

Twitter Thread by Kishore Poreddy



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1. A thread about states being given freedom to purchase 50% of the vaccines of their choice and the brouhaha around differential pricing for Central and State governments.



There are 4 different issues enmeshed here:

1. Freedom for states to select & distribute vaccines of their choice
2. Differential pricing for Center & States
3. Demands by states for center to pay for their 50% share as well
4. Freedom for private hospitals to procure vaccines



Firstly, on the choice to states:

Various states & opposition parties complained about total control of vaccine procurement & distribution by Modi led central govt.

Politically motivated accusations of partiality & preferential (non)allocations to states were made.



There were also arguments about why should the "rich" be NOT allowed/made to pay for their vaccines.



To address these demands, the Modi led Central govt provided freedom for states & private healthcare facilities in states to purchase 50% of the vaccine produced directly from manufacturers

And the freedom to decide user charges for such vaccines {free/at cost/more than cost}



Also, some states & their leaders didnt "trust" India designed/invented & manufactured Covaxin

They accused Modi of approving Covaxin even before the trials were complete to benefit the ruling party/Modi politically

This move gives those states an option to NOT buy Covaxin

Secondly, the issue of differential pricing by Serum Institute for CoviShield vaccine to Center vs. States vs. Private hospitals. Bharat Biotech has not yet come out with its pricing for Covaxin.

Many opposition led states & their leaders - for ex: Telangana/@KTRTRS made accusations that CoviShield was provided to Center/Modi for ₹150/- while it was offered for ₹400/- to them. They feigned outrage at this alleged discrimination

Here are the facts:

1. From May 1st when states are allowed to purchase vaccines, Serum Institute has clarified that it will charge ₹400/- per dose of CoviShield, to both Center & States.
2. Serum said, private buyers will be charged \$600/- per dose for CoviShield.

So obviously the opposition leaders were peddling fake news & playing political games about the differential pricing to Modi/Center & them/States.

But, where did the ₹150/- per dose come from?

That was the price (₹150/-) charged by Serum for the first 100 million or so doses the Center had purchased for

1. Healthcare professionals
2. Frontline workers
3. Most vulnerable segments of people (45+ with comorbidities)

Serum charged less than its cost price

Serum wanted to do its bit for our frontline workers & most vulnerable sections of our citizens. So it provided those doses at a subsidy to the Center.

This charity of Serum is now used against the same company to accuse it of some underhand agreement to favour Modi.

"No good deed goes unpunished" - Serum should be feeling right now, looking at the disgusting behaviour of these petty minded opposition politicians.

Such disgusting behaviour during even a pandemic is not beneath these 'opposition leaders'. Their hatred for Modi is such.

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What these petty, selfish & greedy politicians cant imagine is:

Private persons/companies spending their own money to help India & Indians overcome this crisis.

Ex: TATA, Ambani, etc., are providing free Oxygen.

& Serum, by subsidising shots for our frontline & vulnerable.

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Of course, there IS differential pricing by Serum.

It's between

Govt - center/states @ ■400/shot

vs

Private institutions @ 600/shot

The "rich", who "prefer" private hospitals - inspite of free/cheaper shot at govt facilities can, and should pay a higher price.

No?

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Thirdly, the demand that Center should pay for the state's choice of 50% vaccine as well.

Facts:

1. Center is already paying & giving for free, shots needed for frontline workers, soldiers & the most vulnerable (45+ with comorbidities) ~20cr doses/10cr citizens by May 1st.

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2. Center will provide 50% of shots at its own cost to states going forward

3. Currently, vaccine is only for 18+ i.e a total of 100 crore max

4. Of which Center already covered 10 crore (by May 1st)

5. Of the remaining 90 crore, center will cover 50% free i.e 45 crore more

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6. This leaves 45 crores to be covered by States & Private sector.

That is 45/135 crores total population = 33%.

7. If private facilities at a higher price are preferred by 1/5th of these 33%, then a state has to provide for say 27% of its total population.

Just above 1/4th.

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For ex: Telangana's total population as of 2021 is estimated at ~4 crore.

Of which, Telangana govt has to take care of 27% i.e 1.08cr people i.e 2.16 cr doses at a cost of ■864cr.

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While the Center will pay for 55% of those eligible (41% of total population) i.e ~1.6cr

Of which

33% i.e 1.32cr @ ■400/dose at ■1056cr for 2 doses.

&

7% i.e 28Lakhs @ ■150/dose at 84cr

Total Cost:

Telangana Govt: ■864cr

Central Govt: ■1140cr

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Which works out to a state's share of total government expenditure (center+state) of ~43%

Which is almost the same as the states' share of taxes collected by the Center 42% (grants & expenditure on central schemes/works in states excluded, else it is much higher %)

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Think this is unfair?

Why this cribbing by opposition ruled states?

It's time for our opposition to stop playing petty political games & start handling life & death issues faced by almost everyone in the country/state.

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Fourthly - Private Hospitals:

It provides a choice for those who are willing to pay a higher price for what they consider to be superior service & convenience provided by Private Hospitals (sector).

Ex: KCR preferring a private hospital for his Covid tests/treatment.

THE END.