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.

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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

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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.

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

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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}

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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
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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.

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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

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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.

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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?

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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
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Serum wanted to do it's 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.

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"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 subsiding 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.