

Budget Allocation for health lacks spirited leadership - Center for Health & Social Justice

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The FM presented his fifth consecutive budget and congratulated his Government (and himself) for an 'absorbing and inspiring tale' of growth over the last four years where the average annual growth was 8.8% over this entire period. He was emphatic that this year's budget 'was about raising sights and doing more and doing better'. It is interesting to review the budget provisions for health in the light of these claims of growth and raising sights 'to do better'. The overall health budget has been raised by 15% to a little over Rs16,500 crore. This seems like an impressive amount but it pales into insignificance before the overall promise made in the CMP of raising overall public sector expenditure in health from less than 1% to 2 – 3% within the current UPA dispensation. While it is agreed that a bulk of the public expenditure in health is from state governments, national government has clearly failed to lead and this is the last year of this regime. The failure of the national government to show any spirited leadership in increasing public spending in health is clear when one analyses the figures a little closely and sees the changes over time and against benchmarks. Let us take the increase in health budget over the last three years – increase was 22% between 2006 and 2005; 15% between 2007 and 2006 and again its 15% between 2008 and 2007. In actual terms there has been no additional investment in health; proportion of increase is less by 50% than in 2006. This level of cautiously incremental budget in the health sector has to be seen against the robust 8.8% overall economic growth and the fact that India globally ranks among the lowest where state spending in health (as a proportion of GDP) is concerned. Coming to discrete health related allocations, it is a good sign that the polio programme gets roughly 20% less than last year, and that HIV-AIDS budget remains substantially the same. What is worrisome is that the NRHM budget, which forms the core of the public health programmes has increased far less than what had been cleared by the cabinet in the NRHM implementation framework. This comparison of what had been foreseen as the central contribution to NRHM and what has been the actual contribution of the central government over the last years, provides a glaring example of lack of leadership by the central

government in the area of public health. In 2006 – 07 this deviation between projected contribution and actual contribution was 13.6% (less), the difference increased to 19.5% in 2006 –07 and to a whopping 30.3% this year. This sector must be strengthened if India has to meet at least three of its MDG indicators (infant mortality, maternal mortality and HIV, TB and Malaria). The Rashtriya Swasthya Bima Yojana that has been proposed in this year's budget is a welcome move for health insurance for the unorganized sector. However it also seems like a re-incarnation of the Universal Health Insurance Scheme launched earlier that had remained a non-starter and it must be seen how this scheme is actually implemented. The recognition of the needs of the elderly through the National Programme for the Elderly is also a welcome beginning. Abhijit Das, director, Centre for Health and Social Justice and clinical assistant professor, School of Public Health and Community Medicine, University of Washington Seattle