

Health Budget 2014 – 2015

Budget Allocation for Health Care in India

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India's health policy has focused on primary health centers and hospitals. The numbers of hospital beds, doctors, and nurses per 1000 persons have often been treated less as inputs and more as measures of success of the health policy. Health outcomes such as a reduction in cases of diarrhoea, malaria, child and infant mortality can be addressed far more effectively with the same budgetary resources by addressing the lack of public goods in health. There is a need to focus the limited budgetary resources on public goods.

Rashtriya Swasthya Bima Yojana (RSBY) : The RSBY, a smart card-based cashless health insurance scheme, including maternity benefit, provides cover of 30,000 per family per annum on a family floater basis to BPL families in the unorganized sector. As on 31 March 2014, more than 3.69 crore families were covered under the RSBY. During 2013-14, 885.91 crore was released. The benefits of RSBY are being extended to all unorganized workers in a phased manner.

Rural Drinking Water — National Rural Drinking Water Program (NRDWP): Under the NRDWP, the goal is to ensure that every rural person in the country has access to 70 l of water per capita per day (lpcd) within their household premises or at a distance of not more than 50 m by 2022. During 2013-14, a target to cover 1, 41,838 habitations was fixed against which coverage of 1, 52,423 habitations has been reported. The outlay for rural drinking water supply has been increased from 4098 crore in 2005-06 to 9700 crore in 2013-14.

Rural Sanitation — Nirmal Bharat Abhiyan (NBA): According to Census 2011, only 32.7 per cent of rural households have latrine facilities. The NBA, started in 2012, aims at achieving 100 per cent access to sanitation for all households by 2022. The provision of incentives for individual household latrine units has been widened to cover above poverty line (APL) households belonging to SCs, STs, and other vulnerable sections along with all BPL households. The number of households being provided toilets annually has increased from 6.21 lakh in 2002-03 to 45 lakh in 2012-13. During 2013-14 (up to March 2014), over 49 lakh toilets were provided to households.

In 2013-14, there was an increase in outlay for the health sector by 7.44 per cent over the previous year to 32,745 crore. The combined revenue and capital expenditure of the centre and states on medical and public health, family welfare, and water supply and sanitation has increased from 53,557 crore in 2006-07 to 1,36,296 crore in 2012-13.

The BJP led government was expected to lay out future road map for the health care sector. Several important measures were expected including doubling the healthcare expenditure to 8 per cent in the next five years. As an item of social expenditure, health care sector has seen several schemes being launched during the last decade, with the flagship program of National Health Mission (NHM)

undertaking the major share of state outlay. The scheme was launched in 2013, to enable universal access to equitable, affordable and quality health care services. It subsumes National Rural Health Mission (NRHM) and NUHM (for urban areas). The NUHM covers slum dwellers and other marginalized groups of all cities/ towns with population of more than 50,000, as towns below 50,000 population are already covered under the NRHM.

In order to incentivize research in medicinal sciences, the Budget has proposed four new AIIMS institute in the states Andhra Pradesh, West Bengal, Vidarbha and Purvanchal. AIIMS is renowned for churning out quality research in the field of medicine and bio sciences. Such incentive to research and development (R & D) practices will give a shot in the arm to the flagging government health research institutes.

Similarly, the Finance Minister has announced the setting up of 15 Model Rural Health Research centers dedicated specifically to the health issues of the rural sector. Rural India contains over 68% of India's total population, and half of all residents of rural areas live below the poverty line, struggling for better and easy access to health care and services. Health issues confronted by rural people are many and diverse – from severe malaria to uncontrolled diabetes, from a badly infected wound to cancer. Postpartum maternal illness is a serious problem in resource-poor settings and contributes to maternal mortality, particularly in rural India. A study conducted in 2009 found that 43.9% of mothers reported they experienced postpartum illnesses six weeks after delivery. In rural India, where the number of Primary health care centers (PHCs) is limited, 8% of the centers do not have doctors or medical staff, 39% do not have lab technicians and 18% PHCs do not even have a pharmacist. A large number of maternal deaths occur in the rural areas due to lack of healthcare personnel at the existing PHCs. The government will need to step up its efforts in providing affordable healthcare services in the rural sector. Due to non-accessibility to public health care and low quality of health care services, a majority of people in India turn to the local private health sector as their first choice of care. If we look at the health landscape of India 92 percent of health care visits are to private providers of which 70 percent is urban population. However, private health care is expensive, often unregulated and variable in quality. Besides being unreliable for the illiterate, it is also unaffordable by low income rural folks. The current budget has taken up piecemeal initiatives to improve the health sector in comparison to the budgetary outlay for education. Reforms undertaken fall short of meeting the current demands, let alone fulfill long term targets. Overall, health infrastructure has still not managed to garner the level of importance it deserves. A robust infrastructure in health services would not only benefit millions. Cost of health services have increased multi-fold in the last few years.