorded that Calcutta had witnessed the cropping up of a large number of 'bath and massage clinics'.

It has been described in the editorial section of JIMA in its May 1952 issue that in the post-Independence period nursing homes started mushrooming in a limited way. Of late, in the city of Calcutta large numbers of bath and massage clinics have cropped up whose main objective appears to be to dupe the unsophisticated and earn a living out of him. Most of these establishments are run in a most clandestine fashion and there have been several raids by the local police to put a stop to this growing menace. But the existing law was found to be insufficient to cope with the situation.

The editorial section of 1952 issue of JIMA also reflected that while we agree that the so-called massage and bath clinics were doing more harm to the society than good and that preventive measures and definite control over these establishments were indispensably necessary, we do feel that these clinical laboratories and treatment centres run by doctors should be exempted from the operation of the Clinical Establishments Act recently introduced in this province and urge upon the Government to keep such establishments outside the scope of this Act.

Initially, the patients seemed to be somewhat uncomfortable with private medical establishments and did not have any clear idea about these. Private nursing homes were not accepted wholeheartedly. This sector was confined to an entirely different sphere or a space from which the common people was debarred. Its service was meant for a particular section that had the capacity to afford cleaner environment, more privacy and personalized attention, different from that available in the overcrowded and unsanitzed public hospitals.

It needs to be stressed here that the growth and development of the private healthcare sector, particularly from late 1940s to the mid-1980s, may not be associated with:

(a) Decline of public hospitals,
(b) Initiatives on behalf of the government to invite private capital in healthcare,
(c) Impact of the forces of globalization, converting healthcare to a purchasable commodity, or
(d) A public-private partnership project

This scenario was to change radically from 1990's when health care acquired industrial proportion

According to health activist Amal Bose, the causes for the mushrooming of small nursing homes in Calcutta are many. The decade of 1947-1957 was a period of transition when the British model was predominant in healthcare structure. Colonial hangover was present in almost all aspects of life. He recollects that during this phase, in the northern parts of Calcutta a few nursing homes came up having the infrastructure of maternity homes. These were old fashioned nursing homes where the Anglo-Indian community took admissions for treatment. Sometimes they were founded by the missionaries. Some nursing homes were also established by young doctors who were trained abroad. These doctors after their return to India set up nursing homes on the model of the British healthcare institutes. In those days, the doctors were mostly appointed in public hospitals, but simultaneously they could also practice privately and set up nursing homes under their own supervision to expand their practice.

Between 1957 and 1967, there was large scale urbanization and industrialization in Calcutta and its peripheral areas. This led to the increasing population inflow into the city. Both the processes of urbanization and industrialization brought about different kinds of diseases. The public hospitals were already saturated with their patients and the need for more healthcare organizations in this period gave rise to the nursing homes.

According to historian Ranajit Sen, during the 1940s, '50s and '60s, people did not go to private healthcare centres. So, there was no effective demand for the establishment of nursing homes. Till then, the R.G. Kar Hospital, Calcutta Medical College and P.G. Hospital served the population of the city at large. However, the Nilratan Sirkar Medical College and National Medical College were not so popular. These mainly served the east Calcutta population. The Sealdah railway station was crowded by the refugees and middle-class

Bengali patients. Nilratan Sirkar Medical College generally served the patients from north suburban areas and the National Medical College was utilized by the patients of south suburban areas. The Park Circus railway station acted as a communication halt for the south suburban masses. As a result, people from these areas never went to P.G. or R.G. Kar hospital for treatment. Prof. Sen also mentions that in the latter part of the 1940s, there was the Lake Camp Hospital. It mainly served the American soldiers and the well-off sections of the south Kolkata (Rashbehari Avenue, Chetla and New Alipore) population. Doctors of Lake Camp Hospital also practised in National Medical College, P.G. Hospital and Calcutta Medical College. As a result there was no dearth of doctors in the public sector. He recollects that in 1959, his father Pabitra Sen (a retired meteorologist) was suffering from a perforated ulcer. This critical case was treated in P.G. Hospital where a medical board was set up under Dr Lalit Bannerjii and Dr Anjali Chatterjii. It is noteworthy that the latter, a woman physician, had been appointed on the board. Prof. Sen comments that even in late 1950s and early 1960s, the government hospitals had the best of doctors and medical facilities for treating complicated cases.

Nusing Homes which were interviewd in the course undertaking the research are listed in a chronological order.

Nursing Homes established in the late 1940s and 1950s

- Mother's Home (Exact date not Known,early years of 1940's)
- East End Nursing Home Pvt. Ltd (1949)
- North Calcutta Nursing Home (1950)
- Citizen's Nursing Home Pvt. Ltd (1952)
- East End Nursing Home (1959)
- Woodlands Medical Centre (1944)

Nursing Homes established in the 1960s

- Southern Nursing Home (1962)
- Calcutta Maternity and Nursing Home (1963)
- Northland Nursing Home (1964)
- Park Site Nursing Home (1968)
- Eveland Nursing Home & Infertility Clinic (1969)
- Dr B.N. Bose Memorial Clinic, Apollo Nursing Home (1969)
- Belle Vue Clinic (1969)

Nursing Homes established in the 1970s

- Lion's Orthopaedic Hospital & Research Centre (1970)
- Sri Aurobindo Seva Kendra (SASK) (1971)
- United Nursing Home (early years of 1970's, exact date is not known)

- St Mary's Nursing Home Pvt. Ltd (1974)
- Repose Clinic & Research Centre Pvt. Ltd (1975)
- Bright Nursing Home (1975)
- Lake View Nursing Home (1975)
- Dreamland Nursing Home (1976)

Nursing Homes established in the 1980s

- Prince Nursing Home (1982/83)
- Good Hope Nursing Home (Early years of 1980's, exact date not known)
- Swiss Park Nursing Home (1984)
- South Kolkata Clinic (1984)
- Udayan Nursing Home & Investigation Complex (1984)
- Orchid Nursing Home (1985)
- Dr Mina Mazumdar Seba Mandir Pvt. Ltd (1988)

Post Reform Establishments: Nursing Homes established in the 1990s

- Rameswara Nursing Home (1991)
- Peerless Hospital and B.K. Roy Research Centre (1993)
- Care Hospital (1993/94)
- Microlap (1996)
- Zenith Point (1996)
- Paramount Nursing Home Pvt. Ltd (1996)
- Shee Medical Centre (1996)
- Advanced Medicare & Research Institute (AMRI) (1996)
- Cure Centre Nursing Home (1998)
- Five Point Micro Surgery Centre (1998)

Interviews with some of the senior physicians reveal that the nursing homes were very few in number in the next two decades following Independence. The small nursing homes were mostly maternity clinics undertaking delivery cases. These nursing homes were generally established by an individual doctor with some specialization. A doctor under his or her own supervision established a nursing home in one's own house or in a rental house to provide 'service' to the community at large. The doctor-entrepreneur was often also attached with a government hospital. Sometimes the nursing homes were set up in partnership by two or more doctors. Unlike the present day, corporate bodies and private limited companies were seldom present as investors in healthcare. Non-medical persons rarely invested in the sector. Generally speaking, most of the nursing homes were very small, having ten to 15 beds. The services or facilities provided were also very limited.

Minor surgeries in gynaecology, general surgeries of the gall bladder, appendix and hernia, as well as ophthalmologic surgeries were undertaken. Actually the infrastructure in these nursing homes was generally limited and they could never offer major surgical services. Before the establishment of private hospitals (with the notable exception of Woodlands and Belle Vue), people generally flocked to government hospitals for major surgeries and complicated cases.

The nursing homes established in the 1940s and 1950s are now in a decaying state. The phenomena of individual doctors acting as entrepreneurs setting up nursing homes and the latter being mainly maternity centres continued in the 1960s. However, this period also witnessed the mushrooming of small nursing homes undertaking only gynaecological and obstetric cases.

Only a few of the early institutions like the Northland Nursing Home (initially a maternity home later transformed into a general nursing home) have been able to acclimatize themselves to cope with the changes in the private healthcare sector. They have degenerated for various reasons, mainly:

- Financial constraints
- Lack of adequate infrastructure required for upgradation
- The subsequent generation's lack of interest in medical profession

Though the Northland Nursing Home has upgraded itself by introducing ICCU/ITUs, the inflow of patients has reduced to a large extent. The 12-bedded Southern Nursing Home dealing with gynaecological cases is also under severe constraint. However, the Relief Health Care and Research Private Limited, a company investing in healthcare, has taken over the nursing home and revived it from the crisis. Infusion of capital has infused new life into a degenerating organization. Park Site Nursing Home – a maternity home initially, later upgraded to a general nursing home – on the other hand, though in a decaying state, is still serving the community. The case of Eveland Nursing Home is also the same. Even the upgrading of services failed to control its decline. The rapid emergence of corporate hospitals in the peripheral areas brought about a setback for Eveland. The Apollo Nursing Home has revived from its period of crisis, after a trust was formed to look after its financial part. The case of Belle Vue is an exception. Going against the general trend of private healthcare in the 1960s being identified with small nursing homes, it attracted the business magnates and the affluent sections of the society.

Established in the 1970s, Lake View Nursing Home, St. Mary's, Bright Nursing Home and United Nursing Home have suffered a decline. But on the other hand, SASK, Dreamland and Repose Nursing Home are in a much better condition because they did not face financial pressure. However, in case of SASK, the initial funding was provided by a private company and later the land for further expansion was given by the Calcutta Municipal Corporation. SASK has transformed into a multispecialty hospital from a small nursing home since it appropriately adapted itself to compete with the growing market of corporate healthcare

service. Dreamland and Repose are running successfully since they have been able to modify themselves and expand their services with the rising demand.

The entry of non-medical personnel in healthcare for providing capital began slowly from late 1970s. The nursing homes which had started their journey in this decade tried to upgrade themselves with the advent of the corporate hospitals in Calcutta. As a result, they have not suffered decay.

From late1980s onwards, the scenario started changing. The percentage of medical personnel investing in healthcare exhibited a sharp decline. Except Udayan, Orchid and Good Hope, the nursing homes of this period reviewed above were either a joint venture of a doctor and an entrepreneur, or fully financed by non-medical persons. These nursing homes are also in a poor condition because they could not provide the corporate healthcare culture desired by most of the neo–elites of the globalized metropolis. In course of time it was also observed that the joint venture by a doctor and an entrepreneur could no longer bring about profit in the private healthcare institutions (e.g., Dr Mina Majumdar, South Calcutta Clinic and Prince Nursing Home). Though Good Hope is founded and managed by a doctor, it has upgraded its services and is running successfully. But other nursing homes of the 1980s are in a decaying state with the entry of big business houses, regional business groups and corporate capital.

This trend finally gathered momentum in the 1990s when AMRI, Peerless, etc., emerged in the scenario of private healthcare sector. Before that, a few big business houses had invested in healthcare in the 1980s, like in the case of BM Birla, Kothari and CMRI. But their presence was not dominant and they were only utilized by a particular section of the city people. Interestingly, in the nursing homes of the 1990s – Paramount, Cure Centre and Rameswara – investments were made by non-medical persons. There were decorators, contractors and businessmen among them, who had no connection with the healthcare sector. These nursing homes are running successfully and are competing with the private hospitals of the city. But presently the entire private healthcare sector, to a large extent, is in the hands of corporate capital.

However, in the 1990s, some small nursing homes were still coming up, such as Shee Medical Centre, Microlap, Zenith Point and Five Point Nursing Home. They are still functioning successfully in a period when the trend of establishing small nursing homes by an individual doctor has almost subsided. The question is whether these nursing homes coming up in the era of corporate healthcare culture will be able to survive in the long run. Will they have the same fate of the nursing homes that came up in the decades of the 1950s, ’60s and ’70s?

The entry of business groups in healthcare has undoubtedly transformed it into a profit-making industry where the place for socially committed doctors hardly exists. As a result, these nursing homes suffer a setback and are somewhat ‘displaced’ from their previous positions. A group of medical professionals cannot provide the amount of capital a business house can invest. Thus, the smaller nursing homes have failed to provide the expected

services demanded by the neo-elite of globalized Kolkata. The insurance and cashless facilities have definitely increased the access to big hospitals for a particular section but this, on the other hand, totally devastated the small infra-structure of the nursing homes. So, in order to cope with these facilities, the smaller nursing homes are under severe financial crisis and sometimes on the verge of collapse.

Secondly, the doctors who had invested in healthcare in the 1960s and '70s are no more active and due to lack of funds, they have failed to improve the infrastructure of their nursing homes. Owing to the absence of modern equipment, these nursing homes could not attract young doctors who were equipped in state-of-the-art technologies. Nevertheless, in course of time, affordability has increased and people have become more health conscious. Status consciousness and love for comfort also played a crucial role behind their preference towards big private hospitals, which are highly sophisticated, well decorated, and more like 5-star hotels than healthcare institutes. As we have noted, the small nursing homes were mainly maternity homes, which in no way could provide multiple services under one roof.

A major shift has taken place as far as the utilization pattern is concerned. Patients who earlier went to public hospitals are now trying their best to get treated in private charitable (non-profit) hospitals like the Ramkrishna Mission Seva Pratishthan. The clientele of these charitable institutions are shifted towards small nursing homes, which were once utilized by the upwardly mobile sections of the society. The affluent social classes have moved out of these small nursing homes and are shifted towards big private hospitals. Cashless facilities have undoubtedly hastened this process of migration.

Conclusion

Presently, small and relatively inexpensive nursing homes cater to rural people who are able to afford a minimum level of private healthcare. As the public healthcare infrastructure has totally degenerated in the rural areas, rural people tend to flock to the city. The utterly poor make a beeline to the city's public hospitals, while those who may afford somewhat more try their luck in the small nursing homes. To them, getting admitted in a private nursing home in the city is also a mark of social status. Moreover, the urban population in the lower economic strata, having medical insurance (Mediclaim) of less than Rs 50,000, try these nursing homes, for the 'big' private hospitals are simply beyond their reach. Along with the increasing health awareness in almost all segments of the society, people have also come to believe that

- Public hospitals are no longer a better place for treatment
- Quality treatment can be available only in the private nursing homes at a much higher price

The small, once popular nursing homes which survived are now catering to those who are not in a position to go to corporate hospitals, but would not go to public hospitals either.

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