

Health Budgetary Allocation

What is the issue?

- In India, there is a rising demand which exceeds supply in most sectors due to the coronavirus pandemic.
- This suggests that the health budgetary allocation needs to go up.

What is the situation?

- In India, the number of positive Coronavirus cases is going up.
- Due to the pandemic, there is an ever-rising demands for testing kits, masks, hand sanitisers, etc., which had increased.
- There is a question whether national and state health systems will be able to cope with these rising demands.
- In mainland China where the rapidly climbing numbers went far beyond the capacity of the country, the health systems struggled to cope.

How much is the current health allocation?

- For years, India's health expenditure as a percentage of GDP has been abysmal at about 1%.
- As per the National Health Profile, 2019, there has been no significant change in health-care expenditure since 2009-2010.
- The highest it has been in the decade is 1.28 % of the GDP, and hit the lowest point at 0.98 % in 2014-2015.
- The report does record that per capita public expenditure on health in nominal terms went up from ₹621 in 2009-10 to ₹1,112 in 2015-16.
- A 2018 WHO report says that out-of-pocket payments remain common in India which was estimated at 62% of total health expenditure in 2014.

Why the health allocation should be increased?

- The public spending on health care should be increased to lessen the financial hardship for communities.
- The increased public spending will also better the health outcomes of a community.

What could be done?

- The government has made a promise to increase public health spending to 2.5 % of GDP by 2025.
- It could use this epidemic as an opportunity to scale up budgetary allocations for health to facilitate expansion of capacity.
- Epidemics are known to change the course of history.
- So, India must steer this one to harness finite resources optimally for the benefit of all.

Source: The Hindu

