

Chapter-9

INDIAN DIALYSIS MARKET (UNTAPPED POTENTIAL)

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INTRODUCTION

Chronic kidney disease (CKD) presents a global public health challenge, imposing both social and economic burdens. In the United States (US) in the year 2000, around 30 million individuals were diagnosed with CKD. However, the precise prevalence of CKD in India remains uncertain, with limited data available from only three population-based studies addressing the issue. The recently established CKD registry of India by the Society of Nephrology (ISN) is anticipated to offer valuable epidemiological insights in the future. In a prevention study conducted in Chennai (Tamil Nadu), the community-level prevalence was approximately 8,600 per million population in the study group and 13,900 per million population in the control group. Another study in Delhi indicated a CKD prevalence (based on serum creatinine exceeding 1.8 mg%) of 7,852 per million population. A study in Bhopal reported an incidence of 151 per million population for individuals suffering from end-stage renal disease (ESRD) [1].

The global dialysis market is driven by the expanding population of end-stage renal disease (ESRD) patients. The market's value reached \$61.0 billion in 2012 and is expected to reach \$98 billion by 2020, with a compound annual growth rate (CAGR) of 6.20%. The report titled "Global Dialysis Market Forecast, 2012-2020" evaluates the market based on two types of dialysis: Hemodialysis and Peritoneal dialysis. Up to 2012, market segmentation witnessed positive growth due to increased awareness of advanced diagnostic techniques. Hemodialysis held the largest market share at 85%. The Peritoneal dialysis market is anticipated to demonstrate the highest CAGR of 7.6% during the forecast period, propelled by the growing use of PD to meet the increasing demand for renal replacement therapy. Countries like India, China, and Japan are among the rapidly growing dialysis markets, attributed to the increased purchasing power of patients in these regions. Investors are directing their focus toward the Asia-Pacific (APAC) countries, driven by the mature western markets [2].

Statistics indicate that the Indian medical equipment sector is undergoing a period of noteworthy growth and development, poised to

achieve a Compound Annual Growth Rate (CAGR) of 9.4%. The market is anticipated to reach nearly USD 17.6 billion by the year 2020. Particularly, the dialysis equipment segment in India is displaying swift expansion, attributed to recent announcements in the Budget 2016-2017 [3].

AIM

To Conduct a comprehensive and systematic evaluation of the dialysis market in India, identifying unexplored market opportunities within the dialysis sector, and assessing the financial viability of establishing a new dialysis unit or chain.

RESEARCH OBJECTIVE

1. To comprehensively analyze the Indian dialysis market.
2. To pinpoint untapped potential within the Indian dialysis market.
3. To examine the factors influencing the growth of the dialysis industry.

RESEARCH METHODOLOGY

In this study, a combination of descriptive and exploratory research designs was employed, and the research was carried out at PricewaterhouseCoopers in Gurugram. The focus of the study encompassed the entire Indian dialysis market. A convenience sampling technique was utilized to select respondents based on convenience. The sample size comprised a total of 96 individuals involved in dialysis services in India during the study period.

Data collection involved both primary and secondary sources. Primary data were gathered through personal interviews, conducted both in-person and telephonically, and discussions with relevant staff. Secondary data were collected from previous reports and insights provided by industry experts.

RESULTS AND DISCUSSION

The findings identified drivers of the dialysis market, including increasing affordability, government initiatives, sector organization, and nephrologists' availability. Factors such as the average per capita healthcare expenditure growth, government programs like the National Dialysis Program, increased participation from organized players, and the addition of nephrologists annually contributed to market drivers. However, barriers to the dialysis market were noted, including low affordability, accessibility issues, and a lack of nephrologists.

The cost of dialysis sessions, limited accessibility in non-metro areas, and the scarcity of nephrologists in proportion to the population presented significant challenges. Segmentation of the Indian dialysis market into private hospitals, government hospitals, organized dialysis service providers, and public-private partnerships was discussed. Private hospitals dominated the market, while government initiatives like the National Dialysis Program aimed to address affordability issues and improve accessibility.

CONCLUSION

There should be a systematic registration and evaluation process for patients with chronic kidney disease (CKD) and End-Stage Renal Disease (ESRD). Additionally, a strategic allocation of dialysis machines based on the population of each district is crucial. Standardizing the quality of service across all segments of the dialysis industry is essential for ensuring consistent and high-quality patient care.

Introducing insurance schemes specifically tailored for the economically disadvantaged, such as Below Poverty Line (BPL) and lower-class individuals, can significantly contribute to improving accessibility. Finally, expanding Public-Private Partnership (PPP) models in the healthcare sector would benefit both patients and the government, facilitating improved healthcare services.

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