“It all changed after Apollo”: healthcare myths and their making in contemporary India

SARAH HODGES
Associate Professor, Department of History, University of Warwick, Coventry CV4 7AL, UNITED KINGDOM e-mail: s.hodges@warwick.ac.uk

Introduction
In the shadow of recent proposals for universal healthcare in India, discussions regarding the impact of private medical care on Indians’ health have taken on a greater urgency. However, our collective attempts to evaluate the effects of India’s growing private medical sector have been seriously hampered due to a lack of reliable or comprehensive data regarding (i) the size of the private healthcare sector, and (ii) its patterns of growth, particularly since the 1980s. As we formulate and assess practical strategies for a sustainable healthcare future for India in the absence of reliable statistical data, historians’ tools for understanding the recent career of healthcare in the country merit consideration.

To that end, in this article, I examine myths and myth-making as central to the rise and consolidation of Apollo Hospitals, first in Chennai and later as a key player in India’s recent healthcare history. Using face-to-face interviews with more than 20 prominent Chennai physicians as well as published sources, I investigate not only the myths surrounding Apollo and its founder, but also the manner in which these stories are regularly circulated within the wider medical community. The case of Apollo is instructive for two reasons: a) Apollo is seen widely as representing the new chapter in the history of healthcare in India; and b) Apollo merits attention on its own, as a case study, to illustrate how corporate hospitals established after it “manage” their own success story and thereby shape the perceptions of the common man and professionals alike.

In short, I argue that the most important successes of Apollo Hospitals are regularly circulated within the wider medical community. Given that much of Apollo’s “success story” is based on assumptions and assertions that crumble under even the most basic historical scrutiny, we would be wise to regard the corporates’ claims of economic promise and therapeutic efficiency with some scepticism.

Apollo and the invention of the “corporate hospital” in India
At the risk of stating the obvious, the rise and spread of the Apollo Group of Hospitals from the 1980s matters because it is widely seen to represent the beginning of a new chapter in the history of healthcare in India: the rise of the corporate hospital alongside the unfolding of liberalisation in the country. Apollo’s story has been told and retold among physicians, journalists, politicians, bureaucrats, and members of the general public. In this story, the career of Apollo Hospitals appears to be nothing short of miraculous: Apollo, in particular, and India’s healthcare sector more generally, figure simultaneously both as the cause and effect of the country’s recent economic successes. Yet, as this essay argues, this legendary status depends on accepting a set of assertions that are at best, debatable and at worst, mere myth. Not only are these stories debatable, they are also dangerous, because they obscure a set of broader historical processes that both precede and go beyond any results that can be attributed to one man or one hospital. In the light of this generally confused state of affairs, it would be useful to begin with a chronological account, both of the establishment and early history of Apollo (particularly in Chennai), as well as of the broader context – in terms of the regional and national provision of healthcare – in which Apollo emerged.

In 1980, Dr Pratap Reddy, founder and chairman of Apollo Hospitals Group, announced that he had acquired a plot of land for the first Apollo hospital, Apollo Hospitals Chennai, on the centrally located Greams Road. At the time, the Times of India reported that this was the first of a new chain of large hospitals. This development was significant for three reasons. First, the Chennai hospital would be the first private limited hospital in India. Second, in order to move ahead with the financing, Reddy had been given permission to build a private hospital of a capacity of over 30 beds. Until then, the law permitted...
only government or charitable trust hospitals to expand their bed strength beyond 30 (Chennai doctor 2). Third, this hospital raised funds through overseas borrowing and was also the first to issue public shares to finance its establishment (2,3). It was observed at that time that this was “the first [public offering] of its kind in India for financing a multispeciality medical centre to be run on corporate lines”(4).

The Chennai hospital was inaugurated amidst much fanfare in September 1983 by Zail Singh, President of India. It was only in February 1984 that it started admitting patients (5). It consolidated its reputation as the hospital of choice for the city’s powerful a few months later, when MG Ramachandran, the then chief minister of Tamil Nadu, was admitted there (6). By 1988, Apollo Hospitals expanded to Hyderabad, as Reddy had initially planned. In 1996, Apollo Indraprastha was opened in New Delhi.

By 1993, Apollo Hospitals had begun to issue large advertisements in the national press to congratulate themselves on serving the nation (see Figure 2 in appendix). At the time of writing this article in 2013, Apollo has undertaken the task of continued expansion in India and beyond. The year 2013 also marks three decades of the existence of Apollo, and the occasion is to be celebrated by the Group with commemorative volumes by and about Reddy. One of the recent promotional pieces summed up Apollo’s achievements as follows:

From one multispeciality facility that he founded in Chennai 30 years ago to 54 hospitals, 1600 pharmacies, 60 diagnostic clinics and 11 nursing colleges in 2013, Dr Reddy’s medical system attracts more than 100,000 footfalls daily across India. Cumulatively, more than 32 million people have been treated at various Apollo hospitals (7).

Apollo: myths and myth-making
Despite a wide range of opinions regarding the rise of the corporate hospital, there are many similarities in the manner in which its significance is described both by supporters and critics. An admirer recently wrote:

In 1983, at a time when the government’s commitment to investing in public healthcare appeared to be flagging, Prathap Chandra Reddy did something unthinkable: he launched the country’s first corporate medical system. Three decades on, the argument over the pros and cons of privatised healthcare in a poor country remains unsettled but there is one thing Dr Reddy’s admirers and critics both agree on: the emergence and rise of his company, Apollo Hospitals Enterprises, has altered the health-care landscape of India (7).

Compare this with the sentiment of a critic of Apollo:

I would say that what I noticed during the past thirty years, which is the time I have been practising medicine, the big change is that when we were undergraduates, there were no private hospitals in Chennai. There were private nursing homes which was a big difference. Because nursing homes wouldn’t take acutely ill patients. They would only take elective surgical procedures; very mild illnesses. Anything serious was referred to the government teaching hospitals. Obviously the three: Kilpauk Medical College, Stanley Medical College, and the biggest, Government General Hospital. If you had a serious illness, (in) those days it was considered that the place to go to was Government General Hospital. It all changed after Apollo (Chennai Doctor 1).

Yet the claim that “Apollo changed everything” fails to bear the weight of scrutiny. It would be useful to disaggregate the “It all changed after Apollo” myth into its five key elements:

• Apollo came up at a time that healthcare for “ordinary Indians” was flagging.
• Apollo provided a new model of healthcare delivery in India.
• At its heart, Apollo is a patriotic project.
• In order to establish Apollo, its chairman, Prathap Reddy, single-handedly changed government policy.
• Apollo was an immediate success.

In light of this descriptive convergence among both admirers and critics, the rest of this section attempts to describe and assess these five elements of the “It all changed after Apollo” myth.

1. Apollo came up at a time when healthcare for “ordinary Indians” was flagging

Talking about Reddy, a doctor whom I interviewed claimed, “When he set up Apollo Hospitals in Chennai in 1983, private healthcare institutions were virtually unknown to the country”(8). This aspect of the myth of Apollo is often articulated through three sub-claims: 1a) that there was no reasonable healthcare available in Chennai, 1b) that the government, in particular, had either abdicated or was simply unable to fulfil its responsibility to provide healthcare for ordinary Indians, and that, therefore, 1c) only the very rich had access to high-quality healthcare, for which they travelled abroad.

Let us consider these in turn.

1a. There was no good healthcare available in Chennai for “ordinary Indians

Although this claim is oft-repeated (that before the establishment of Apollo and other corporate hospitals in Chennai, there was no good quality healthcare in the city for so-called ordinary Indians), it is difficult to find evidence to support this claim. For the sake of simplicity, let us leave aside the vexed question of who an “ordinary Indian” is (as well as the even more vexed question of whether or not she is well served by corporate medical institutions in Chennai today). Whilst historians have yet to fully document the city’s medical past, physicians from Chennai have described in interviews how the city has been the long-standing home of high-quality medical
Another physician echoed these sentiments: “government hospitals, one physician said: (established in 1978). Speaking of the high standards of Cancer Institute (established in 1954), and Sankara Nethralaya include the Voluntary Health Society (established in 1958), the profile voluntary and charitable trust hospitals as well. These high standards of quality are maintained by several high-
in 1972), KJ Hospital and MV Diabetes Hospital (9). The same of establishment not available),Vijaya Hospital (established Southern Railway Headquarters Hospital in Perambur (date in 1902 and affiliated to Madras University in 1942), Jawaharlal Institute of Postgraduate Medical Education and Research in Pondicherry (established in 1823 and re-developed in 1956), and Madras Medical College in Chennai (established in 1850). The students graduating from these institutions not only staff large teaching hospitals, but also go onto to staff and manage the small, medium and large hospitals across Chennai. Further, Chennai is famous for the high quality of treatment in Chennai is “medical mecca.”The use of this term is based on a detailed consideration of the various aspects of excellence in the medical sphere, including: medical education and large government hospitals; a cluster of private nursing homes run by prominent physicians (particularly along Poonamallee High Road); excellent connections to national transport infrastructure; nodes of specialist expertise; and a reputation for the provision of ethical treatment at reasonable fees.

That the medical education provided in and around Chennai is of a high quality is common knowledge. Three medical colleges in the region are consistently ranked in the top ten nationally. These are the Christian Medical College in Vellore (established in 1902 and affiliated to Madras University in 1942), Jawaharlal Institute of Postgraduate Medical Education and Research in Pondicherry (established in 1823 and re-developed in 1956), and Madras Medical College in Chennai (established in 1850). The students graduating from these institutions not only staff large teaching hospitals, but also go onto to staff and manage the small, medium and large hospitals across Chennai. 

Further, Chennai is famous for the high quality of treatment and research carried out in a number of its government hospitals. Special mention may be made of the Government General Hospital (established in 1664), and Stanley Hospital (established in 1792). Other hospitals of note included the Southern Railway Headquarters Hospital in Perambur (date of establishment not available),Vijaya Hospital (established in 1972), IJ Hospital and MV Diabetes Hospital (9). The same high standards of quality are maintained by several high-profile voluntary and charitable trust hospitals as well. These include the Voluntary Health Society (established in 1958), the Cancer Institute (established in 1954), and Sankara Nethralaya (established in 1978). Speaking of the high standards of government hospitals, one physician said:

**When I went to medical school [1970s], MMC was still the place you went to if you had complicated illnesses. Even private doctors would do hernias and gall bladders outside. But if you needed cancer surgery… they’d say: “Hey, listen come to the government hospitals. They are better equipped to do all those. We are academic centres”** (Chennai doctor 2).

Another physician echoed these sentiments:

“…I think more and more people joined medical college in Madras. It was considered to be, you know, the place to go to. So it had that reputation of being something, even right from the first days…” (Chennai doctor 7). Apart from the extensive medical infrastructure in and around Chennai in terms of medical education and large government hospitals, over the 20th century, the city also became famous for its large number of private nursing homes, run by prominent physicians. These private nursing homes included the Pandalai Nursing Home, Sundaravadanam Nursing Home and Kumaran Nursing Home. Nearly every doctor I interviewed mentioned that, particularly from the 1960s onwards, Chennai’s Poonamallee High Road came to be India’s “Harley Street” among doctors and patients across India. Nevertheless, none of this is apparent in the awestruck assessment of Reddy and Apollo Hospitals cited below (an assessment which is very common).

[Reddy’s] plan for the creation of a nationwide hospital system in the corporate sector may not seem extraordinary today when private medicine has made major inroads across the country but it was dramatic 30 years ago… When he set up Apollo Hospitals in Chennai in 1983, private healthcare institutions were virtually unknown in the country (7).

Yet, rather than being “virtually unknown,” Chennai’s private hospitals and nursing homes were part of a larger regional and national trend of an expanding private medical sector, a trend which emerged around 1960. As Bhat observes, “Private healthcare expenditure in India has grown at 12.5% per annum since 1960–70” (10). In rural India, the number of small private treatment facilities increased threefold between 1984 and 1992 (11). Similarly, in the small city of Mangalore in south-west India, the number of moderate-sized nursing homes jumped from six in 1986 to 20 in 1994, and to 32 in 1998 (12). Further, as Nicher and Van Sickle point out, “In the 1980s, small private labs began springing up in towns and cities…” (12).

As home to a good number of highly-trained physicians, whether practising privately or in government institutions, Chennai became well known as a centre of excellence in particular specialist areas. One doctor summed up what many others noted:

**Historically, Chennai is the healthcare capital of India… for whatever reason the primary centre is always started in and around Chennai. Cardiac units, neurosurgical units, orthopaedic units; anything that starts in India and healthcare first seems to be able to kick off in Chennai and then to somewhere else. Dr B Ramamurthy was the legend of his time –a first world-class neurosurgical centre that he put up in the seventies (Incomplete)... Like that, the Cancer Institute in Adyar still has a reputation for being a good oncology centre... In ophthalmology, [Sankara] Nethralaya is a world-class centre (Chennai doctor 2).**

In addition, many physicians noted that the practice of medicine in Chennai was marked by a high level of professional ethics, combined with relatively low costs. One doctor observed: "A kind of good temperament is there in most of the senior doctors in Chennai, they want to be helpful not necessarily just make money" (Chennai doctor 3) Another doctor elaborated...
on this theme: “Medicine really exploded during the post-war years. And Madras had the reputation that it tended to be a little bit more conservative. The Bombay person is always a little bit more of an entrepreneur” (Chennai doctor 12). In this conversation, the doctor equated a broader cultural conservatism with a higher level of professional probity.

1b. Apollo came up at a time when government support for healthcare for ordinary Indians was flagging

Just as with the claim that good-quality healthcare was virtually unavailable for ordinary Indians before Apollo, the claim that Apollo “filled a gap” in the provision of healthcare due to the lack of government support is difficult to sustain. This is particularly the case when one considers the overwhelming evidence to the contrary. There was a substantial government health infrastructure in Tamil Nadu before the establishment of either Apollo or any other corporate hospital in Chennai.

As part of a larger project of widening and strengthening the health infrastructure in India, primary health centres and sub-centres were introduced as the “rural health” component of the Minimum Needs Programme during the Fifth Five-Year Plan (1974–1978). As Duggal explains: “During the 1980s, the public health spending peaked and this was reflected in major health infrastructure expansion in rural India via the Minimum Needs Programme” (13). Tamil Nadu was particularly successful in its attempts to implement the programme for building health infrastructure. As Muraleedharan et al narrate: “Tamil Nadu embraced the concept whole-heartedly and built the facilities much faster than almost all other states” (14).

However, there is also a possibility that Tamil Nadu was able to capitalise on the rural health agenda of the Minimum Needs Programme, at least in part, because it had already launched a robust programme of health planning prior to the implementation of the Minimum Needs Programme. KS Sanjivi (doyen of Chennai’s voluntary health sector, b. 1903–d. 1994) claimed in 1973 that Tamil Nadu was one of the few states which had the requisite number of primary health centres, complete with the medical and paramedical personnel needed(15). In 1973, Sanjivi explained:

The government of Tamil Nadu was the first to constitute a state planning commission with a task force on health … presided over by Malcolm Adiseshiah… [It] divided itself into working parties to consider in depth the problems of health services, medical education, family planning, nutrition, sanitation, the role of voluntary organisations and indigenous medicines, including homeopathy. It handed over its report to the Chief Minister of Tamil Nadu, M Karunanidhi, in 1972 (15).

Taken together, the pre-existing government health infrastructure and the policies prioritising planning for the provision of primary and tertiary healthcare did much to contribute to the growth of all healthcare in Chennai, well in advance of the establishment of Apollo.

Whereas the role of Apollo may constitute a part of these larger trends, it would be erroneous to claim that it could have served as a catalyst for them. Many of the doctors interviewed pointed out that it was, in fact, the long-standing healthcare infrastructure in and around Chennai that created a client base for private medicine. Several doctors drew attention to the fact that, particularly by the 1980s, the region’s population had been sensitised to the importance of good healthcare “habits”, such as visiting doctors to address their health concerns. It is also to be noted that the relatively higher levels of development in Chennai and across Tamil Nadu over a long period meant that even before liberalisation, the state was home to a comparatively large middle class population which could afford specialist care in Chennai.

1c. Apollo triumphed because it provided what was up till then unavailable in India or for Indians

This aspect of the Apollo myth claims that good-quality healthcare was out of the reach of Indians, except those who were very, very rich. The corollary claim is that those who could afford international travel went either to the UK or to the USA for specialist, life-saving treatment. The following is an excerpt from an interview with a doctor from Chennai, and what he says is typical of what many physicians reported:

Chennai doctor 7: Yes. Now let’s talk about the heart. Everybody who needed a bypass would go to the US. Now suddenly here was a place where everybody could go to. I mean not everybody – people who could afford it, and who did not want to go to a GH [General Hospital] could come here.

SH (author): Instead of going abroad.

Chennai doctor 7: Yes. Now let’s talk about the heart. Everybody who needed a bypass would go to the US. Now suddenly here was a place that one could go to. You didn’t have to go there.

This claim, however, fails to take into account some basic developments in India’s economic history. In the mid-1980s, the cost of international travel rose astronomically for Indians. This was because of changes in the exchange rate and, in particular, radical devaluing of the rupee, particularly by the late 1980s. It was at precisely the same time as overseas medical travel became prohibitively expensive that Apollo began to announce dividends via newspaper articles. In other words, it is worth considering that Apollo did not create a market, but stumbled into one.

2. The emergence and rise of Apollo was a catalyst for a new model of healthcare delivery in India

This claim is predicated on the corollary claim that Apollo was quickly emulated by many others in the private healthcare sector. Certainly, the story of Apollo can be described as that of the emergence and rise of one corporate hospital chain in India. To be fair, from the very beginning, Apollo’s promoters planned Apollo not as a single institution, but as a chain of large private hospitals (16). This was, indeed, a new concept in India in terms
of the scale, organisation and delivery of private healthcare. What is less clear, however, is the degree to which Apollo served as a catalyst for the successful emergence of other large private hospitals and hospital chains across India.

In claiming that Apollo served as a catalyst for other private hospitals and chains to emerge, many assume that Apollo was an immediate success. However, Apollo took at least five years (and most likely, many more) before it made any dividends. Further, there was a substantial gap (at least 15 years) between the inauguration of Apollo in 1983 and the establishment of other large, successful Indian hospital chains that continue to be in existence today. Nevertheless, Apollo did make waves in the early years. As early as 1991, Chennai was hailed as the “corporate healthcare” city of India, though it had only a total of four large private hospitals (compared to the approximately 20 that we have today). In 1995, one journalist celebrated Chennai’s achievement thus:

Madras is the new “mecca of medicine”… In the last five years the hospital services sector has boomed in this city, though “for profit” hospitals exist elsewhere in the country. Madras is the only city with four corporate hospitals (17).

Indeed the 1990s was a time of relative early growth, and, soon after this article was published, Chennai had six corporate hospitals: Tamilnad Hospital, Devaki Hospital, Malar Hospital, Dr Agarwal’s Eye Hospital (which went public in 1994), and Chennai Kaliappa Hospital, in addition to Apollo. One of the obvious factors to reckon with was, and still is, that starting a corporate hospital requires immense funds. One of the doctors interviewed observed that “the gestation period for a hospital is five to seven years, minimum, before it can make a profit,” (Chennai doctor 6). As one physician explained:

When you borrow money [for a hospital], you’re asked to repay like an industry in like five years. [But] you cannot pay back in healthcare in the five years. Absolutely impossible. So what then happens is that people take the massive amount of money. [But] modern medical technology depreciates in four years. At the end of the fifth year, you have junk, it’s scrap… (Chennai doctor 2).

The following tale of Tamilnad Hospital illustrates how, while it was one thing to open a corporate hospital, it was quite another to keep it going or to turn a profit.

From Tamilnad to Global

Tamilnad Hospital was incorporated in 1984 by a US-based non-resident Indian, Dr CP Velusamy. In 1985, it became a public limited company. In 1991, Tamilnad Hospital issued public shares in order to finance the cost of setting up what was at that time described as “the first phase” – a 250-bed hospital in Perumbakkam, which was in south suburban Chennai and quite remote in those days (18). In 2000, after a protracted labour dispute, Tamilnad Hospital faced a mass walk-out of physicians (19). Following the labour unrest, as well as a lengthy delay in the hospital’s plans to start a medical college jointly with the Kanchi math nearby, Tamilnad Hospitals folded up. In 2003, the Kanchi math took over the hospital through its deemed university at Kancheepuram. The hospital was rechristened the Sri Kanchi Kamakoti Sankara Medical Hospital (20). However, in 2006, Sankara Hospital admitted defeat in being able to make the venture profitable and applied to sell the hospital, explaining that in its expansion to 450 beds on the 46 acre site, it had become untenable financially. In 2007 in an all-cash deal worth Rs 257 crore, Sankara Hospital was bought by Global Hospitals and was renamed Global Health City, which is what it is known as today as well (21).

In short, whilst Apollo was the first, it is far from clear whether it paved the way for other large, private hospitals in Chennai, or whether other large, private hospitals found it easy to succeed. If anything, time has shown that the largest organisations tend to survive, given that they can do business (and spread losses) across economies of scale.

3. At its heart, Apollo is a patriotic project

The assertion that Apollo is a symbol and an institution representative of the greater good of the Indian nation is a truism. Statements on this aspect of the Apollo myth are often repeated and it is this angle that the Apollo Hospitals Group promotes with the most vigour in its publicity material and media appearances. As Prathap Reddy regularly emphasises in his many interviews to the media, “…bringing the best healthcare within the reach of every patient is our mission and (at Apollo) we are determined to make it a reality” (22). However, this claim addresses an implicit criticism. That is, one often hears worried murmurings, even among physicians employed by Apollo, of how for-profit medicine may be profit-driven. The anxiety is that profits in medicine make for bad medicine and a deterioration in morals, which would be particularly deleterious to patients in India, a nation still wracked by dire poverty. In framing the business of Apollo as a service to the nation, this criticism is neutralised.

Apollo Hospital not only neutralises the criticism of for-profit medicine, but also often presents Prathap Reddy’s very pursuit of profit (whether in healthcare or other ventures) as patriotic. Mostly, this claim of patriotism is paired with praise for the service Apollo Hospital provides to middle-class consumers. One of Reddy’s recent interviewers wrote, “[Reddy’s] is the story of one man who set out to revolutionise the unaddressed healthcare needs of a section of India’s growing middle class. It is a tale of manoeuvring through difficult bureaucratic and complex medical systems” (7).

Indeed, much of the retrospective publicity concerning Reddy and the establishment of the first Apollo highlights a series of meetings he had with Indira Gandhi, and later, Rajiv Gandhi. The accounts of these meetings portray Reddy as one who aimed to help save the nation from what was seen as stifling regulation and bureaucracy. These accounts regularly include a version of the following story: “I told Mrs Gandhi only the rich and powerful get access to healthcare and she really gave the first impetus by telling everybody, ‘Here’s a man who wants to reverse the brain drain’” (8). However, no one mentions the fact
that Indira Gandhi, who is regularly credited with evaluating the overall effect of the first Apollo, died within the first year of its establishment. Of Mrs Gandhi’s endorsement of Apollo Hospitals, another of Reddy’s interviewers wrote:

The new hospital attracted the best medical talent, including eminent non-resident Indian doctors who returned to India from hospitals in the US and UK. This prompted then Prime Minister Indira Gandhi to remark, “Dr Reddy you have brought talent back to India and reversed the brain drain” (23).

Reddy regularly remarked that “…the man who really changed the face of healthcare in this country with his vision and clarity was none other than Rajiv Gandhi – by opening up hospitals to funding and other opportunities” (8).

However, when Reddy was preparing to open Apollo in 1982, his statements regarding the national role that the hospital was expected to play were substantially different from the stories we hear today. In 1982, a newspaper reported that Apollo was an institution primarily intended to serve foreigners travelling to India from the Gulf for medical treatment:

A hospital being built under the corporate sector here expects a steady flow of rich Arab clients and a huge inflow of foreign exchange, since the Arabs are not satisfied with the facilities offered in the Bombay hospitals. Dr Prathap Reddy, chairman of the company behind the venture, told newsmen here yesterday that many rich Arabs had told him that they wanted to be picked up from the airport to the hospital and all investigations and treatment should be done under one roof, regardless of cost (24).

In this early iteration, Apollo would serve the Indian nation – not by ministering to Indians – but by ministering to India’s foreign exchange reserves. The avowal of such objectives echoed a statement Reddy had made slightly earlier, in which he had disclosed that the government recognised the Apollo venture as a “core economic activity” because it (the government) was aware of the potential of healthcare to attract foreign exchange (25). It should be evident that this quote is at odds with the avowed aim of Reddy and Apollo that has been commemorated subsequently. Reddy and Apollo Hospitals have been honoured with the highest accolades that the Indian nation can bestow. Reddy received a Padma Bhushan in 1991 (India’s third highest civilian honour) and a Padma Vibhushan in 2010 (India’s second highest civilian honour). The Indian Postal Service issued a commemorative stamp in honour of Apollo Hospitals in 2009.

4. In order to establish Apollo, Reddy changed state practices single-handedly

Many go on from the assertion that Apollo was a trailblazer, that too the only one, in crafting a new future for medicine in India, to claim that Reddy effected these changes by dint of his personal charisma. According to these accounts, Reddy charmed the “Delhi Durbar” under successive prime ministers during the 1980s with the sheer persuasiveness of his argument that his was a national/populist project.

Indira Gandhi and Rajiv Gandhi figure prominently in these accounts. One newspaper reported: “Banks were not willing to fund hospitals. Apollo approached the Centre and found a patient listener in the then Prime Minister, Indira Gandhi. The healthcare sector gained industry status, and access to financial markets” (26). Referring to 1989 when Rajiv Gandhi was the Prime Minister, another interviewer made the following claims:

…On Reddy’s representation, the former (Rajiv Gandhi) amended in three days in the Parliament and removed all hardships leading to liberal funding And so the costliest medical equipments made inroads[ sic] into Indian hospitals and were equipped on par with the western. Rajiv Gandhi also gave a tax exemption of Rs 10,000 [on medical equipment] (27).

Finally, another interviewer risks over-egging the pudding, exceeding even Reddy’s and Apollo’s own claims: “Often referred to as the father of modern healthcare in India – after all, he revolutionised healthcare in India when the country was mired in babudom” (8). Reddy himself was quoted as having said the following of the first Apollo:

…securing licences to import 370-odd medical equipment for the hospital itself took two years. Meanwhile, lowering of import duty on life-saving medical equipment also helped private healthcare during the pre-reform era. The duties came down from 100% to 5–6% over the years (26).

The claims regarding the transformation brought about by Reddy ignore and obscure the fact that the pre-existing economic climate had already been in the process of changing. Reddy takes credit for these changes, in particular, liberalisation, first under Indira Gandhi in the early 1980s and then under Rajiv Gandhi in the late 1980s. This aspect of the myth also underplays the increasingly active role of associations such as the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Confederation of Indian Industry (CII).

5. Apollo was an immediate success

The popular perception is that upon its establishment in 1983, Apollo was an immediate success in terms of therapeutic outcomes and profit margins. The publicity circulated by Apollo Hospitals gives one to believe the same. As one of the doctors who was interviewed emphasised, “[Apollo] was a place where you could be confident you get every kind of treatment under one roof. And it was available for a price, but it was there. The quality was there. That was right from the beginning. It was a foregone thing. It just took off” (Chennai doctor 7). Many attribute the success to Reddy’s visionary nature. Another doctor declared, “Apollo succeeded because Reddy could see what was coming” (Chennai doctor 8). However, this was not the case, as is clear both from Apollo’s own attempts to secure funding through further public share issues to underwrite further expansion, as well as the struggle of other hospitals to thrive within the same market (Chennai).
Conclusion: the trouble with myths for writing policy

Alongside biotechnology and information technology, corporate healthcare is given pride of place within India's current “sunshine story.” These industries are taken to be examples of the country's capacity to deliver and are given much of the credit for the nation's recent economic successes. Indeed, according to a recent KPMG report, rising income levels, changing demographics and shifts in disease profile were expected to double the size of spending on healthcare by 2012 (28). The industrial barons leading these fields both drive new economic policies and profit from these new policies.

Looking ahead at the role that corporates are poised to play, one final point regarding the form and meaning of medicine, as well as myths in this sphere in the era of liberalisation, requires critical scrutiny, particularly in the light of the current government's pursuit of universal health care. That is the claim that corporate “multi-speciality” and “super-speciality” hospitals both constitute an innovation in the delivery of healthcare, and the corollary of this, ie that corporate hospitals provide an extremely broad range of high-quality medical services and, as such, a template for healthcare delivery to the nation.

I found that there was widespread agreement, particularly among the doctors I interviewed, with the view that multi-speciality corporate hospitals represent an innovation in the delivery of healthcare. One doctor explained the significance of multi-speciality large private hospitals thus:

Suppose a specialist – I am talking about 20 years back – suppose you are an eye specialist. You will have an eye hospital. Or you are a surgeon. You will have a surgical hospital. But the corporates changed that. Apollo Hospital changed that concept. They said, “All departments under one roof” That was the concept (Chennai doctor 10).

Another doctor echoed this view:

[Apollo] was a place where you could be confident you could get every kind of treatment under one roof... Suddenly people found that here was a place that, you know, they had all kinds of specialities. That was the first hospital that actually even had specialists coming in (Chennai doctor 7).

Listening to these accounts, I failed to see what was so innovative. Surely, I thought to myself, the concept that one hospital could treat an entire range of ailments was the foundational idea of hospital medicine, as it emerged in the late eighteenth and early nineteenth centuries. Many claim that the multispeciality hospital provided something new, but surely this was simply a shinier imitation of the government and charitable institutions which were already in existence and which, too, were based on a long-standing model of comprehensive clinical investigation and treatment.

But the problem with this misconception is beyond a basic amnesia for medical history. The problem with the celebration of the corporate multispeciality version of hospital care is a lack of recognition of the fact that, over the past three decades, this form of the delivery of healthcare has succeeded only due to its selectiveness. Indeed, even some of the doctors who praised the hospital’s supposedly “innovative” model of care simultaneously recognised that most multispeciality hospitals succeeded both financially as well as in healthcare delivery, because they made very selective and strategic choices about their investments in specialisations. These specialisations allowed for very high success rates for very specific procedures, which could facilitate a high patient throughput and a corollary income stream.

In this context, we could consider the example of the Railways Hospital in Chennai. Railways offered excellent services for patients with heart-related ailments. However, because of the wide cross-section of the population that this hospital was built to serve, the heart specialists there were able to develop expertise not only in coronary bypass surgery, for example, but also in the much riskier areas of paediatric cardiac surgery and the heart ailments suffered disproportionately by the poor (eg rheumatic heart diseases that do not necessitate open heart surgery).

Mistaking the “comprehensive care” that the corporate hospitals claim to deliver for a genuinely comprehensive care is a dangerous mistake. It is evident that there is a big difference between the comprehensive care of universal health care proposals and that large government hospitals have historically provided. This is particularly clear if one considers what corporate hospitals are being asked to, and poising themselves to, deliver to the general population of India under the universal health care proposals. Neither these hospitals, nor the Government of India has suggested that corporate hospitals should become involved in public (or “preventative”) healthcare. But why not? One profile of Reddy says, “…As Dr Reddy himself acknowledges, primary healthcare should be the responsibility of the government, which has both the resources and manpower to reach all parts of the country”(8). Yet how can healthcare be either universal or comprehensive in the absence of primary health care? Corporate health care has a proven track record of offering quality care, but only in highly specific—and highly revenue-generating—procedures, such as heart bypass surgery. The costly business of primary healthcare is to be left entirely to a system that many consider already overburdened and under-funded. Nevertheless, Reddy’s confidence that corporates should not shoulder more comprehensive care has been accepted by many of today’s leaders (28). Reddy describes his goal thus: “My vision for the Apollo Hospitals Group is to touch a billion lives, and I am sure we will fulfil the dream”(22). Yet, it is hard to imagine that he wants to touch all parts of these lives’ bodies; it is just the revenue-generating parts that interest him.

List of doctors interviewed by author and cited in article
Chennai doctor 1: Interviewed 21 July 2010
Chennai doctor 2: Interviewed 11 May 2010
Chennai doctor 3: Interviewed 5 July 2010
Chennai doctor 4: Interviewed 19 July 2010
Chennai doctor 5: Interviewed 9 July 2010
Chennai doctor 6: Interviewed 11 May 2010
Chennai doctor 7: Interviewed 10 May
Chennai doctor 8: Interviewed 11 May
Chennai doctor 9: Interviewed 14 July 2010
Chennai doctor 10: Interviewed 8 March 2010
Chennai doctor 11: Interviewed 6 November 2009
Chennai doctor 12: Interviewed 11 July 2010

References


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