SRI LANKA

Country Update

Mapping of Health Services Sector, and the Current National Regulations in Sri Lanka

VERITE RESEARCH
Sri Lanka

Background

The health care system in Sri Lanka is a mixed system consisting of public and private health care services. Since the 1950s, successive governments have remained committed to the provision of free healthcare. Sri Lanka's constitution also decrees free healthcare for all citizens. Alongside government free health care facilities, private sector involvement in the provision of health services has also expanded in recent years.[1]

Sri Lanka stands out in terms of its achievements in healthcare, relative to its level of income. The life expectancy is 76.9 years (2017), child mortality rates are 10.2 per 1000 (2016). On average, Sri Lankans are within 1.4 kilometres of a basic health clinic and 4.8 kilometres from a free government-sponsored Western-type health care facility.[2] This is a considerable achievement for a lower middle-income country and its relatively low expenditure on health care.[3] For example, Malaysia which has comparable health standards to Sri Lanka spends $ 1,064 (PPP) per capita on health while Sri Lanka spends over half that amount at $353 (PPP) per capita. (2015).[4] Total expenditure on health in 2014 is provisionally estimated to have been LKR 321 billion (USD 2.5 bn), which is 3.3% of GDP.[5]

In addition to western medicine, other systems of medicine such as Ayurveda, Unani, Siddha, homeopathy and acupuncture are also widely practiced in Sri Lanka, especially in the rural areas. The focus of this note is primarily on the provision of western health care services in Sri Lanka. Information on Ayurvedic traditions is provided in Annex 1.

1.1 Public healthcare sector

Government health care expenditure in 2017 was LKR 197 billion or 1.5% of GDP.[6] Public sector health care services falls under the purview of the Ministry of Health, Nutrition and Indigenous Medicine (MoHNIM). The public sector accounted for 73% of hospitals and 93% of the available bed capacity as at end 2014. The sector accounts for 90% of inpatient care and around 40% of outpatient care.[7] As at 2017, there are 612 public sector hospitals practicing western medicine with a total of 76,774 beds. This is equivalent to 3.6 beds for every 1,000 persons in the country. There was one qualified doctor for every 1,054 persons and one nurse for every 627 persons in government hospitals by end 2017.[8] The largest public sector hospital is the National Hospital of Sri Lanka (NHSL), which, with around 3,300 beds, is among the largest hospitals in South Asia.[9] Refer to Annex 2 for more details on the public healthcare sector.

Three levels of health care are offered by the public sector in the current decentralised public system established in 1989: [10]

- First level: Primary health care services provided by the Provincial Councils[11], which offer non-specialist inpatient and outpatient care.
- Secondary level: Health care services provided at the district level.[12] In addition to providing outpatient care, these institutions provide general surgical and medical units, at least one obstetric or gynaecology unit, and a paediatric unit. Some have other special units as well.
- Tertiary level: Health care services provided by the Central Government through the National Hospital, the teaching hospital and 10 larger specialist hospitals together with the procurement of drugs, recruitment and deployment of staff and training.[13]

1.2 Private healthcare sector

A study by the Institute of Health Policy, finds private hospital services increased rapidly during 1990–2011 by more than 120% to reach an estimated 4,210 beds, 266,000 discharges and revenues of LKR 19 billion by 2011 (refer Annex 3 for more details).[14] A study that finds the share of private sector in hospital beds increased at a compound annual growth rate of 21% over 2010-14, compared with 10% for the public sector. This confirms the continuity of the robust growth in private health care services. [15]

The private sector focuses primarily on the provision of curative and outpatient services.[16] As at the end of 2017, there were 181 private hospitals registered with the Private Health Services Regulatory Council (PHSRC) with a capacity of 5,792 beds.[17] The market remains highly concentrated among a few leading private health care services providers. As of 2014, five leading firms accounted for 45% of overall bed capacity in the private sector.[18] The private sector is concentrated primarily in Colombo and other urban areas in the highly populated Western Province and is made up of local chains and a handful of regional corporations.[19]

Total current expenditure for private health care in 2013 was accounted for largely households (87%); employers accounted for 7%, insurance 5%, and non-profit institutions 2%.[20]

As Sri Lanka is transitioning into an upper middle-income country and purchasing power increases, the demand for the private sector health services are expected to rise with their perceived benefits of “quicker,” “cleaner,” and “more flexible” service delivery.[21]

1.3 Human Resources and Employment in the Health Sector

Education - The Government of Sri Lanka (GoSL) via the University Grants Commission (UGC) is the main provider of medical education in Sri Lanka. Currently there are 8

UGC-approved universities conducting medical and related programs. The programs are currently oversubscribed with only 35% of applicants winning places for most medical programs. [22] There is strong opposition, especially from the Government Medical Officers Association (GMOA) to the establishment of private medical colleges in Sri Lanka. Postgraduate specialist training of medical doctors in Sri Lanka is conducted by the Post Graduate Institute of Medicine (PGIM) which is affiliated to the University of Colombo.[23]

Employment - The total employment in human health and social work activities as at 2016 was at 141,836 employees, or 1.8% of total employment. Females account for 62% of workers in the health sector (refer Annex 4 for the employment numbers by type of health personnel).[24]

1.4 International Trade in Health Services

1.4.1 Medical Tourism - Mode 2

Sri Lanka is emerging as a popular destination for medical tourism due to the country's well educated, English speaking medical staff, state-of-the art private hospitals and diagnostic facilities, and relatively low cost of services in comparison to global and regional players.[25] Only 0.6% of the tourist's (around 12,200 tourists)[26] have come to Sri Lanka for medical tourism in 2016.[27]

Sri Lanka provides medical services in the areas of western medical services, Ayurvedic medical and wellness services and medical diagnostics services. The main services provided by hospitals are cosmetic surgery, dental care, orthopedic surgery, renal care, kidney transplant, gastroenterology and laparoscopy, ophthalmology, diabetes and endocrinology, nephrology, ENT Care, physiotherapy & rehabilitation[28]. Some of the services provided by Ayurvedic medical services in Sri Lanka are treatments for rheumatoid arthritis, osteoporosis, psoriasis, parkinson's disease, fertility problems, obesity, migraine, glaucoma, chronic fatigue syndrome, asthma, diabetes, mental stress, blood pressure, paralysis, urinary infections, gastritis, depression, sleep disorder.[29]

Most private sector health care providers have upgraded their facilities to international standards and are treating an increasing number of patients from countries such as India, the Maldives, Bangladesh and the Seychelles.[30] Sri Lankan private medical service providers primarily attract patients from the Maldives for dental care, cosmetic surgeries and other surgeries.[31]

Countries such as Germany, Austria Italy, the CIS region, Middle East and Eastern Asia such as Japan and China are some of the main sources of medical tourism for the Ayurvedic sector. The Ministry of Indigenous Medicine has been appointed to facilitate and monitor continued development of the Ayurvedic sectors in recognition of its future potential.[32]

With regards to outbound medical tourism, Sri Lankan patients opt to seek treatment in foreign countries such as India. Approximately 4,000-5,000 tourists travel to Chennai, mostly for special treatments in neurology, ophthalmology,cardiology and organ transplants due to a lack of facilities in Sri Lanka.[33]

Government policy to promote Sri Lanka as a destination for medical tourism is expected to result in the set-up of large scale private and public multi-specialty healthcare centres of excellence. In addition to that, the government has proposed to upgrade the medical tourism standards, amend the Private Medical Institutions Registration Act to enhance quality and reliability of health services provided by the private sector and streamline the procedure related to temporary registration of foreign qualified specialists.[34] Wellness Tourism Strategy 2018-2022, which is part of the National Export Strategy of Sri Lanka specifies

provisions for the improvement of medical tourism in Sri Lanka. Interventions recommended include: 1) Strengthening the institutional framework governing the wellness tourism sector and its policies; 2) Building the operational, business and innovation capabilities of sector operators; and 3) Establishing the required regulatory framework to ensure the quality of wellness-related services.[35]

1.4.2 Foreign Investments in the Health Sector – Mode 3

The Board of Investment (BOI) of Sri Lanka facilitate investments for both foreign and local investors. Foreign firms can either invest in Sri Lanka under Section 16, Section 17 of the BOI Act and the Strategic Development Projects (SDP) Act. Projects are approved under Section 16 of BOI Law, where the entry of foreign investment is permitted without any fiscal concessions. According to the BOI, most large healthcare projects would make entry through Section 17 of BOI Act under which firms can enjoy exemptions from exchange control regulations and be entitled to duty-free access to capital goods and raw materials. This is however subject to the fulfilment of the required investment threshold (if any) or other specified requirement.[36]

According to the BOI, as at September 2018, there are 29 projects currently operational in Sri Lanka in the healthcare sector, approved under Section 17 of the BOI Act (three of these projects are foreign owned, three are joint ventures and 23 are locally owned). Of a total investment of LKR.18,850 million (USD 112.42 million)[37] in these healthcare projects, the estimated foreign investment amounts to LKR. 3,666 million (USD 22.22 million)[38] or 19% of the total investment.[39]

A study conducted by the World Bank's Human Development Network finds that almost 98% of the private healthcare facilities in Sri Lanka are owned locally. No small clinics had foreign ownership and only 3.5% of medium sized facilities (20-99 staff members) had an element of foreign ownership.[40]

According to Ravindra Rannan-Eliya, Executive Director of the Institute for Health Policy: "Foreign companies which have invested in health care in Sri Lanka generally enter into agreements with existing facilities; almost none enter on their own".[41]

1.4.3 Movement of persons - Mode 4

A study conducted in 2006 by De Silva et al. finds that around 15% of the registrants with the Sri Lanka Medical Council (SLMC) work overseas. Analysis of the data for the period 2006-2016 confirms that these percentages are still applicable. This is estimated to be around 4000-5000 people.[42] However, since most of them have migrated permanently, they will not fall under Mode 4 – Export of services.

Foreign healthcare practitioners wishing to work in Sri Lanka are allowed to do so through a temporary registration with the SLMC (under Section 67 (A) of the Medical Ordinance) (refer to section 2.3.1 for more details). As per the most recent data made available, according to the SLMC Annual Report for 2010, over 150 temporary registrations were issued during the year 2010 for medical practitioners and dentists.[43]

1.4.4 Commitments made under GATS and RTAs

Sri Lanka has not made any commitments in health care services (including professional services related to health sector) in WTO GATS. To date, Sri Lanka has only one RTA that covers services, i.e. Singapore – Sri Lanka FTA. However, the country has not made any commitments in health care services in its services commitments under Singapore – Sri Lanka FTA.

1.5 National Health Policy (2016-2025)

The current Health Policy which was formulated in 2015 for the years 2016 – 2025 replaces the previous health policy prepared in 1996.[44] The master plan is in line with the overall development policies of the country and has identified the strategic framework for sector development in keeping with the agenda for sustainable development, universal health coverage and will further be guided with national government vision and policy statements (refer Annex 5 for more details).[45]

2. Regulations

Sri Lanka does not have a National Services Policy. However, there is reference to services trade made in its vision statement as well as in its National Trade Policy, however, nothing very specific to health services. We have extracted key references made in these two policies to services into Annex 5.

2.1 Health Services Act

The Health Services Act No 12 of 1952 mandated the establishment of the Department of Health in Sri Lanka.[46] The Department falls under the purview of MoHNIM and is mandated to support and improve medical services and delivery; to improve the nation's health-related human resources; and to strengthen the management of public health services in an effort to maintain efficiency.[47]

2.2 Private Medical Institutions (Registration) Act No. 21 of 2006

In 2006, the responsibility of regulating private sector health services was moved to an independent Private Health Services Regulatory Council (PHSRC), established under the Private Medical Institutions (Registration) Act No. 21 of 2006. All private sector health care institutions are expected to register with the PHSRC.[48] The system is considered unique in a regional context as it moves regulation of private healthcare out of MoHNIM, and directly involves the private sector providers in the regulatory agency.[49]

The PHSRC is expected to develop standards that are to be maintained by the registered Private Medical Institutions and to monitor implementation. As per Gazette notification No. 1489/ 18 of 22nd March 2007 of the act, it is mandatory for every private hospital to register with the PHSRC and they are required to meet a set of minimum regulations prior to setting up operation.[50] There are also guidelines set for the private health services provider on the maintenance of minimum standards of equipment and infrastructure, minimum qualifications for recruitment and minimum standards of training of personnel.[51]

2.3 Medical Council Ordinance No. 24 of 1924.

The Sri Lanka Medical Council (SLMC) was established by the above Act. The SLMC is a statutory body established for the purpose of protecting healthcare seekers by ensuring the maintenance of academic and professional standards, discipline, and ethical practice by health professionals who are registered with it.[52]

The SLMC is responsible for registering healthcare personnel in Sri Lanka with the exception of nurses, ranging from the medical practitioners, dentists, midwives, pharmacists and paramedical assistants etc. These professionals cannot practice in Sri Lanka without registering with the SLMC. The Medical (Amendment) Act No. 30 of 1987 introduced the requirement for the renewal of registrations of those professionals registered with the SLMC. The Council also maintains and publishes registers of qualified persons in different categories who are authorised to practise each discipline.[53]

2.3.1 Regulations on Medical Practitioners working in Sri Lanka

Sri Lanka allows foreign medical specialists to offer health care services under temporary registrations issued by the SLMC under Section 67(A) of the Medical Ordinance. The approvals are made as per a sponsorship by the institution the applicant is aspiring to work in. Doctors from other countries registered under 67(A) are not permitted to work anywhere else other than the institution that acted as their sponsor. If the medical practitioners can meet the criteria specified by the SLMC and the sponsorship criteria, they are eligible to provide their service in Sri Lanka.[54] As per the current procedure in place, SLMC and relevant colleges of specialists (for example, College of Surgeons, College of Anaesthesiologists) issue final approval and registration of foreign medical practitioners.[55] The Medical (Amendment) Act No. 31 of 1997 makes provisions whereby the registration is recommended by the Secretary, Ministry of Health, the Director General of Health Services or a Dean of a medical faculty.[56] Foreign medical practitioners including dentists can apply for registration for only one year following which the registration needs to be renewed by paying the registration fee of LKR. 25,000(approx. USD150). [57]

2.3.2 Recognition and assessment of Universities and Medical Institutions.

The Medical (Amendment) Act No. 30 of 1987 makes provision for the SLMC to enter and make inquiries at recognized universities and institutions to ascertain whether the courses of study, the degree of proficiency at examinations conducted for conferment of qualifications and staff, equipment and facilities provided at such universities and institutions conform to prescribed standards. If they fail to conform to prescribed standards, the council may recommend to the Minister to withdraw such recognition.[58]

2.4 Sri Lanka Nurses Council Act No. 19 of 1988 & Sri Lanka Nurses Council (Amendment) Act No. 35 of 2005

Sri Lanka Nurses Council, which was established by Act No 19 of 1988, and later amended by Act No. 35 of 2005 has a registry of nurses. The act provided for the establishment of a Nurses Council to advice the Government regarding the laying down of standards for recruitment, education and professional practice of nurses; to provide for the registration of nurses; and for matters connected therewith of incidental thereto.[59] However currently only nurses working in the public sector are registered by the Nurses Council. The PHSRC conducts a programme registering nurses in the private sector. However, registering with the PHSRC is not a mandatory requirement for private sector nurses to carry out their services.[60]

2.5 Regulations governing foreign investments in health services

The Sri Lankan Government allows 100% foreign investment in any commercial, trading, or industrial activity including the healthcare sector other than for a few specified sectors.[61],[62] The health care services providers are subject to the same regulations as applicable to domestic suppliers (e.g. registering with PHSRC).

3. Key Challenges

3.1 Weak regulation and oversight of private health care facilities and medical professionals

The PHSRC is the authority responsible for the regulation of the private sector as per the Private Medical Institutions (Registration) Act No 21 of 2006. However, a report by World Bank states that the PHSRC does not perform consistently in accordance with its declared

purpose and is inadequately financed and staffed. As a result, it fails to register/license a significant proportion of establishments and is therefore unable to carry out its functions effectively. The report reveals that that almost 68% (65% in urban areas and 77% in rural areas) of private health facilities were not registered under any relevant authority in four of the Divisional Secretary areas surveyed. The report thus highlights the need for more intensive oversight by the government.[63]

As per the Private Medical Institutions (Registration) Act, No. 21 of 2006 certain rules and guidelines have been set forth for minimum standards to be maintained by private healthcare institutions. However, the surveys reveal that there are many health care facilities in the country that do not meet requirements set by these guidelines[64],[65].

There are also concerns about the ineffectiveness of the government regulations when concerning the registration of doctors. There are a large number of unqualified practitioners who are practicing freely as doctors who practice either western or Ayurveda medicine.[66]

3.2 Rapidly ageing population, and the increasing burden of Non-Communicable Diseases (NCD)

Rapid population ageing, increased incidence of NCDs and related morbidity, increasingly high patient expectations and constrained public resources are challenges to be faced by the health sector in Sri Lanka in the coming years, particularly in relation to the provision of inpatient and specialized care. Sri Lanka has one of the oldest populations in South Asia and it is expected that over 30% of the population would be elderly by 2030. In addition to the ageing population, prosperity related changes in lifestyle including comparatively regionally high levels of exposure to alcohol, tobacco and sedentary behaviour have worsened the incidence of NCD to 65% of mortality and 80% morbidity. Also, the increasing prosperity, education and awareness levels have contributed to greater healthcare seeking behaviour.[67] All these factors could lead to increased demand for private healthcare services in the future.

3.3 Concentration of healthcare services in the Western Province and inequitable distribution

Despite only 29% of the population living in the Western Province of Sri Lanka, it hosts most of Sri Lanka's healthcare facilities. The Western Province accounts for 73% of the industrial value of the health sector. In the private sector, more than 50% of beds are concentrated in the Western Province followed by Central Province and Southern Province.[68] These facilities tend to cluster around areas that already have government facilities, which limits their ability to expand the reach of health services to the general population, and to rural areas.[69] (Please refer to Annex 7 for a map of the expenditure at public and private hospitals by location of facility and province)

3.4 Insufficient healthcare insurance coverage

Overall, the private sector is heavily reliant on out-of-pocket payments, with government subsidies and insurance playing only a minimal role. The insufficient healthcare insurance coverage (low penetration of medical insurance products) is a pressing issue which makes it less affordable for the public. There is need for an appropriate, affordable health insurance across all segments of society. Most of the private health spending is expended by households while their employers contribute 7%, and private insurance contributes about 5%. Sri Lanka's health spending financed by private pre-paid plans remains significantly low when compared to upper middle countries.[70] The World Bank estimated medical insurance coverage to amount to 900,000 people in 2011 or 6% of the population.[71]

3.5 Shortage of Skilled Workers

The shortage of skilled medical professionals is a key issue in Sri Lanka especially with regards to a lack of specialists. The foreseen increased demand for healthcare services and a brain drain where Sri Lankan health care professionals are opting to leave the country for foreign jobs is likely to aggravate the problem.[72]

A survey by the World Bank in 2014 finds that 19% of the private sector health facilities had fewer than ten full-time staff.[73] Only about 15% of the health facilities had more than 100 full-time employees.[74]

The capacity constraints in the current system to train more people is also identified as a key problem. For example, over 65% of students who are eligible to enter university are unable to join medical programs due to a lack of capacity within the public university system in Sri Lanka.[75]

While it is not mandatory for those who qualify to practice medicine in Sri Lanka to work in the public sector, for medical professionals to get promoted, they are required to have experience in working in the public sector. Hence for instance, a consultant or a specialist working in a private hospital would most likely have had to work in the public sector to reach higher ranks.

For the private sector, a shortage of trained medical practitioners is an issue as most specialist consultants opt to work in the public sector due to better exposure, increased training opportunities and other benefits such as a tax-free income.[76]

The biggest risk faced by the private hospitals is the shortage of trained medical practitioners. Most specialist consultants are in the public sector, and the inability of private hospitals to attract the services of such consultants could significantly reduce the demand for private hospitals.[77]

With regards to nurses, the MoHNIM only recognizes its own training facilities for nurses and absorbs all the nurses produced by them. Large private hospitals have been forced to create their own nurses-training programs, albeit unrecognized by the government, leading to questionable quality standards amongst the nursing staff in the private sector.[78]

It would therefore be important to address the issues of human resources in the health sector, which affect both public and private facilities, including the shortage of certain types of personnel, and the potential conflict of interest issues arising from the same personnel working in both public and private sectors.[79]

Annexes

Annex 1- Ayurveda and other alternative healthcare Services

Indigenous medicine in Sri Lanka includes 4 specialisations namely Ayurveda, Unani, Siddha and Paramparika. Among these alternative healthcare services, Ayurveda remains the most popular.[lxxx] Around 3 million patients are treated annually at Ayurvedic hospitals and dispensaries located across the country. It is noted that 60-70% of rural population relies on Ayurvedic medicine treatment.[lxxxi]

The Ayurveda Act, No.31 of 1961, was enacted to govern and promote the indigenous medical systems in Sri Lanka. The Sri Lankan government has taken various strides to promote traditional medicine in Sri Lanka and there is interest to promote Sri Lanka as an international destination for indigenous medicine and a market for medical tourism.[lxxxii]

With regards to the supply of Ayurvedic services in Sri Lanka, as at 2017 there have been 23,206 Ayurvedic physicians registered with the Ayurvedic Medical Council[lxxxiii] and more than 8000 unregistered traditional medical practitioners in the country.[lxxxiv] Initially there were only 10 hospitals and central dispensaries offering Ayurvedic treatment in the island. However, with the growing popularity of Ayurvedic treatment, there are now 441 Ayurvedic institutions of which 3 are fully fledged Ayurveda hospitals located in Borella, Jaffna and Navinna under the purview of the Department of Ayurveda.

Annex 2 – Public Healthcare Sector in Sri Lanka – Key statistics

Western Medicine (c) – Public Sector	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)	2017 (b)
Hospitals	619	555	568	592	593	603	601	610	610	612
Primary Medical Care Units	411	475	476	475	480	481	484	475	475	506
Doctors(d)	14,255	14,831	15283 (*e)	17481 (*e)	18,190	18,610	18,958	20446 (*e)	21,469	21,259
Hospital Beds	65,835	68,897	69,501	69,731	73,437	74,636	76,918	76,781	76,829	76,774
Nurses	22,996	25,549	27,494	29,101	30,136	30,928	31,964	32,272	32,499	34,221
Attendants	7,184	8,301	8,189	7,477	8,403	8,091	8,215	8,689	8,268	9,218
In Patients Treated, '000	4,898	5,474	5,591	n.a.	5,840	5,926	6,120	6,322	6,493	n.a.
Out Patients' Visits, '000	45,382	48,782	49,871	n.a.	50,631	53,861	55,105	54,652	53,044	n.a.
Midwives	8,937	8,943	8,726	8,748	8,745	8,874	9,022	9,021	8,864	8,532

(a) Revised, (b) Provisional, (c) Public Sector., (d) Includes Assistant Medical Practitioners., (e) Including Intern Medical Officers., n.a. – Not available. Source: Economic and Social Statistics of Sri Lanka 2018

Public Sector Health Expenditure - Breakdown (2008 – 2017) – LKR Million

	2008	2009	2010	2011	2012	2013	2014	2015	2016 (a)	2017 (b)
Total Expenditure on Health,	74,548	71,452	73835	89,237	99,101	119,530	138,403	177,789	186,149	196,820
Current Expenditure	55,874	58,789	60,506	74,443	81,946	99,609	116,151	140,560	155,402	161,312
Capital Expenditure	18,674	12664	13,329	14,794	17,155	19,920	22252	37230	30747	35509
Imports of Medical and Pharmaceutical Products (Govt. & Private),	23,010	23,199	24,549	38,487	47,537	48,845	49685	62498	76547	79299

Source: Economic and Social Statistics of Sri Lanka 2018

Annex 3 – Private Healthcare Sector in Sri Lanka – Key Statistics

Year	Private Hospitals	Beds	Inpatient (Admissions)	Outpatient Visits	Revenue LKR Mn	Capital Expenditure LKR Mn
1995	72	2,396	129,800	1,758,000	426	77
2000	83	2,764	145,100	2,997,000	2662	499
2009	123	4,133	228,300	3,835,000	14796	2647
2010	124	4,105	257,900	4,372,000	17040	2162
2011	125	4,210	266,000	4,742,000	19292	3076

Source: IHP PHNHs database 2012

Annex 4 – Employment in the Health Sector

Year	Total Employment	Human health and social work activities			
		Total	As a % of total employment	Male	Female
2013	7,681,279	128,034	1.67%	49,153	78,881
2014	7,700,489	126,950	1.65%	55,148	71,802
2015	7,830,976	137,366	1.75%	45,976	91,389
2016	7,947,683	141,836	1.78%	53,843	87,993
2016Q4	8,006,700	143,197	1.79%	55,285	87,913
2017Q1	8,230,207	145,561	1.77%	46,326	99,236
2017Q2	8,138,728	154,536	1.90%	52,260	102,276
2017Q3	8,163,869	135,725	1.66%	44,239	91,486
2017Q4	8,299,911	161,265	1.94%	50,157	111,109

Source: Labour Force Survey 2017 Quarter 4

Breakdown of the Public Health Personnel by skill categories

	Medical Officers(a)	Dental Surgeons(b)	Reg. / Asst. Medical Officers	Nurses (c)	Public Health			Hospital Midwives
					Nursing Sisters(d)	Inspectors	Midwives	
1992	3345	381	1253	11214	113	846	4108	2025
2000	7963	637	1349	14716	270	1486	4798	2596
2013	16690	1279	1064	31235	322	1544	5950	2848
2014	17615	1360	999	32893	277	1526	5954	2888
2015	18243	1340	936	34051	290	1604	6041	2765
2016(e)	18968	1433	883	34069	277	1692	6247	2365

(a) Includes Medical Officers in curative, administrative and preventive services.
(b) Includes Regional and Consultant Dental Surgeons.
(c) Excludes Pupil Nurses.
(d) Supervising Public Health Nursing Sisters / Public Health Nursing Sisters.
(e) Provisional.
n.a. – Not available
Source: Medical Statistics Unit, Ministry of Health

Annex 5 - National Policies

National Health Policy (2016-2025)

Policy issues identified

The following policies issues have being identified amongst others in the situational analysis of the master plan for 2016-2025: (For a more comprehensive list of the issues identified please access the Health Master plan for 2016-2025 at: http://www.health.gov.lk/moh_final/english/public/elfinder/files/publications/2017/NationalHealthPolicy2016-2025.pdf)

Preventive care: The need to reduce premature mortality due to Non-Communicable Diseases such diabetes mellitus, cardio vascular disease and cancers has been emphasised; there is a focus on improvements to estate health (health of the plantation workers), occupational health and environmental health and developing mechanisms to minimise the health impacts on climate change; the need to address the emerging problems of chronic disease, elimination of rabies and enhancing surveillance activities for containing malaria etc has been identified; the strengthening of the health care delivery system to further reduce the morbidity and mortality due to

communicable diseases and improving the maternity care standards.

Curative Care Services: The need for improving equitable distribution in comprehensive cardiac care facilities, anaesthesia, critical care and pain medicine; improving accessibility of services to neurosurgical facilities; ensuring a policy on rational and empirical use of anti-microbial use and the need for infections in health care settings to be monitored; ensuring that no stock-out situations in medical supplies occur; ensuring that the private health sector is monitored and regulated to grant a quality service to the patients at affordable prices.

Rehabilitative Care Services: The need to establish a new division in the Department of Health to collaborate the sub service components in Rehabilitative care such stroke and trauma care, mental health, health of the elderly, health of the disabled or differently able people, clinical genetics, pulmonary rehabilitation, protection of children from abuse, exploitation, programme for prevention of avoidable blindness. etc.

Health Administration: The need to expand curative services to be on par with international standards (including medical, laboratory and dental directorates) has been emphasized; the establishment of a Nutrition Bureau to coordinate the nutrition programs; the development of a new HR coordinating Unit and the need to revisit current HR functions of training, deployment, carrier development, professional development, remuneration, rewarding, retention and succession planning and develop comprehensive a HR system with a HR Policy for MoHNIM has been identified as a key issue; the need for greater emphasis on the use of ICT and the promotion of e-health in the health system.

Health Financing: Despite free healthcare, certain burdens for low income earners exist due to the need for out-of-pocket spending for certain major diseases. Hence the need for new options in health financing has been identified such as public-private partnerships, manufacture of drugs locally, allocating the idling (non-use) time of certain high-tech units and equipment of government hospitals for the private health sector in terms of income generation for the government.[lxxxv]

Policy Statements

The following objectives have been designed to address each of the policy issues identified in the Health Policy. (For a more detailed information on the policy statements please access the Health Master Plan for 2016-2025 at: http://www.health.gov.lk/moh_final/english/public/elfinder/files/publications/2017/NationalHealthPolicy2016-2025.pdf)

(a) Strengthen service delivery to achieve preventive health goals, (b) Appropriate and accessible high quality curative care for all Sri Lankan citizen, (c) Promotion of equitable access to quality rehabilitation care, (d) Strengthen evidence based service delivery to support journey along the continuum of care, (e) Develop new strategies to reduce out of pocket spending (OOPS) and reduce financial risk, (f) To ensure a comprehensive health system through a better re- structuring including HRM, (g) Develop strategic partnership with all providers of health care.[lxxxvi]

Other National Policies that refer to Trade in Services

Vision 2025 and the New Trade Policy (NTP)

Sri Lanka currently does not have a National Policy on Services. However, the Government Policy statement "Vision 2025", stresses on facilitating services expansion. More specifically there is a commitment made towards encouraging diversification of exports into services, to take advantage of the potential to export services in the fields of knowledge process outsourcing (KPO) and business process outsourcing (BPO), while moving towards cutting-edge technology and intellectual property rights (IPR)-based software product solutions.[lxxxvii]

Vision 2025

Under the Government's overall commitment made towards improving Economic and Social Infrastructure the following commitments are outlined specifically in relation to healthcare services:

1) strengthen the curative and preventive primary health care delivery system to treat NCDs, 2) support programmes combating Chronic Kidney Disease (CKDu) 3) review excise taxation policies, 4) lay the foundation for electronic medical information management systems, 5) ensure that all Sri Lankans have access to emergency pre-hospital medical care, with basic and advanced life support.[lxxxviii]

New Trade Policy (NTP)

In addition to this, the New Trade Policy (NTP) which was enacted in June of 2017 also contains provisions the improvement of International Trade in Services.[lxxxix]

According to the Government "the centrepiece of the NTP is a more liberal, simple, transparent and predictable trade regime promoting trade-led growth as envisioned in the Economic Statements of the government in 2015 and 2016."[xc]

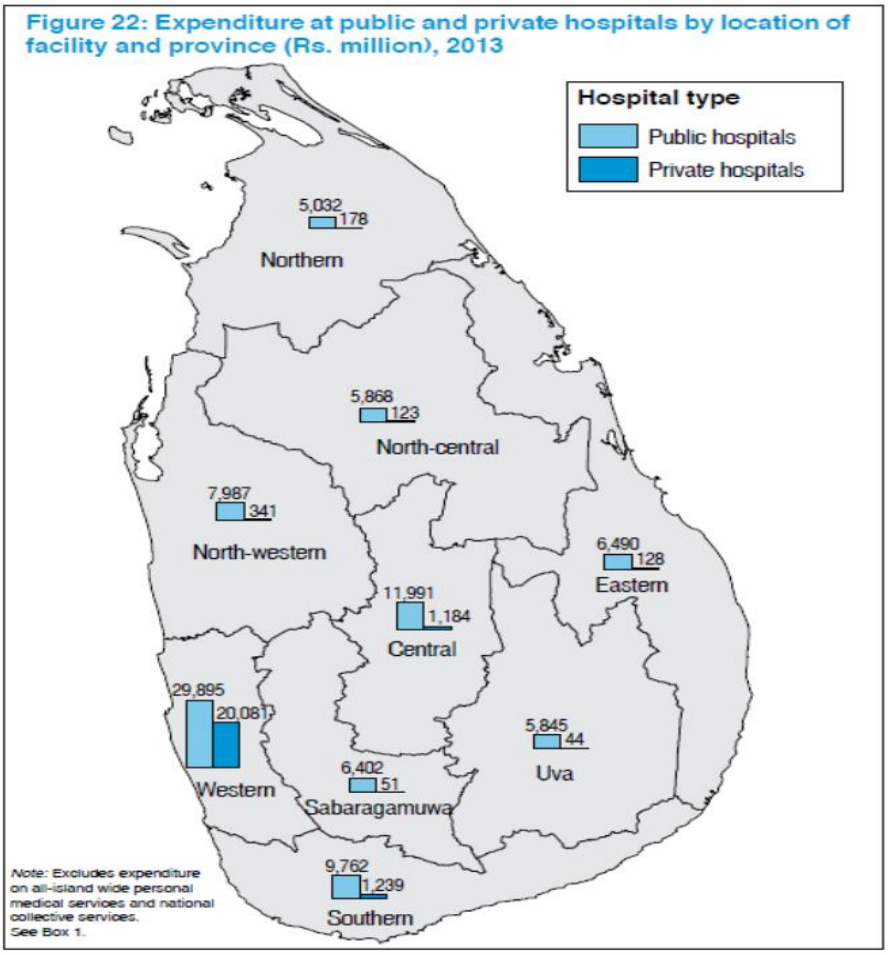
With regards to Trade in Services, the following areas have been stressed on: the need to develop appropriate policies, in particular, removing policy related barriers and promote service exports under the National Export Strategy; strengthening the governance mechanisms of professional service bodies to participate effectively, not only in trade in services but also assist the government in formulating policies and regulations governing service sectors; given the boom in the e-commerce space the need for Sri Lanka to improve its competitiveness and better engage in e-commerce; and due to the link between trade in goods, services and investment and the increased 'servisification' of manufacturing, the need for trade in services to be looked at with as a means to improving the competitiveness of manufactured products.[xci]

With regards to the FTA Negotiations the policy aims to:

- To keep the movement of independent persons of the Mode four of the GATS unbound until such time that the country is equipped with necessary regulatory mechanisms to protect domestic interests.

- To liberalise the remaining three Modes if they are beneficial to the country, after putting in place adequate safeguards in Sri Lanka's offer lists to trading partners under various FTAs.

Annex 6 – Expenditure at public and private hospitals by location of facility and province



Source: Institute of Health Policy, 2015

Annex 8 - List of stakeholder institutions contacted

Stakeholder institution	Contact details
Private Health Services Regulatory Council (PHSRC)	No 2A, CBM House, 4th Floor, Lake Drive, Colombo 08, Sri Lanka. Tel: +94112672911, +94112672912
Sri Lanka Medical Council	31, Norris Canal Road, Colombo 10. Tel: 2691848 Fax :- 2674787
Sri Lanka Nurses Council	Tel: 0112 693 227
Board of Investment (BOI)	Tel: 011 - 2437137, 011 – 2427375 West Tower, World Trade Center, Colombo 01, Sri Lanka.
Export Development Board	No. 42 Nawam Mawatha, Colombo-02, Sri Lanka. Tel: +94-11-230-0705 / 11

CUTS International GENEVA

CUTS International, Geneva

CUTS International, Geneva is a non-profit NGO that catalyses the pro-trade, pro-equity voices of the Global South in international trade and development debates in Geneva. We and our sister CUTS organizations in India, Kenya, Zambia, Vietnam, and Ghana have made our footprints in the realm of economic governance across the developing world.

37-39, Rue de Vermont, 1202 Geneva, Switzerland
geneva@cuts.org ● www.cuts-geneva.org
Ph: +41 (0) 22 734 60 80 | Fax:+41 (0) 22 734 39 14 | Skype: cuts.grc

GENEVA MSMEs CONNECTION INITIATIVE
The Geneva MSMEs Connection Initiative aims to link micro, small & medium enterprises (MSMEs) in South and Southeast Asia to the multilateral trading system. Web: http://www.cuts-geneva.org/WTOForum(SSEA).html#view3

Australian Aid

The Geneva MSMEs Connection Initiative is undertaken with funding support from the Australian Aid agency (Australian government).

End notes

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[79]Ibid.

[lxxx] Ayurveda is an ancient authentic medical system which originated in India, more than 5000 years ago. In Sri Lanka, it is practiced in harmony with Sri Lankan Traditional Medicine, which evolved from the prehistoric eras and currently regarded as Sri Lanka Ayurveda, with a distinct identity, different from Indian Ayurveda.

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