No budgeting for health

The absence of significant statements of intent or noteworthy financial outlays on health in the Union budget is glaring, given that these are the two identified priorities for the Twelfth Plan starting this year. Both these sectors need inspiring governmental leadership to realise the demographic dividend from a young population. On healthcare, Finance Minister Pranab Mukherjee announced only an incremental increase of about Rs. 2,700 crore in the allocation for the National Rural Health Mission. He referred to the planned launch of a National Urban Health Mission and improvements to some government medical colleges for better tertiary care. This is all very welcome, but none of this measures up to the scale and scope of the reform proposals now before the Planning Commission, seeking to provide a certain level of guaranteed, tax-funded Universal Healthcare (UHC) to all Indians through public and private hospitals. It must be emphasised that this issue, along with education, deserves the same level of commitment from government as Defence. In his speech, the Finance Minister said the outlay of Rs. 1.93 lakh crore for Defence Services was based on present needs, and any further requirement would be met. The approach to healthcare during the Twelfth Plan should be no different. If State governments join the effort, as indeed they should, a suitable taxation regime by the end of the Plan can make UHC self-sustaining.

Significant government support would be required to make progress on a National Health Package offering free treatment under UHC. Several tasks have to be accomplished in parallel. These include creation of trained public health cadres, setting up of a National Health Regulatory and Development Authority to evolve norms for treatment, costs and so on, and developing an Information Technology platform to administer the massive enterprise. The challenge to achieve quality and access is staggering. The global average of hospital beds to population is 2.9 per thousand, but India has 0.9 beds. If there is a focus on preventive care, a lower ratio of 2 per thousand would be able to meet the national requirement by 2022, estimates say. But what is particularly worrying is that half of the beds now available in government facilities are listed as “non-functional”, along with 30 per cent in the private sector. It must also be pointed out that rural citizens have shockingly low levels of hospital bed access, especially in central India, compared to urban counterparts. Evidently, it will take a Herculean effort over the next five years to create a foundation for UHC. The finalised Plan and the financial outlays will reveal whether a revolution is on the anvil.