UPA’s addition to health budget falls short of requirements

Critics say inadequate funding is also a reflection of the govt abdicating its responsibility in providing healthcare facilities

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New Delhi: The United Progressive Alliance (UPA) government’s ‘health for all’ slogan could remain just that as the addition in the budget for health in the next financial year is ₹7,000 crore, which experts said falls far short of the amount needed to start making universal health coverage (UHC) a reality.

Some critics say the inadequate funding is also a reflection of the government abdicating its responsibility in providing healthcare facilities, relinquishing the space to private providers that it will compensate through insurance programmes.

The budgetary allocation for health is low because detailed implementation schemes weren’t submitted to the Planning Commission, deputy chairperson Montek Singh Ahluwalia said after the budget was announced on 28 February.

"UHC is a 10-year objective," Ahluwalia said. "Besides, proposals for schemes related to implementation of universal healthcare are yet to be received (from the health ministry)."

The framework for the implementation of UHC was formulated by a high-level expert group (HLEG) for inclusion in the 12th Five-Year Plan that starts 1 April.

UHC was floated as one of the cornerstones of the government’s inclusiveness agenda in a country where large sections of the population don’t have access to proper healthcare and just 1.85% of the gross domestic product is spent on the sector. Prime Minister Manmohan Singh last year promised to spend at least 2.5% of GDP on the sector by the end of the 12th Plan.

The report of the expert group said that nearly 80% of the population is dependent on private providers of healthcare in India.

The lack of political ownership is emerging as a hurdle in the way of urgently needed health reforms, said the head of the expert group.

"Universal health coverage has now been enshrined in the 12th Plan document as the key guiding principle of the National Health Mission (NHM)," said Srinath Reddy, chairman of the expert group. "It will not walk on its own. It now needs political ownership at the level of central and state governments."

After the right to education and employment in the previous Plan periods, reforms in public health has been categorized as a priority sector in the 12th Plan period that runs till March 2017. The reforms promised by the UPA government include free life-saving medicines at all government hospitals, the phased rollout of UHC during the plan period under the new unified NHM.

The money will just not be enough, said Amit Sengupta, public health activist with Jan Swasthya Abhiyan.

"There has been no separate allocation for the free drug policy. The drug policy alone was supposed to have an outlay of ₹5,000 crore. There is a clear disjunct between the government’s Five-Year Plan and budgetary allocations. When you adjust the allocation with respect to inflation, the increase is barely 10% over the previous year," Sengupta said.

The budgetary allocation for the health sector in 2012-13 is ₹37,330 crore. The unified health mission, an expanded version of the National Rural Health Mission (NRHM) that includes urban areas, has got ₹21,239 crore of this. The allocation for urban areas is just ₹0.89 crore.

"The allocations are laughable. It has been 1.5 years since the HLEG document was submitted to the Planning Commission," said an official close to the development.
“The health ministry has not started speaking with state governments to iron out implementation details. Health is a state subject and the centre has shown no interest in taking any political ownership of these projects.” The official declined to be named.

It appears that the government was not prepared for full-fledged reforms and simply wanted to extend existing insurance schemes, he said.