

Jan Swasthya Abhiyan

(Peoples Health Movement – India)

Health for All - Now!

Health is a Basic Human Right!

02 Feb 2023

Subject: Press Release for Publication on Union Health Budget 2023-24

Dear Editor,

Please see the enclosed press release for publication from the Jan Swasthya Abhiyan, a network of various peoples organisations across India working on people's health issues. Kindly request you to consider this with priority.

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Thanks and Best regards,

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Jan Swasthya Abhiyan (JSA) press statement on Union Health Budget 2023-24

Union Health Budget falls again!

National Health Mission (NHM) and Health Research neglected! Pradhan Mantri Jan Arogya Yojana (PMJAY) continues to be promoted despite low utilisation!

While the Central Government claims that “India has emerged a shining star”, “showing signs of robust viability”, we find that the Union Budget allocations for the health sector have declined further, making it the second year in a row to have witnessed sharp budgetary cuts in crucial health schemes. Last year's budget had seen a decline of about 7% in real terms and this year's budget has also declined. Allocations for health and related programs reduced in real terms in the budget 2023-24 by 2% compared to the Budget Estimate of 2022-23.

Jan Swasthya Abhiyan (JSA), a people's health network, condemns the inadequacies in the Union Health Budget, and in budgets for allied sectors for health, in the strongest possible terms. Given that the people had faced a very difficult period during the COVID-19 pandemic, with inadequate health facilities and under-resourced public health system, JSA has been demanding that concrete measures be taken to improve the dilapidated health system and that allocations for crucial schemes be increased significantly. However, all demands have fallen on deaf ears.

Oppose cuts in overall allocations for Health and allied sectors!

If we look at the Union Health Ministry's total budget (including Ministry of AYUSH), the allocations have been increased from Rs 89,251 crores (2022-23 Budget Estimate) to Rs 92803 crores (2022-23 BE), that is a increase of Rs 3552 crores only. If we adjust for the effect of inflation this means a decline of 2% in real terms. As percent of GDP, Union **government allocation to health has declined from 0.37% to 0.31% between 2021-22 Actual Expenditure and 2023-24 BE**. This also means that the Union Government has reduced its priority towards the health sector - **share of health in the total budget has declined from 2.26% to 2.06% compared to previous year**.

It is further worrying to note that whatever resources were allocated in the previous budget (BE2022-23) has been cut further in the Revised Estimate of 2022-23. **The Ministry of Health and Family Welfare's allocation has been cut from INR 86200 crores (2022-23 BE) to INR 79145 crores (2022-23 RE)- this means a whopping 8% decline in nominal terms**. We need to take serious note of this cutback as this shows complete lack of willingness on part of the Union government to take care of the health of the common people! As per the RE Union Government health spending stands at only 0.3% of GDP and less than 2% of the Union Budget. We need to resist and revise such severe cuts!

Cuts in National Health Mission allocations are unacceptable!

One of the most crucial flagship schemes which has been performing relatively better and contributed to improvements in health of mothers and children is the National Health Mission. However, since 2019-20, NHM allocations have declined in real terms. **In the year 2022-23 allocation on NHM was Rs. 37,159 crores, but now allocation for NHM in 2023-24 is only Rs. 36785 crores** which is not only a decline of 374 crores in nominal terms, **in real terms this is actually a cut of INR 1438 crores**. Furthermore, a large part of the resources allocated on NHM are not being spent or transferred on a timely basis to the states- there is considerable decline in actual expenditure and revised estimates compared to previous year. This means that essential services provided under NHM in 2020-21 cannot be provided anymore with current limited resources. It was essential that the government undertake

special efforts to ensure safe motherhood, universal vaccination and expand various disease control programs to catch up with the loss during the pandemic, but this major need has been ignored. The NHM budget shows that there will be considerable reduction for the urban health initiatives as well.

Most worrying is that the Ayushman Bharat- Health and Wellness Centres which was announced with such fanfare a few years back has entirely disappeared from the budget lines! The deadline for creating 150,000 HWCs was December 2022- but this has gone without comment. A substantial increase in budget was required to achieve this target which is unlikely to be materialising!

Scrap wasteful and ineffective PMJAY!

It has been clearly seen during the COVID-19 pandemic Pradhan Mantri Jan Arogya Yojana (PMJAY) abysmally failed in providing access to healthcare services to the poor and deprived sections during COVID-19. Moreover, during COVID-19, a significant drop in insurance claims was seen. **Amount allocated for PMJAY in Budget Estimates 2021-22 was Rs. 6400 crore, but in actual terms only INR 3115 crores have been spent!** Despite massive failures, the government is continuing large and wasteful allocations for this scheme and allocation has been further increased to INR7200 crores. It is significant to note that 75% of payments under PMJAY, has been to the private sector which proves that schemes like PMJAY divert government money to the private sector. The government should immediately scrap PMJAY and instead use these resources to strengthen the public health system.

We also note that the budget provides for INR3846 crores for medical treatment of pensioners under the CGHS scheme and another INR2200 crores for the CGHS scheme. These are substantial increases for the health care of the privileged and increasingly most of these funds are spent through private providers. Thus what the Union government spends on insurance is now INR13,246 crores!

High Privileges for Bureaucrats and MPs must be Checked!

The bureaucrats and members of parliament continue to assure for themselves a very robust share of the health budget for their own privilege. This Rs 6066.24 crores for the 42.38 lakh beneficiaries amounts to Rs 14314 per beneficiary contribution by the Union budget in sharp contrast to Rs 86737 crores (92803 crores - 6066 crores) for the general population which works out to a mere Rs 620 per capita. And even if we add the state health budgets which would add up to is about Rs 340,000 crores then the per capita expenditure works out to Rs 2460 per capita and this is only a sixth of what is spent on honourable bureaucrats and MPs.

Allocations for Nutrition, Women's Health and Protection continue to be neglected!

While cut in NHM allocations directly impacts the programmes on reproductive and child health care, there are other critical elements related to women's health that got neglected under the current budget. In the Union budget 2023-24 **there has been a decline in allocations for SAMARTHYA scheme** which includes schemes such as the Pradhan Mantri Matru Vandana Yojana which is an important scheme for pregnant women **by INR 41 crores. The allocations have decreased from INR 2622 crores in 2022-23 to INR 2582 crores in 2023-24.**

Allocations for Saksham Anganwadi and POSHAN 2.0 have increased only marginally by Rs. 291 crore. In real terms this means a decline of 4.3%. This scheme includes important components such as Anganwadi Services, Poshan Abhiyan, Scheme for Adolescent Girls, National Creche Scheme. Though the government has tried to rebrand the ICDS program, allocations have been cut systematically. In real terms allocations towards ICDS related components of the scheme remain lesser than what was spent back in 2014-15.

The allocation for SAMBAL scheme, an important scheme for women's protection, remains stagnant at INR 562 crore in 2023-24 budget, and means an effective decline in real terms.

Mental Health continues to be neglected despite tall claims!

Though the Honourable Finance Minister had announced a special National Tele Mental Health Program in the last budget, the existing National Mental Health Programs (NMHP) and various Union Government funded institutions continue to face neglect. **The NMHP has received a measly allocation of INR 40 crores- which continues to be the same since 2019-20. This amounts to spending just 30 paise per person per year, for the NMHP!** Furthermore, even these allotted funds remain largely underspent; Actual Expenditure in 2021-22 was just Rs. 20.46 crores. In absence of adequate support for the Mental health programme on the ground telemental health initiatives remain limited to better off sections of the society. Even after many years of its inception of NMHP there remain huge gaps in human resources. Trying to fill those major gaps in services just by relying on a tele-medicine program will invariably mean that a large section of the society would continue to be deprived of quality mental health care.

Ayushman Bharat Digital Mission is unable to spend the allocated budget, yet allocation increased by 70%

Like last year, one of the biggest gains in allocations has been received by the Ayushman Bharat Digital Health Mission - from INR 200 crores allocated in the previous year, ABDM budget has increased to INR 341 crores for 2023-24, almost 70% increase in one year. Even though a large part of the budget allocated last year is unlikely to be spent. Government's fascination to create electronic health records in the middle of a pandemic, while neglecting the actual public healthcare delivery system, raises serious doubts about the main intentions of the program. **It is highly likely that this scheme is going to benefit the big IT companies and commercial health insurance companies while the safety and security of personal information remain doubtful.** Moreover, contrary to the government's claim to provide greater choice to patients through private sector information, registration of private entities has not succeeded and thus the main objective remains defeated!

Indian Council of Medical Research (ICMR) Budget has been cut!

The recent COVID crisis also raises questions on the extent of emphasis being laid on research in the health sector. The allocation for the Department of Health Research has been a meagre 3% of the total budget of health. In the year 2020-21 Actual expenditure on health research was 3.8% of the health budget, which declined to 3.1% in the current budget. Furthermore, **ICMR, which has led several research initiatives during the pandemic including vaccines, has received a cut. In the 2021-22 Budget ICMR had been allocated INR 2358 crores. Previous year (2022-23BE) allocation has been cut to INR 2198 crores- a 17% decline in real terms.** This year allocation has been increased to INR2359crores, the same as 2021-22. Moreover, actual expenditure remains much lower at INR1841 crores. This is going to affect funding of several health research institutes who depend on ICMR funding.

Sharp Unexplained Budget Cut for Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)

There is a sharp budget cut for PMSSY, a scheme which envisages creation of tertiary healthcare capacity in medical education, research and clinical care, in the underserved areas of the country through setting up of All India Institute of Medical Sciences (AIIMS) and up-gradation of existing Government Medical Colleges/Institutions. The budgetary allocation has come down from INR 10,000 crores in 2022-23 to INR 3,365 crores in 2023-24.

Water, Sanitation and Hygiene Budget: Fall in real terms!

The Swachh Bharat Mission (Grameen) has maintained the same as Rs 7192 crores compared to last year's budget- this means a cut in real spending! Moreover, revised estimates for last year were slashed down to Rs 5000 crores! The AMRUT and Smart City Mission has been merged and the combined allocation has a meagre increase of Rs 700 crores compared to the revised estimates for 2022-23. While the AMRUT had a focal segment for the urban poor, we are not sure if the same will continue if these schemes are seen together. Overall, this very important sector for public health, despite having two of the flagship schemes of the Modi Government, is not showing significant prioritisation by the government as part of the current union budget, especially when the nuances of the outcome budgets are seen.

Further, there is no provision in the Budget to revive public sector pharma and vaccine manufacturing units! Also medicines being essential life saving commodities should have been put under lower GST rates to protect people from increasing medicine prices! The Union Budget fails to provide much needed relief!

To conclude, the Union Health budget 2023-24 falls flat because it has completely overlooked the lessons of the Covid-19 epidemic and fails to allocate much-needed increases in allocations for public health system strengthening, the major National Health Mission programme, services for women and children, Mental health programme, and essential Health research and the very important allied sectors. It seems that to cover up these multifaceted failures, the presentation of data in the current health budget has been made deliberately opaque and difficult to compare with earlier years. Jan Swasthya Abhiyan calls upon people of this country as well as Parliament to oppose this betrayal and demand essential, much higher allocations for public health which are essential to ensure adequate healthcare for all of us.