



# India Interim Budget 2024

## Point of view

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## Healthcare

### Key announcements for the sector

The Interim Budget 2024-25 allocated INR 90,171 Cr to the Ministry of Health and Family Welfare, / a hike of 12.5 per cent over INR. 80,517.62 Cr. (revised estimates) over the previous fiscal. This allocation will continue to drive an increase in central sector expenditure to continue building sustainable healthcare infrastructure and system preparedness in the country.

Under the budget for Ministry of health and family welfare, INR. 87,656.90 Cr. has been allocated to the Department of Health and Family Welfare while about INR. 3,001.73 Cr. To the Department of Health Research. This allocation includes a capital budget allocation of INR. 4,352.48 Cr.

An additional INR. 3,712.49 Cr have been allocated to the Ministry of AYUSH, which is up from Rs. 3,000 Cr, in the previous fiscal.

In line with the government's continuous efforts for overall health system strengthening, the following announcements were made in the interim budget:

- The government aims to establish additional medical colleges using existing hospital facilities across various departments. It was proposed that a dedicated committee will be formed to assess the challenges and provide suitable recommendations.
- The government is advocating for the vaccination of girls aged 9 to 14 to prevent cervical cancer.
- An integrated program will consolidate various maternal and childcare schemes, enhancing synergy in implementation.
- The enhancement of Anganwadi centers under "Saksham Anganwadi and Poshan 2.0" will be fast-tracked, focusing on improved nutrition delivery and early childhood care and development.
- The U-WIN platform, designed for efficient immunization management, along with intensified efforts from Mission Indradanush, will be swiftly implemented nationwide.
- Healthcare coverage under the Ayushman Bharat scheme will be extended to ASHA workers, Anganwadi workers and helpers.
- The allocation for Ayushman Bharat – PMJAY, the largest health assurance scheme in the world, is increased from INR 7,200 Cr in budget estimates of 2023- 2024 to INR 7,500 Cr in budget estimates for 2024- 2025.

# Implications for the sector

- The announcement to extend healthcare coverage under the Ayushman Bharat-PMJAY scheme to ASHA workers, Anganwadi workers and helpers is a significant step towards recognizing and supporting the frontline health workers who play a pivotal role in the grassroots delivery of health services and childcare.. Ayushman Bharat PM-JAY is the largest health assurance scheme in the world which provides health cover of Rs. 5 lakhs per family per year for secondary and tertiary care hospitalization. The scheme currently covers approximately 55 crore beneficiaries, that form the bottom 40% income group of the Indian population. By including the frontline health workers in the AB-PMJAY scheme, the government is taking a step to acknowledge their contribution and risks, in ensuring they have access to healthcare services.
- The announcement to increase medical colleges shows the government's focus on augmenting the healthcare workforce capacity in the nation. This will attempt to address the longstanding issue of shortage of doctors and healthcare personnel resulting in reduced doctor-patient ratios. The government will be expanding the network of medical colleges leveraging existing hospital facilities, utilising programmes for augmenting healthcare infrastructure such as PM-ABHIM, 15<sup>th</sup> Finance Commission, and PMSSY. Currently, India has an annual intake of nearly one lakh MBBS seats, across 543 medical colleges across public and private sector, that are recognized by the National Medical Commission.
- Cervical cancer is a leading cause of deaths among women and the cost of vaccination remains high in India as it is available in mainly private healthcare facilities. The initiative bringing focus on cervical cancer prevention through vaccination signals a commitment to improving women's health. This is likely to reduce the disease burden of the preventable disease and in the long run it has the potential to reduce healthcare costs.
- The reporting and management of various programmes under RMNCH+A domain in the public healthcare sector is fragmented. Consolidating the maternal and childcare schemes could foster synergy among the programs which is likely to enhance programme efficiency through streamlined services, improve health outcomes for mothers and children, and simplify administrative processes allowing resources to be directed towards healthcare service delivery.
- Fast-tracking of Anganwadi Centers under the Saksham Anganwadi and Poshan 2.0 scheme signifies a multi-dimensional approach for tackling malnutrition and promoting women and child well-being at a national scale. This is a step towards achieving the targets laid under Sustainable Development Goals (SDGs), particularly SDG 2: Zero Hunger and SDG 3: good health and well-being. With better focus on nutritional services for children and young adolescents at an early stage, we will be able to create a Triple Dividend, thereby improving the health and wellbeing of current adolescents throughout their lifetime, and of future generations.
- Swift implementation of the U-WIN platform and Mission Indradhanush indicates a proactive stance on immunization. This could lead to improved herd immunity and is likely to reduce the prevalence of vaccine-preventable diseases building resilience for future health emergencies.

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