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ECONOMIC SURVEY 2022-23

Out-of-pocket health spending still high, despite hike in government expenditure

In 2018-19, 40.6% of health spending came from the government, while 48.2% came from patients paying directly to healthcare providers; in UP, patients' out-of-pocket expenses were 71.3% of the total

January 31, 2023 08:34 pm | Updated February 01, 2023 01:59 am IST - NEW DELHI

MAITRI PORECHA

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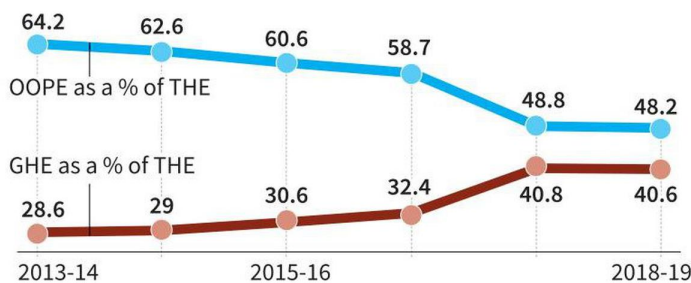
Patients undergoing treatment at a ward in Rajiv Gandhi Government General Hospital, Chennai. | Photo Credit: The Hindu

Almost half of all health spending in India is still paid by patients themselves directly at the point of treatment, although this has dropped as the government's share of spending on health went up significantly after 2013-14, according to the Economic Survey 2022-23.

The share of government health expenditure in total health expenditure was just 28.6% in the financial year 2013-14, but rose to 40.6% by 2018-19, the latest year for which data is available. There was a concomitant decline in out-of-pocket expenditure as a percentage of total health expenditure from 64.2% in 2013-14 to 48.2% in 2018-19.

Health spending

The chart shows government health expenditure (GHE) and out-of-pocket expenditure (OOPE) as a share of total health expenditure (THE). OOPE still remains high



Out-of-pocket expenditure is the money paid directly by households, at the point of receiving health care. This occurs when services are neither provided free of cost through a government health facility, nor is the individual covered under any public or private insurance or social protection scheme.

Govts hike health spending

For 2018-19, India's total health expenditure was estimated to be ₹5,96,440 crore, which is 3.2% of GDP and amounts to ₹4,470 per capita. This includes current and capital expenditures incurred by the government and private sources, including external funds. Government health expenditure for that year amounted to 40.6% of the total, while out-of-pocket expenditure remained marginally higher at 48.2%. In states such as Uttar Pradesh, the out-of-pocket estimates were as high as 71.3%.

It has been recommended several times that government's health expenditure be raised from the existing 1.2% to 2.5% of GDP by 2025. The Survey states that Central and State governments' budgeted expenditure on the health sector reached 2.1 per cent of GDP in the budget estimates for 2022-23 and 2.2 per cent in the revised estimates for 2021-22, an increase from 1.6% in 2020-21.

Falling short of the target

Under the Health Ministry's largest cashless health insurance scheme -- the Ayushman Bharat Jan Arogya Yojana -- approximately 21.9 crore beneficiaries have been verified, including 3 crore beneficiaries verified using State IT systems. This is less than 50% of the originally targeted

approximately 50 crore beneficiaries under the scheme. “As of January 4, approximately 4.3 crore hospital admissions, amounting to ₹50,409 crore, have also been authorised under the Scheme through a network of over 26,055 hospitals,” the Survey added..

As on January 10, over 31.11 crore digital health IDs have been created and the health records of over 7.52 crore people have been linked with the IDs. Nearly two lakh facilities have been verified on the health facility registry and over 1.23 lakh healthcare professionals have been verified on the healthcare professional registry.

The Economic Survey also states that the rate of overweight children under 5 years has gone up from 2.1% in 2015-16 to 3.4% in 2019-21 according to the National Family Health Survey. Similarly, the number of women who are overweight or obese has increased from 20.6% to 24%, while the number of men who are overweight has gone up from 18.9% to 22.9%.



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Post-pandemic, dropout rates worsened in primary and upper primary classes, reversing the gains seen before COVID-19 lockdowns closed schools across the country

January 31, 2023 07:50 pm | Updated February 01, 2023 02:04 am IST

JAGRITI CHANDRA

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While the expenditure on social services increased from ₹9,15,500 crore to ₹21,32,059 crore, the share of education within this umbrella category shrank from 42.8% to 35.5% between the financial years 2015-2016 and 2022-2023. File | Photo Credit: The Hindu

The budgetary allocation for education as a percentage of total expenditure has dropped over the past seven years, from 10.4% to 9.5%, according to the Economic Survey 2022-23.



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growth in spending on health and other

measures due to the COVID-19 pandemic. The share of education in total expenditure declined from 10.7% in 2019-2020 to 9.1% in the first COVID year and remained stagnant in the following year, before being raised to 9.5% in the budgetary estimates for 2022-2023.

As a share of total GDP, the budgetary allocation for education saw only a minimal gain of 0.1 percentage points, from 2.8% to 2.9% during the same seven year period.

COVID worsens dropout rates

Though school dropout rates have improved since 2013-2014, there has been some reversal of gains since COVID-19, especially in the younger classes. I

n 2019-2020, the total dropout rate in primary school was 1.5%, which fell to 0.8% in 2020-2021, but rose back to 1.5% in 2021-2022. However, this is significantly better than the 4.7% dropout rate in 2013-2014. In upper primary classes, the dropout rate fell from 2.6% in 2019-2020 to 2.3% the following year, but rose to 3% in 2021-2022, only marginally lower than the 3.1% level seen in 2013-2014. In the secondary classes, however, the situation has steadily improved, with the dropout rate falling from 16.1% in 2019-2020 to 14% the following year and 12.6% last year.

Between 2013-2014 and 2021-2022, the total number of schools declined from 15.2 lakh to 14.9 lakh, with primary and upper primary schools seeing a reduction of one lakh schools to 11.9 lakh, though the number of secondary and senior secondary schools rose by 60,000 to a total of 2.3 lakh.

Higher education enrolment up

As far as higher education is concerned, the number of medical colleges in the country increased from 387 in 2014 to 648 in 2022, and the number of MBBS seats have increased from 51,348 to 96,077, although the report did not provide data segregated for public and private medical



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