

BUDGET INSIGHTS

VOL 1/ISSUE 3

Trends in Finances for the Department of
Health and Family Welfare

Sharad Pandey, Avani Kapur, and Laavanya Tamang

29 July 2024

KEY HIGHLIGHTS



In FY 24-25 Budget Estimates (BEs), Government of India (GoI) allocated ₹90,959 crore to the Ministry of Health and Family Welfare (MoHFW). This was ₹10,441 crore (13 per cent) more than the Revised Estimates (REs) of the previous year, and 2 per cent more than the BEs. In FY 23-24, there was a shortfall of ₹12,094 crore between the Ministry's demand and REs.



India's health spending (including water and sanitation) is among the lowest globally, at 1-2 per cent of GDP, with the Union share at just 0.28 per cent in FY 24-25.



National Health Mission (NHM) is the largest scheme with ₹37,719 crore allocated in FY 24-25, a 13 per cent increase over REs for FY 23-24.



Within NHM, expenditures have been consistently lower than allocations for Human Resources for Health and Medical Education. In FY 22-23, actual expenditure was 48 per cent of the total allocations, while it is expected to further decline to 23 per cent in FY 23-24.

KEY POLICY ANNOUNCEMENTS



The Interim Budget Speech FY 24-25 expanded health cover under Ayushman Bharat scheme to all ASHA workers, Anganwadi Workers and Helpers¹.



Following the FY 24-25 interim budget announcement on plans to set up more medical colleges by utilising existing hospital infrastructure under various departments², a committee has been formed to recommend the establishment of new medical colleges by utilising existing hospital infrastructure³.



The interim budget emphasised Viksit Bharat. The full budget extends this focus with sustained efforts across nine key priorities, including achieving comprehensive social justice through a saturation approach, with all eligible individuals benefitting from education and health programmes⁴.

Suggested citation

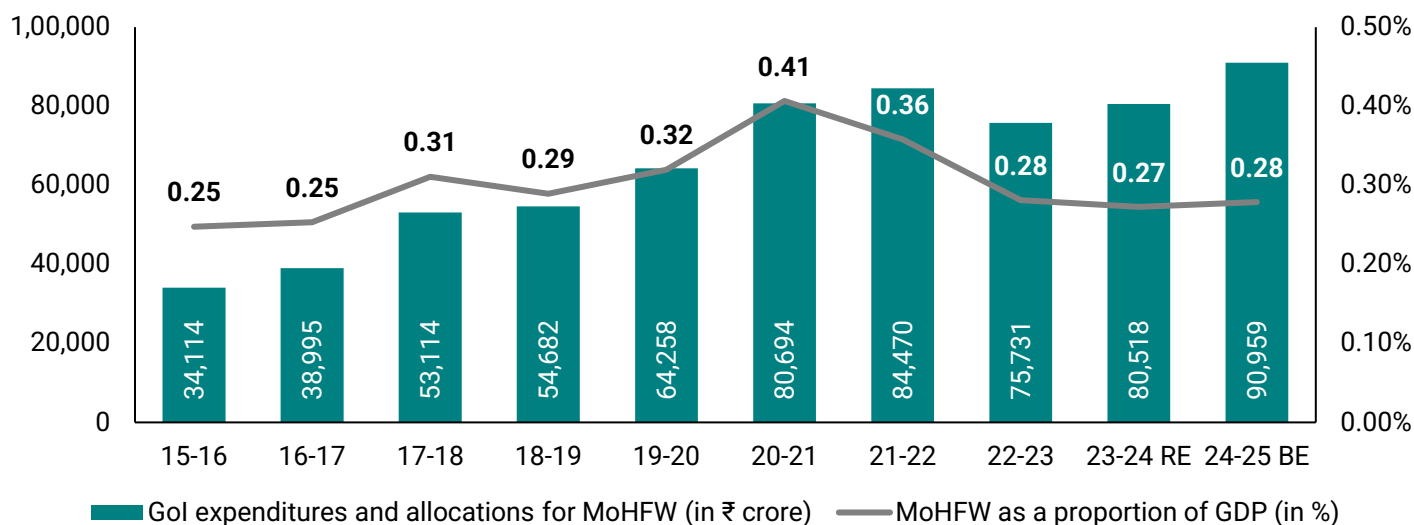
Pandey, S., Kapur, A., and Tamang, L. (2024), Trends in Finances for the Department of Health and Family Welfare, *Budget Insights 2024-25*, Volume 1, Issue 3, Foundation for Responsive Governance, New Delhi. 29 July 2024.

OVERVIEW

Health is primarily a state subject, but the governance of health and healthcare related activities involves all three tiers i.e., Union, states, and local bodies in India. Over the years, the Government of India (GoI) has played an increasing role in healthcare through Centrally Sponsored Schemes (CSSs) like the National Health Mission (NHM) and Other Central Sector Expenditures like Autonomous Bodies. This brief looks into the trends in the Union's financing for health.

- For FY 24-25 Budget Estimates (BEs), allocations for the Ministry of Health and Family Welfare (MoHFW) stood at ₹90,959 crore. This is ₹10,441 crore or 13 per cent more than the Revised Estimates (REs) of the previous year and 2 per cent more than the BEs.
- India has been one of the countries with the lowest health expenditures as a share of Gross Domestic Product (GDP). A majority of the funding on health comes from states, with the Union share being only 0.30 per cent on average.
- In FY 15-16, the GoI spent 0.25 per cent of GDP on health, which rose to 0.41 per cent in FY 20-21. This increase was driven by COVID-related expenditure. This proportion, however, declined to 0.27 per cent in FY 23-24 REs, and is estimated to be 0.28 per cent of GDP in FY 24-25 BEs.

Figure 1: GoI Allocations and Expenditure for MoHFW and Share in GDP

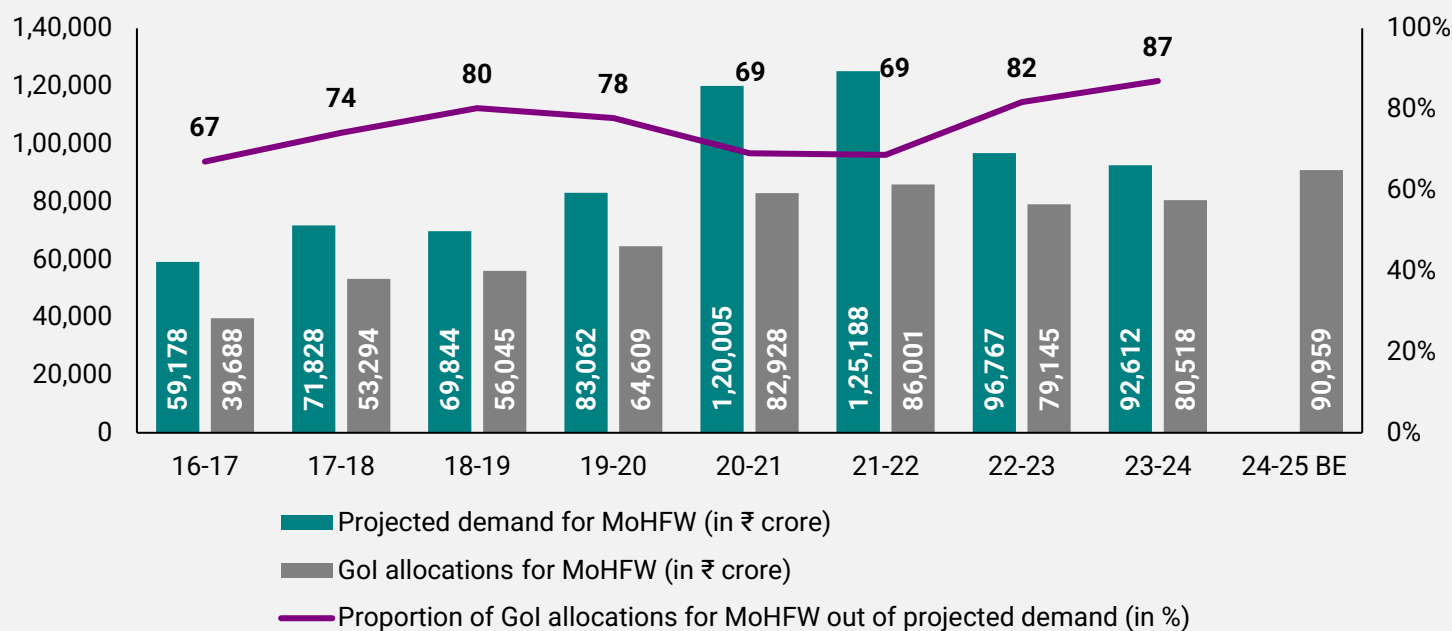


Source: (1) Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. (2) Annual and Quarterly Estimates of GDP at current prices, 2011-12 series, MoSPI. Available online at: <https://www.mospi.gov.in/data>. Last accessed on 25 July 2024.

Note: Figures are in crores of rupees and are Actuals between FY 15-16 and FY 22-23, REs for FY 23-24 and BEs for FY 24-25.

- Every year, Department-related Parliamentary Standing Committees are responsible for analysing the Demand for Grants of different Ministries and makes recommendations on budgets, policy priorities and key issues in the sector. These Department-related standing committees also look at the projected demand raised by the Ministries.

Figure 2: Proportion of MoHFW Allocations out of Projected Demand



Source: (1) Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>.
 (2) Projected demand from Rajya Sabha Department Related Standing Committees reports. Available online at: <https://sansad.in/rs/committees/departmentally-related-standing-committees>. Last accessed on 25 July 2024.
Note: Figures are in crores of Rupees and are REs, except for FY 24-25 which are BEs.

- A comparison between projected demand by the MoHFW and allocations suggests gaps in funding. Despite the onset of COVID-19, the gap between projected demand and allocations was significant with only 69 per cent of the projected demand allocated in FY 20-21 and FY 21-22.
- In recent years, however, the gap between projected demand and Gol’s allocation has been declining, but there is still a shortfall between what is requested and what is allocated. For instance, in FY 23-24 REs, Gol allocations were 87 per cent of the projected demand of ₹92,612 crore, indicating a shortfall of ₹12,094 crore.
- The 143rd Demand for Grants for DoHFW Report by the Parliamentary Standing Committee in 2023⁵ observed that between FY 18-19 and FY 22-23, not only have the budgetary allocations always been less than the projected Demands for Grants for DoHFW but even projected additional demands for funds at REs stage, were not all approved.

HOW DOES THE MoHFW ALLOCATE?

- MoHFW is responsible for formulating India’s health policy. It manages medical and public health, drug control, and food safety, implements population stabilisation programs, and promotes health technologies through research, integrating innovations into the public health system. Further, it provides administrative and financial support to states to implement key schemes and operate health facilities. It also establishes and runs national medical Institutes such as the All-India Institute of Medical Sciences (AIIMS).

- MoHFW consists of two departments:



Department of Health and Family Welfare (DoHFW)

DoHFW responsible for the implementation of public health schemes (like National Health Mission) and regulating medical education and administering autonomous bodies like AIIMS etc.



Department of Health Research (DoHR)

DoHR responsible for conducting medical research and also for administering the Indian Council for Medical Research (ICMR).

- In the FY 24-25 BEs, allocations for DoHFW increased by 13 per cent from FY 23-24 REs and by 15 per cent from FY 22-23 REs. Allocations for DHR increased by 14 per cent and 19 per cent over the same period.
- In the next section of the brief, we have examined DoHFW trends, as it accounts for more than 95 per cent of the total MoHFW allocation over the past decade. For FY 24-25 BEs, it accounted for 96 per cent of the MoHFW budget.

Table 1: GoI Allocations for DoHFW and DoHR

	GoI allocations for DoHFW (in ₹ crore)	GoI allocations for DoHR (in ₹ crore)
14-15	29,042	932
15-16	32,819	1,013
16-17	38,343	1,345
17-18	51,551	1,743
18-19	54,303	1,743
19-20	62,659	1,950
20-21	78,866	4,062
21-22	82,921	3,080
22-23	76,370	2,775
23-24	77,625	2,893
24-25 BE	87,657	3,302

Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are REs, except for FY 24-25 which are BEs.

- Utilisation of funds by GoI in other words, releases for the Department has been high, averaging 99 per cent over the past nine years.
- However, there are last minute rush to spend funds. The 154th Report on Action Taken for DoHFW by the Parliamentary Standing Committee in 2024⁶ observed that 23 per cent of the funds were spent in the final month of FY 22-23, i.e. March 2023.

- DoHFW spending has been classified into four components:



Establishment Expenditure (EE)

are the costs incurred for the maintenance and operation of government offices and institutions.



Central Sector Schemes (CSs)

are formulated and fully funded, designed, planned, and implemented by GoI, based on subjects from the Union List.



Centrally Sponsored Schemes (CSSs)

are schemes such as the National Health Mission (NHM) implemented by state governments but largely funded by the GoI, with a specified contribution from the states. For larger states the fund sharing ratio is 60:40 while for northeastern and hilly states it is 90:10.

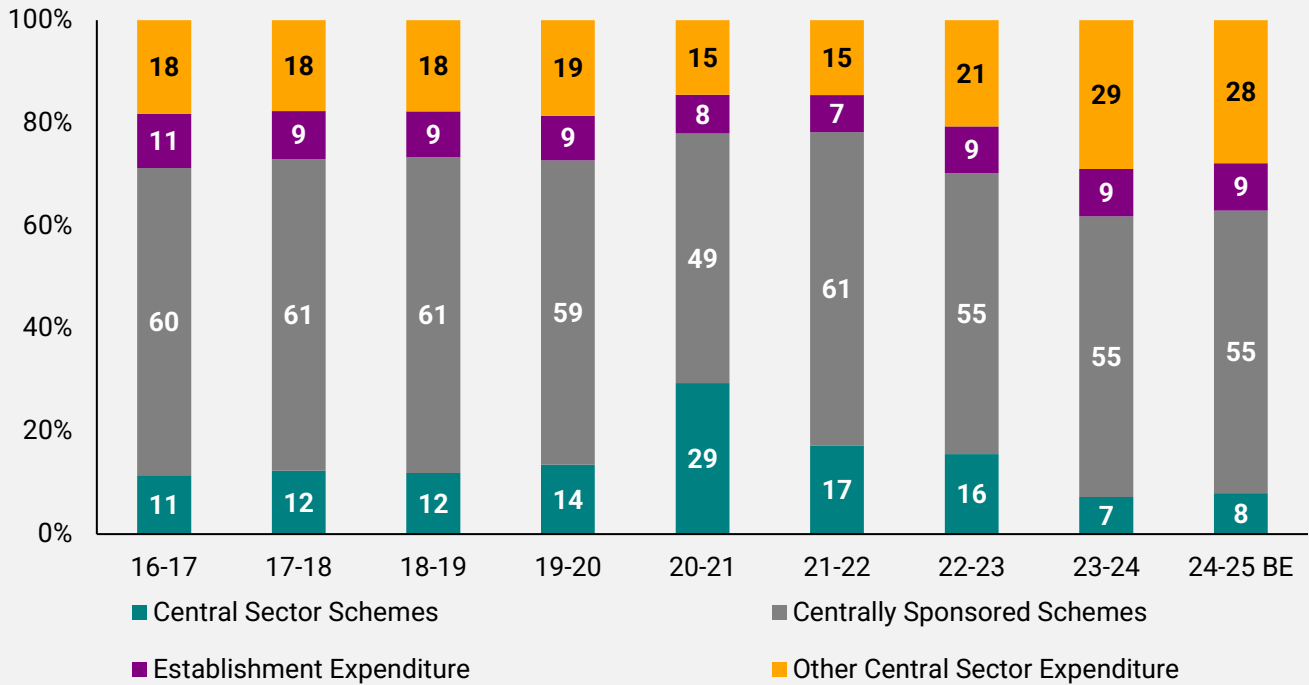


Other Central Sector Expenditure (OCE)

are centrally funded and implemented schemes. This consist of specific initiatives, projects managed by autonomous bodies, central agencies, and spending on statutory bodies, and public sector undertakings.

- For DoHFW, the majority of the expenditure is directed towards CSSs. Between FY 16-17 and FY 23-24, approximately 57 per cent of the expenditure was allocated to CSSs, followed by 15 per cent to Central Sector Schemes (CSs), 19 per cent to Other Central Sector Expenditure (OCE), and 9 per cent to Establishment Expenditure.
- In FY 24-25 BEs, 55 per cent of the total DoHFW allocations is expected to be directed towards CSSs, same as previous year's REs. On the other hand, 28 per cent of the total DoHFW allocations expected to be allocated to OCE, which is 1 per cent less than the previous year's REs.
- Over the years, GoI's is choosing to spend directly through fully funded schemes and programs, i.e., CSs and Other Central Sector Expenditures, with their shares steadily increasing. In FY 16-17, these accounted for 30 per cent of the DoHFW allocations, which increased to 36 per cent in FY 22-23. Meanwhile, the share of CSSs, which is shared with states has declined during the same period.
- For FY 24-25 BEs, like previous years CSs and Other Central Sector Expenditures accounts for 36 per cent of DoHFW allocations.

Figure 3: Breakdown of DoHFW Allocations by Type (in %)



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are REs, except for FY 24-25 which are BEs.

- In addition to funding through these four mechanisms, the 15th Finance Commission recommended⁷ ₹70,051 crore as health grants to rural and urban local bodies from FY 21-22 to FY 25-26.
- Release and utilisation of funds to states under this has been slow. In FY 2021-22, ₹13,192 crore were allocated, of which ₹12,252 crore (93 per cent) were released. In FY 2022-23, the allocation was ₹8,895 crore, but only ₹3,309 crore (37 per cent) released. The allocation further declined to ₹4,000 crore in FY 2023-24 and is estimated to be ₹6,004 crore in FY 24-25 BEs.
- In fact, over the past four years, only ₹32,091 crore, or 46 per cent of the total recommended amount by the 15th Finance Commission, has been allocated⁸.

MAJOR AREAS OF ALLOCATIONS: KEY SCHEMES

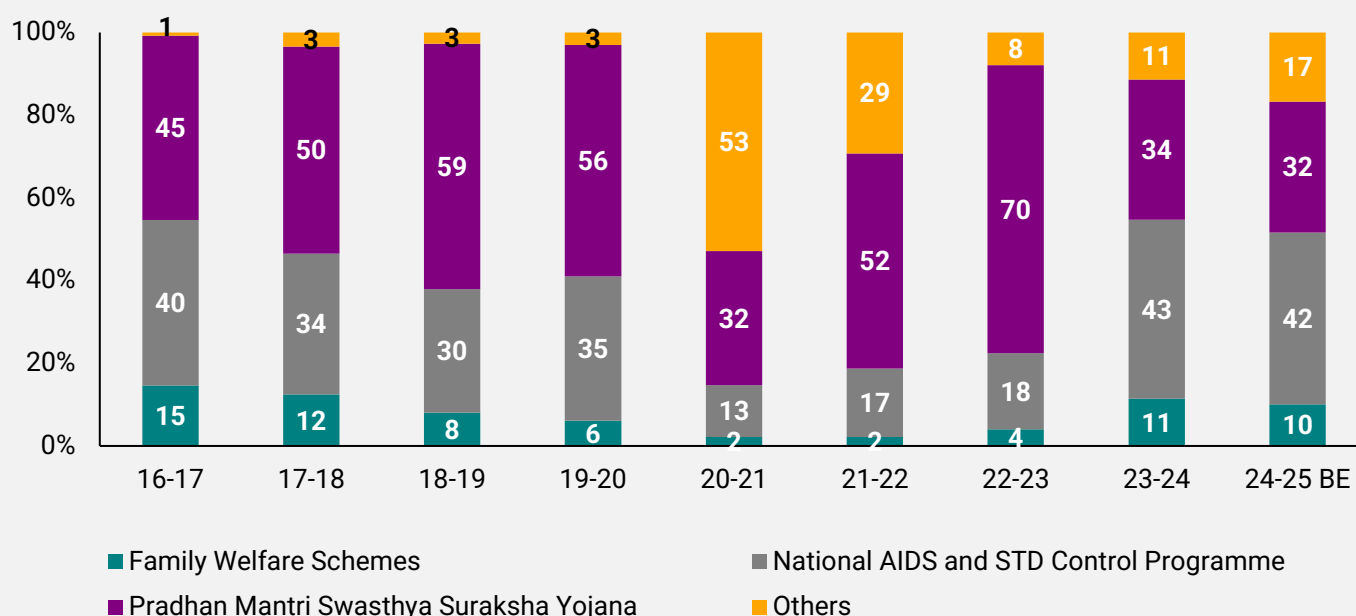
Central Sector Schemes (CS)

- In the last decade, the DoHFW has run 25 programs and schemes through CS Schemes. Of these, three accounted for 85 per cent of the total allocations, including Family Welfare Schemes, the National AIDS and STD Control Programme, and the Pradhan Mantri Sashay Suraksha Yojana.

DoHFW has three flagship CSs

- **Family Welfare Schemes** include Swastha Nagrik Abhiyan (SNA), Population Research Centres, health surveys and research, contraceptive procurement, and training for No Scalpel Vasectomy/Recanalisation techniques.
 - **National AIDS and STD Control Programme** initiative aimed at controlling the spread of HIV/AIDS and sexually transmitted diseases (STDs) across India. The program focuses on providing accessible and affordable healthcare services, promoting awareness and education, and implementing preventive measures to reduce the incidence and impact of HIV/AIDS and STDs in the country.
 - **Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)** focuses on correcting regional imbalances in the availability of affordable/reliable tertiary healthcare services and to also augment facilities for quality medical education in the country.
-
- In FY 24-25 BEs, it is expected that 42 per cent of the total CS allocations will be for the National AIDS and STD Control Programme, which is 1 percentage point less than the previous year's REs. Similarly, the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) and Family Welfare Schemes are expected to decline by 2 percentage and 1 percentage points, accounting for 32 per cent and 10 per cent of the CS allocations, respectively.
 - In contrast, other CS schemes are expected to increase by 6 percentage points, accounting for 17 per cent of the total CS allocations. This rise is primarily due to the COVID-19 pandemic, which led to an increase in externally aided programmes.
 - As a proportion of the total DoHFW budget, however these schemes are small. For instance, the National AIDS and STD Control Programme accounts for only 3.3 per cent of the total Department's budget and PMSSY for 2.5 per cent in FY 24-25 BEs.
 - Capital Outlay of PMSSY is spent on two components, viz. for the construction of new AIIMS and for up-gradation of existing Government Medical Colleges/Institutes.
 - During FY 22-23, the Ministry had expected that construction of new AIIMS in Bihar and Haryana would start, however, due to delay/ non availability of encumbrance free site, which is to be provided by the State Government, the work for these AIIMS could not commence in the financial year⁹.

Figure 4: Distribution of Central Sector Schemes Across Different Components (in %)



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are REs, except for FY 24-25 which are BEs.

Centrally Sponsored Schemes (CSS)

- In the last decade, NHM has been the largest CSS, followed by Pradhan Mantri Jan Arogya Yojana (PMJAY), Infrastructure Mission (PMABHIM), and 3 per cent for other schemes.

DoHFW has three flagship CSSs

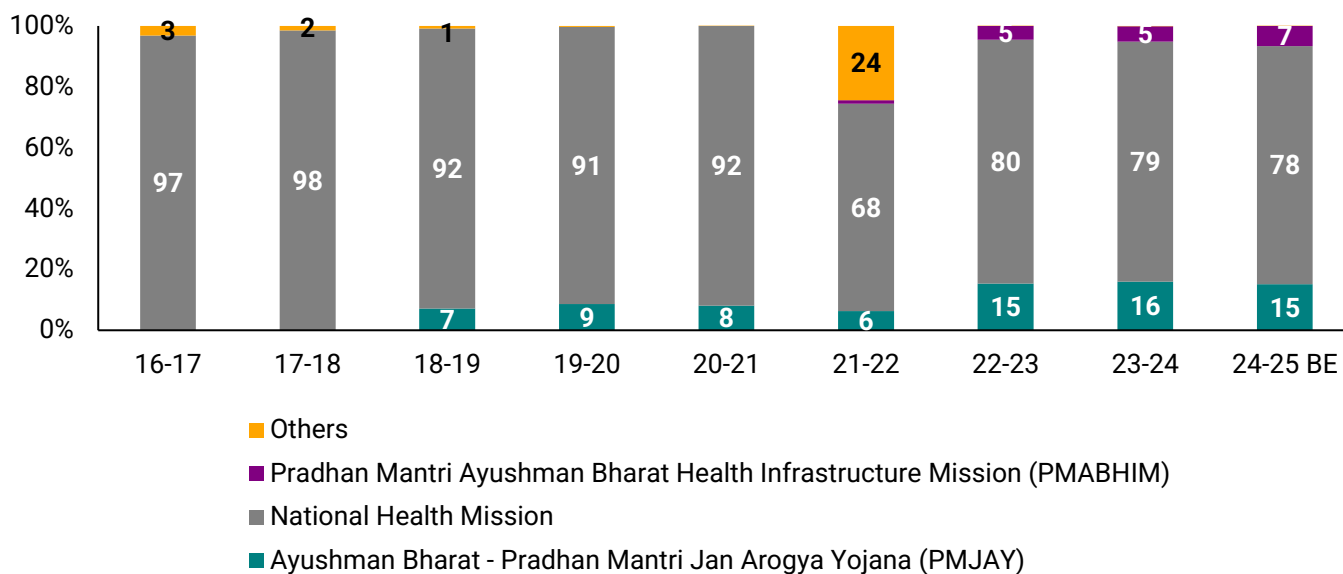
National Health Mission (NHM) is Government of India's (Gol's) largest public health programme, which aims to achieve universal access to quality healthcare.

Pradhan Mantri Jan Arogya Yojana (PMJAY) is a health assurance scheme which aims at providing a health cover of ₹5 lakhs per family per year for secondary and tertiary care hospitalisation.

Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM) focuses developing capacities of health systems and institutions across the continuum of care at all levels, primary, secondary and tertiary, to prepare health systems in responding effectively to the current and future pandemics/disasters.

- Looking at the relative share of allocations across different schemes gives an indication of changes in government priority areas for the year. In FY 24-25 BEs, NHM accounted for 78 per cent of total CSS allocations, down from 79 per cent the previous year's REs. Similarly, share of PMJAY also decreased marginally from 16 per cent to 15 per cent.
- In contrast, during the same time Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM) is expected to increase by 2 percentage points and account for 7 per cent of total allocations in FY 24-25 BEs.

Figure 5: Distribution of CSSs Across Different Components (in %)



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are REs, except for FY 24-25 which are BEs.

Other Central Sector Expenditure

- One of the major components of DoHFW is Other Central expenditure. In FY 24-25 BEs, it accounts for more than one-fourth of the department allocations. It has three sub-components Autonomous Bodies, Others, and Statutory Regulatory Bodies.

Components of Other CS expenditure

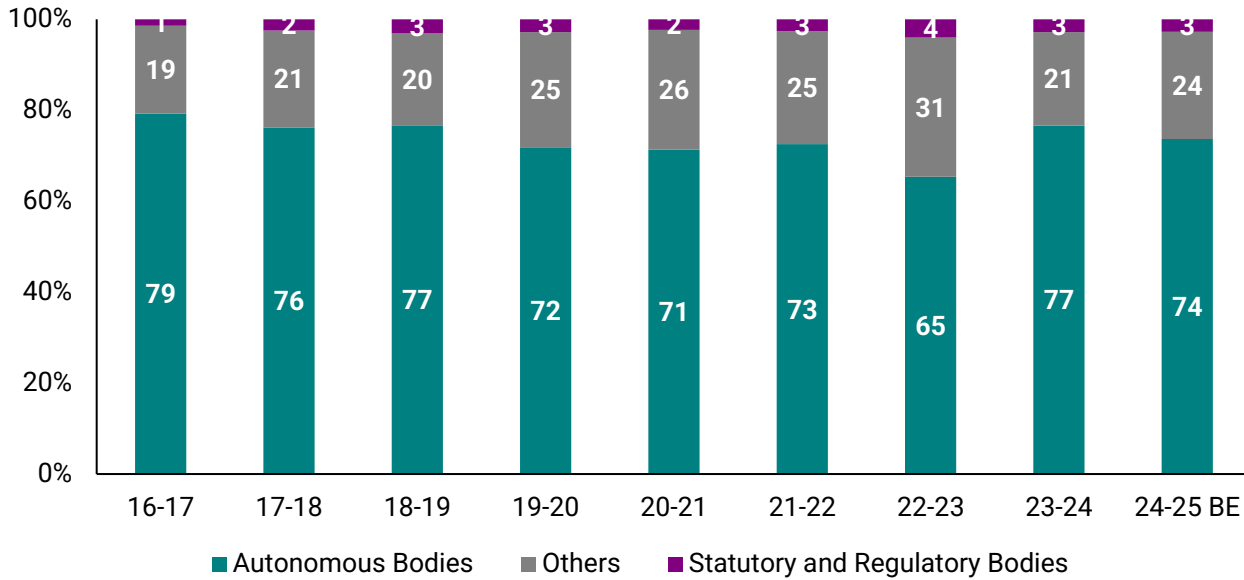
Autonomous Bodies are government-established organisations functions independently, in general funded by the government but with distinct administrative autonomy.

Others includes medical treatment for CGHS pensioners, procurement of drugs and equipment for government hospitals, contributions to international health organisations, and various non-scheme expenditures such as compensation for accident victims, National Centre for Disease Control Programme etc.

Statutory and Regulatory Bodies Statutory bodies are created by an Act of Parliament or State legislature. Regulatory bodies, often established by law, oversee sectors to enforce standards, and regulate food safety, healthcare education, pharmaceuticals, etc

- In FY 24-25 BEs, out of total Other Central Sector allocations, 74 per cent is towards Autonomous Bodies, 24 per cent towards Others, and 3 per cent towards Statutory and Regulatory Bodies.

Figure 6: Distribution of OCE Across Different Components (in %)



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are REs, except for FY 24-25 which are BEs.

DEEP DIVE INTO KEY SCHEMES

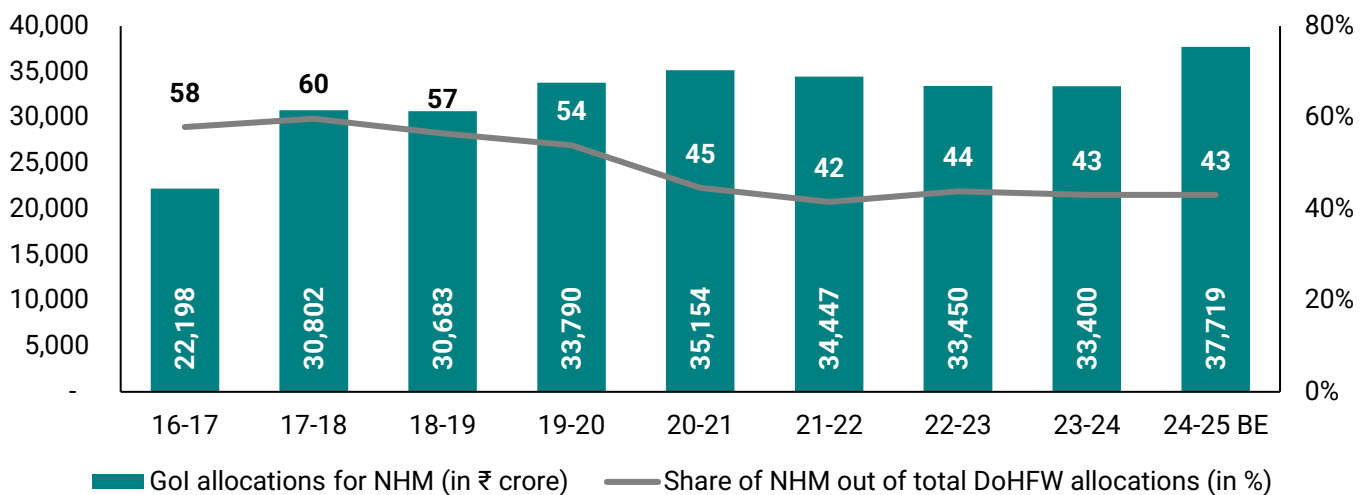
NATIONAL HEALTH MISSION

- Launched in May 2013, the National Health Mission (NHM) is Government of India’s (Gol’s) flagship scheme to achieve universal access to quality healthcare through strengthening health systems, institutions, and capabilities. NHM consists of the National Rural Health Mission (NRHM), the National Urban Health Mission (NUHM), Tertiary Care Programs Human Resources for Health and Medical Education, Strengthening of State Drug Regulatory System, and Senior Citizens Health Insurance Scheme.
- In FY 22-23, a sub-mission was launched called “Flexible Pool for RCH & Health System Strengthening, National Health Programme and National Urban Health Mission”. It subsumed the majority of NRHM and NUHM components. The remaining components such Infrastructure Maintenance (IM) and Strengthening National Programme Management of the NRHM are now separate components.
- In March 2021, the Cabinet approved the Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN), a non-lapsable reserve fund to collect proceeds from the 4 per cent health and education cess implemented since FY 18-19. The PMSSN funds the NHM.

Trends in Allocations and Expenditures

- NHM is the largest CSS within DoHFW, accounting for 43 per cent of the Department's allocations in FY 24-25 BEs. GoI allocated ₹37,719 crore for NHM¹⁰ for the year. This is a 13 per cent increase compared to the previous year's REs.
- Since FY 20-21, the share of NHM in Department's total allocations has declined due to increased allocations to other programmes. During COVID-19, significant funds were directed towards Emergency Response and Health System Preparedness, as well as the Pradhan Mantri Jan Arogya Yojana (PMJAY). Consequently, between FY 20-21 and FY 23-24, the share of allocations for NHM decreased.

Figure 7: DoHFW Allocations for NHM



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: (1) Figures are REs, except for FY 24-25 which are BEs. (2) NHM allocations include the Tertiary Care Programme and Strengthening the State Drug Regulatory System, which have been reported separately under CSS since FY 22-23. (3) NHM components reported under National Ayush Mission under Ministry of Ayush are not considered for the analysis.

- However, it is important to note that there are differences between the figures initially budgeted for and Actuals i.e expenditures.
- While actual expenditure for NMH has remained higher than allocations between FY 16-17 and FY 20-21, they were lower in FY 21-22, by ₹1,482 crores. Similarly, REs for FY 23-24 were lower than the BEs by ₹2,547 crores.
- While NHM's aim is to bridge the gap in rural healthcare services through a decentralised approach, the 143rd Demand for Grants for DoHFW Report by the Parliamentary Standing Committee in 2023 highlighted that stagnant allocations have hindered the Scheme's objectives. Despite maximum utilisation, budgetary allocations have not increased. Given NHM's crucial role in providing accessible, affordable, accountable, and effective healthcare, the Committee strongly recommended increasing the Scheme's total allocations¹¹.

Component-wise Allocations

NHM includes the following six major sub-components in the Union Budget:



Flexible Pool for RCH & Health System Strengthening, National Health Programme and National Urban Health Mission funds state-level decentralised planning and flexible programming. It focuses on vulnerable groups and community-based monitoring. It addresses rural health needs, such as controlling vector-borne diseases, TB, and leprosy, and supports urban healthcare for the urban poor and vulnerable populations.



Infrastructure Maintenance (IM) funds which are allotted across various programmatic divisions of NHM. These are primarily used for salaries of functionaries and capacity building.



Human Resources for Health and Medical Education funds the establishment of new medical colleges, upgrading district hospitals, strengthening nursing services, pharmacy schools, paramedical institutions, and increasing Under-Graduate & Post-Graduate seats in existing medical colleges. It is entirely funded by the Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN).



Tertiary Care Programme funds states to implement schemes such as Tobacco Control, National Mental Health Programme, Trauma Centres, Cancer and NCD Prevention, Elderly Healthcare, National Blindness Programme, and Telemedicine. Since FY 22-23, this has been accounted for separately in the budget and are not shown as part of NHM.



Strengthening National Programme Management of the NRHM mainly supports National Health Systems Resource Centre, National Programme Management, operational research, and technical support from other institutions.



Others includes strengthening the State Drug Regulatory System with financial assistance to states and UTs, and the Senior Citizen Health Insurance Scheme (SCHIS), which covered senior citizens aged 60+ in BPL and 11 other unorganised worker categories. The scheme is now subsumed into Ayushman Bharat - PMJAY, and has been discontinued, but has some provisions for past liabilities.

- Allocations in FY 24-25 BEs for the Flexible Pool for RCH & Health System Strengthening, National Health Programme, and National Urban Health Mission are ₹28,783 crore, a 23 per cent increase from FY 23-24 REs.
- Conversely, the budget for Infrastructure Maintenance (IM) is estimated at ₹7,000 crore, which is a 12 per cent decline from last year's REs.

Table 2: GoI Allocations for Key NHM Components (in ₹ crore)

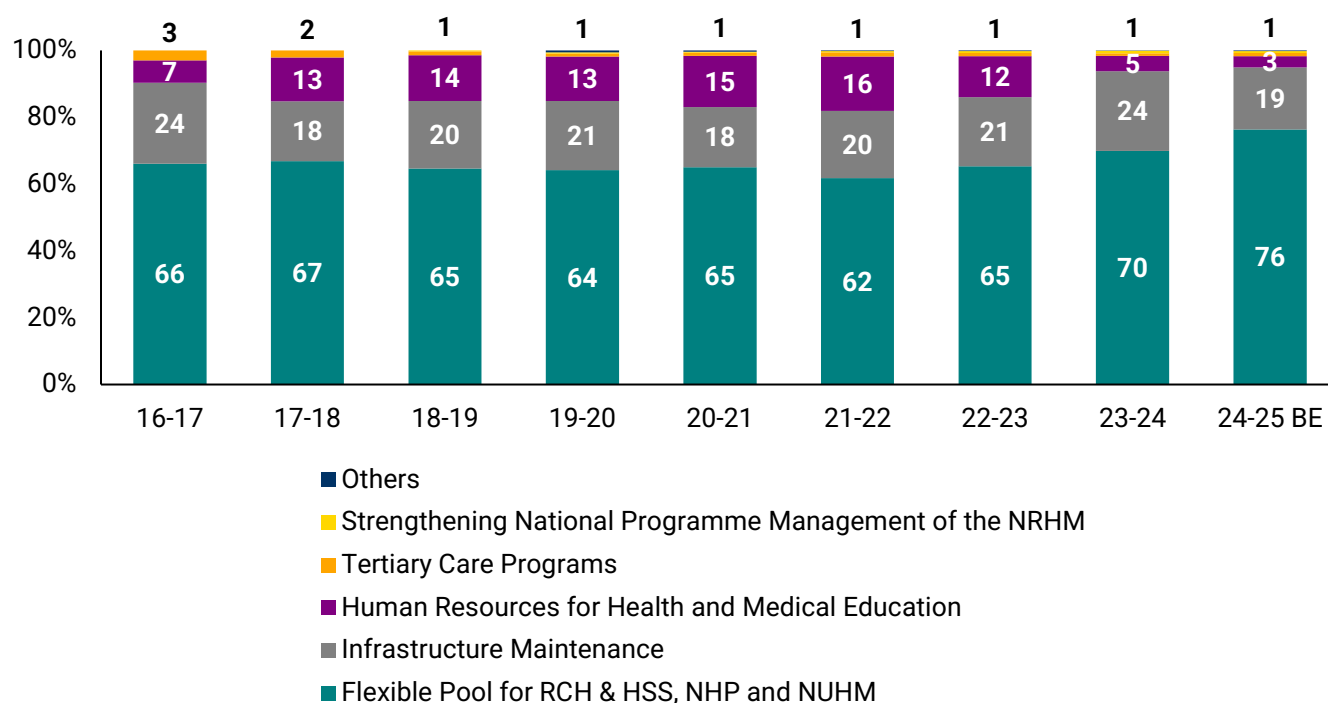
Year	Flexible Pool for RCH & HSS, NHP and NUHM	Infrastructure Maintenance	Human Resources for Health and Medical Education
16-17	14,670	5,367	1,500
17-18	20,593	5,518	4,025
18-19	19,817	6,201	4,220
19-20	21,666	6,993	4,500
20-21	22,848	6,343	5,386
21-22	21,260	6,950	5,600
22-23	21,831	6,943	4,083
23-24	23,331	7,980	1,520
24-25 BE	28,783	7,000	1,275

Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: (1) Figures are (REs), except for FY 24-25 which are (BEs). (2) HHS- Health System Strengthening, NHP-National Health Programme and NUHM- National Urban Health Mission.

- This year has seen an increase in the share of allocations going for Flexible Pool for RCH & Health System Strengthening, National Health Programme, National Urban Health Mission by 6 percentage points and currently stand at 76 per cent of NHM allocations.
- On the other hand, the share of budget going for IM decreased from 24 per cent in FY 23-24 REs to 19 per cent in FY 24-25 BEs.
- Human Resources for Health and Medical Education stood at 3 per cent, a decline of 10 percentage points compared with interim budget. The remaining funds were for Strengthening National Programme Management of the NRHM and Others, at 1 per cent each.

Figure 8: NHM Allocations across Key Components (%)



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: (1) Figures are (REs), except for FY 24-25 which are (BEs). (2) HHS- Health System Strengthening, NHP-National Health Programme and NUHM- National Urban Health Mission. (3) NHM allocations include the Tertiary Care Programme and Strengthening the State Drug Regulatory System, which have been reported separately under CSS since FY 22-23. (4) NHM components reported under National Ayush Mission under Ministry of Ayush are not considered for the analysis.

- Most of the funds under NHM are spent or in other words released by Gol. The “Flexible Pool for RCH & Health System Strengthening, National Health Programme, and National Urban Health Mission” had actual expenditures that exceeded the allocations between FY 16-17 and FY 23-24, except for FY 21-22, where they were lower by ₹886 crores.
- For IM, actual expenditures have been marginally lower than REs across the years. In FY 16-17, they were 99 per cent lower than allocations, whereas in FY 23-24, REs were 17 per cent more than allocations.
- In contrast, actual expenditures have consistently remained marginally lower than allocations for some years in Human Resources for Health and Medical Education. In FY 22-23, actual expenditure was 48 per cent of the total allocations, while it is expected to further decline to 23 per cent in FY 23-24.
- The low utilisation has resulted in a slowdown in progress on establishment of new medical colleges. As of February 2024, under Phase III of the establishment of new medical colleges attached to district/referral hospitals, 75 colleges have been approved. However, only 32 colleges are functional¹². The interim budget announced a plan to set up more medical colleges by using existing hospital infrastructure under various departments. For this, a 14-member Committee has been set up¹³.

Human Resources

- Rural Health Statistics (RHS)¹⁴, data used to be regularly annually, but is not available the public domain for the past 3 years. The most recent available data is from FY 2021-22.
- A look at the older data found staff shortages at the PHC level, with only 76 per cent of sanctioned doctor posts filled in Rural PHCs and 82 per cent in Urban PHCs as of March 31, 2022.
- Similarly, specialist doctor positions (surgeons, physicians, obstetricians/gynaecologists, and paediatricians) faced significant vacancies at CHCs, with only 36 per cent of sanctioned posts filled overall. Specifically, Rural CHCs had a 33 per cent fill rate, while Urban CHCs performed slightly better at 63 per cent as of March 2022.
- As of March 2022, 20 per cent posts of Nursing staff are vacant across PHCs and CHCs in India.
- Staff shortages also exist at the Department level with a 33 per cent vacancy rate in Group-A, Group-B, and Group-C positions within the DoHFW, compared to the total sanctioned strength¹⁵.

AYUSHMAN BHARAT – PRADHAN MANTRI JAN AROGYA YOJANA (PMJAY)

- Ayushman Bharat, launched by Gol under MoHFW on 23 September 2018, includes two initiatives:



Pradhan Mantri Jan Arogya Yojana (PMJAY), a health insurance scheme aimed at providing quality inpatient care to poor families, reducing out-of-pocket health expenses, and

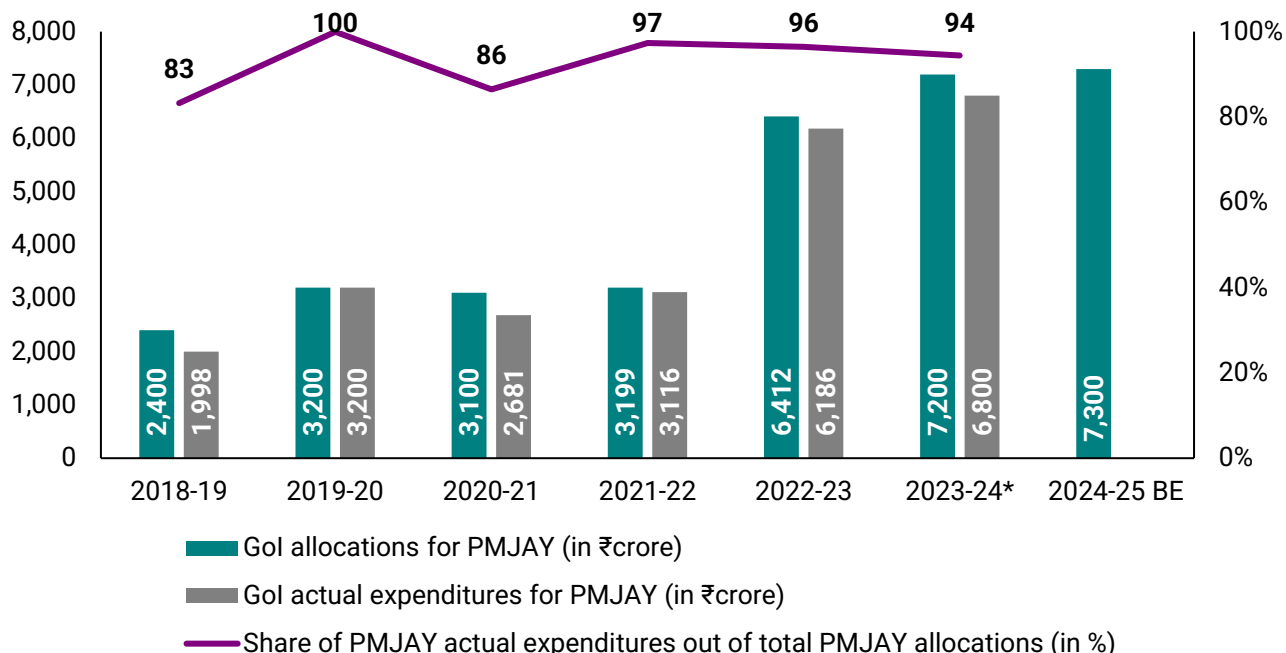


Establishment of 1.5 lakh Health and Wellness Centres (HWCs), part of NHM and not covered in this section.

Trends in Allocations

- PMJAY is the second largest CSS within DoHFW, and accounts for 8 per cent of the department's allocations in FY 24-25 BEs.
- In the Interim Budget FY 24-25, the Finance Minister announced that the scheme will be extended to all ASHA workers, Anganwadi Workers and Helpers.
- In FY 24-25 BEs, Gol allocated ₹7,300 crore for PMJAY. This is a 7 per cent increase compared to the previous year's REs and 1 per cent increase from last year BEs.
- Utilisation under the scheme has been high. In FY 22-23, 96 per cent of the total allocations were utilised. For FY 23-24, while actual expenditure is yet to finalised, REs were 94 per cent of the BEs.

Figure 9: Proportion of Actual Expenditure to Total Allocations for PMJAY



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are in crores of Rupees and are REs and Actuals, except for FY 23-24, which are BEs and REs. For FY 2024-25 figures are BEs.

Progress under PMJAY

- As of July 22, 2024, 34.82 crore Ayushman Cards (required to seek treatment under the scheme) have been created, and 30,239 hospitals have been empanelled, including 17,041 public hospitals (56 per cent of total hospitals) and 13,198 private hospitals¹⁶.
- By January 29, 2024, over 30.8 crore Ayushman Cards were issued, with 17.6 crore of them created during FY 22-23 and FY 23-24. As on January 15, 2024, ₹ 79,174 crore have been authorized under the scheme, out of which ₹ 42,101 crore have been authorized during FY 22-23 and FY23-24¹⁷.
- As of January 15, 2024, approximately 6.19 crore claims have been submitted by empanelled hospitals for treatments provided under AB-PMJAY. Out of these, 5.78 crore claims, or 93 per cent, have been settled¹⁸.

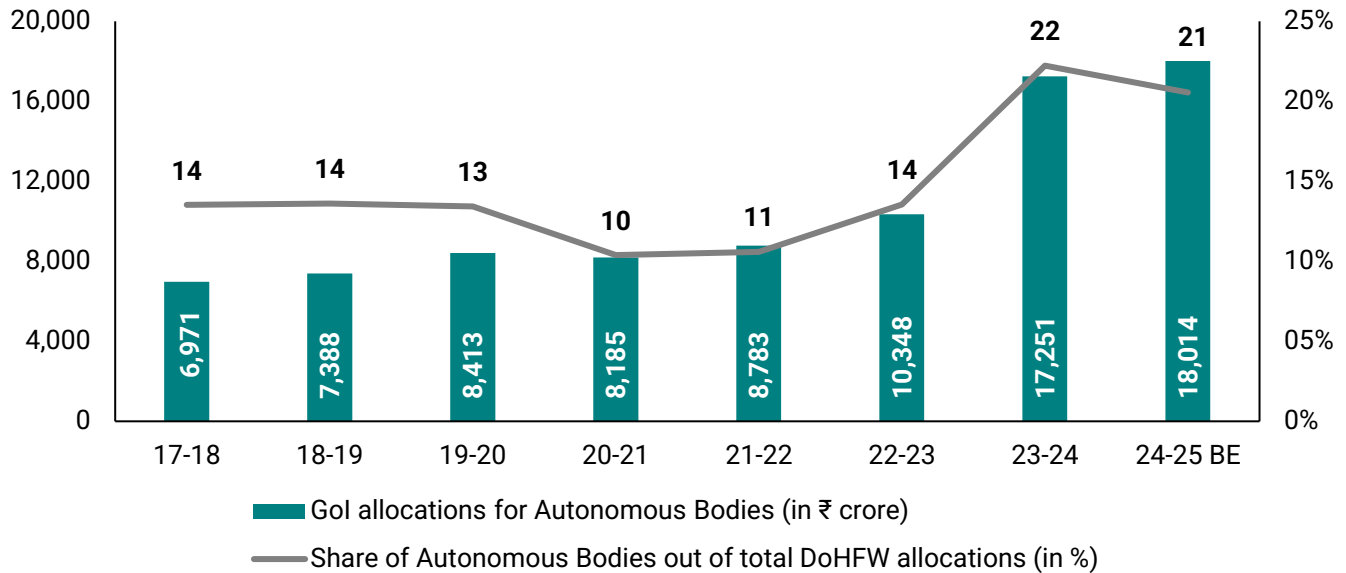
AUTONOMOUS BODIES

- Autonomous bodies under DoHFW are institutions with administrative autonomy. They play a vital role in several areas of health care, comprising, education, medical research, public health initiatives and training. These bodies include institutions like the All-India Institute of Medical Sciences (AIIMS), Jawaharlal Institute of Post Graduate Medical Education and Research, National Institute of Mental Health and Neuro-Sciences, Regional Institute of Medical Sciences etc.

Trends in Allocations

- Autonomous bodies are the largest component under Other Central Sector Expenditure within DoHFW, and accounts for 21 per cent of the department's allocations in FY 24-25. In FY 24-25 BEs, Gol allocated ₹18,014 crore for Autonomous Bodies. This is a 4 per cent increase compared to the previous year's REs and BEs.

Figure 10: DoHFW Allocations for Autonomous Bodies



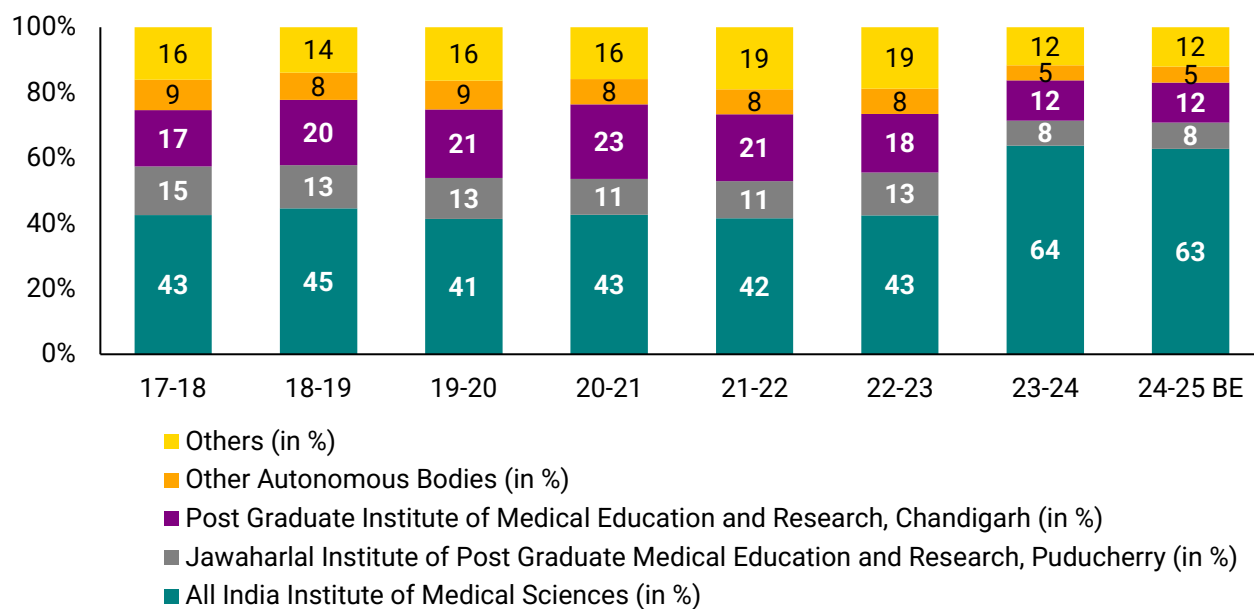
Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are in crores of Rupees and REs, except for FY 24-25 which are BEs.

Component-wise Allocations

- AIIMS accounts for the largest component under autonomous bodies. In recent years, there has been a drastic increase in allocations, primarily driven by the establishment expenditures of the new AIIMS.
- Of the BEs for FY 24-25, 63 per cent was for AIIMS, 12 per cent for the Post Graduate Institute of Medical Education and Research, Chandigarh, 12 per cent for Others, and 8 per cent for Jawaharlal Institute of Post Graduate Medical Education and Research, Puducherry and 5 per cent for Other Autonomous Bodies.
- High vacancy rates have been challenge in many AIIMS. As on 19 February 2024, approximately 33 per cent of faculty positions across six AIIMS—Bhopal, Bhubaneswar, Jodhpur, Patna, Raipur, and Rishikesh—were vacant. Specifically, AIIMS Raipur has a 38 per cent vacancy rate for faculty posts. For non-faculty positions, 50 per cent are vacant (across six AIIMS). Among these, AIIMS Rishikesh has the highest vacancy rate, with 62 per cent of the total non-faculty positions remaining unfilled¹⁹.

Figure 11: Autonomous Bodies Allocations across Key Components (in %)



Source: Union Expenditure Budget, MoHFW, FY 17-18 to FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are (REs), except for FY 24-25 which are BEs.

MENTAL HEALTH

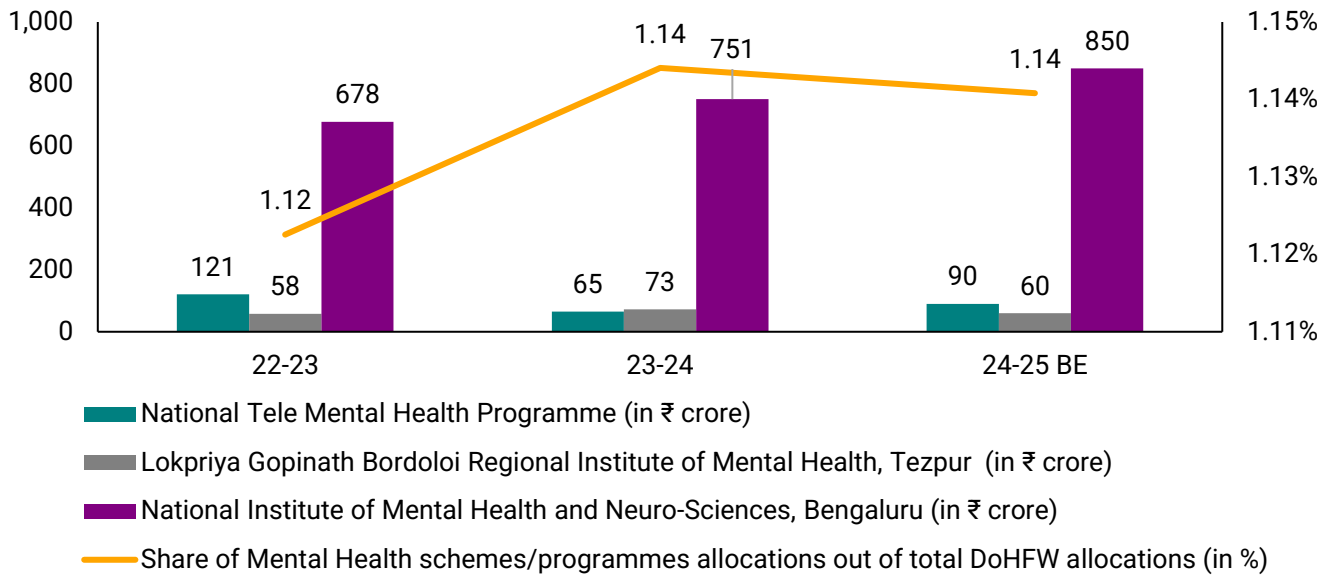
- MoHFW's National Mental Health Policy aims to promote mental health, prevent illness, support recovery, reduce stigma, and ensure socio-economic inclusion by providing accessible, affordable, and quality care throughout life²⁰.
- For doing so there has been fund allocation under DoHFW under CS, CSS and Autonomous Bodies which include:

Components of Mental Health

- National Tele Mental Health Programme** provides 24/7 tele-counseling for universal, equitable, and affordable mental health care as part of the National Mental Health Programme (NMHP).
- National Institute of Mental Health and Neurosciences, Bengaluru** offers services, training, and research in mental health, and neurosciences.
- Lokpriya Gopinath Bordoloi Regional Institute of Mental Health, Tezpur** a tertiary psychiatric care center in the Northeast, providing patient care and academic services.
- Tertiary Care Programme** It also provides for transfer to states for implementation of National Mental Health Programme, but in Union budget breakdown for this is not available.

- Allocations towards mental health-related programmes and schemes is only 1 per cent of the total DoHFW budget.
- In FY 24-25 BEs, ₹90 crore was allocated for the National Tele Mental Health Programme, lower than FY 22-23 REs but higher than FY 23-24 REs.
- Utilisation under the scheme has been low. In FY 22-23, only 54 per cent of the allocations were utilised in other words released by Gol for National Tele Mental Health Programme.

Figure 12: DoHFW Allocations Towards Mental Health Programmes and Schemes



Source: Union Expenditure Budget, MoHFW, FY 24-25. Available online at: <https://www.indiabudget.gov.in>. Last accessed on 25 July 2024.

Note: Figures are REs, except for FY 24-25 which are BEs.

References

- ¹Government of India, (2024). Interim Budget Speech. Available online at: [https://www.indiabudget.gov.in/budget2024-25\(l\)/doc/Budget_Speech.pdf](https://www.indiabudget.gov.in/budget2024-25(l)/doc/Budget_Speech.pdf)
- ²ibid
- ³PTI. (2024, February 25). Govt forms panel to make recommendations to set up new medical colleges. Indian Express. Available online at: <https://indianexpress.com/article/education/govt-forms-panel-make-recommendations-set-up-new-medical-colleges-neet-ug-2024-9178480/>
- ⁴Government of India, (2024). Budget Speech. Available online at: https://www.indiabudget.gov.in/doc/Budget_Speech.pdf
- ⁵Rajya Sabha, Parliament of India (2023). 143rd Demands for Grants 2023-24 of the Department-related Parliamentary Standing Committee on the Department of Health and Family Welfare, Ministry of Health & Family Welfare. Available online at: https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/14/168/143_2023_3_15.pdf?source=rajyasabha
- ⁶Rajya Sabha, Parliament of India, (2024). 154th Report on Action Taken by the Government on the Recommendations/ Observations contained in the 143rd Report on Demands for Grants 2023-24 of the Department of Health and Family Welfare, Ministry of Health and Family Welfare. Available online at: https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/14/187/154_2024_2_17.pdf?source=rajyasabha
- ⁷Press Information Bureau, (2024). Measures taken to address Healthcare Challenges in rural areas. Available online at: [https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2004363#:~:text=The%20Fifteenth%20Finance%20Commission%20\(F C,accepted%20by%20the%20Union%20Government.](https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2004363#:~:text=The%20Fifteenth%20Finance%20Commission%20(F C,accepted%20by%20the%20Union%20Government.)
- ⁸Union Budget Documents for various years. Available online at: <https://www.indiabudget.gov.in/#budget>
- ⁹Rajya Sabha, Parliament of India (2023). 143rd Demands for Grants 2023-24 of the Department-related Parliamentary Standing Committee on the Department of Health and Family Welfare, Ministry of Health & Family Welfare. Available online at: https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/14/168/143_2023_3_15.pdf?source=rajyasabha
- ¹⁰For the sake of consistency across years, NHM includes Tertiary Care, Human Resources for Health and Medical Education, and Senior Citizen Health Insurance Scheme which were previously part of NHM but since FY 22-23 are separate schemes.
- ¹¹Rajya Sabha, Parliament of India (2023). 143rd Demands for Grants 2023-24 of the Department-related Parliamentary Standing Committee on the Department of Health and Family Welfare, Ministry of Health & Family Welfare. Available online at: https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/14/168/143_2023_3_15.pdf?source=rajyasabha
- ¹²Rajya Sabha, Parliament of India, (2024). 154th Report on Action Taken by the Government on the Recommendations/ Observations contained in the 143rd Report on Demands for Grants 2023-24 of the Department of Health and Family Welfare, Ministry of Health and Family Welfare. Available online at: https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/14/187/154_2024_2_17.pdf?source=rajyasabha
- ¹³PTI. (2024, February 25). Govt forms panel to make recommendations to set up new medical colleges. Indian Express. Available online at: <https://indianexpress.com/article/education/govt-forms-panel-make-recommendations-set-up-new-medical-colleges-neet-ug-2024-9178480/>
- ¹⁴Rural Health Statistics (RHS), 2021-22. Available online at: <https://hmis.mohfw.gov.in/downloadfile?filepath=publications/Rural-Health-Statistics/RHS%202021-22.pdf.>
- ¹⁵Rajya Sabha, Parliament of India (2023). 143rd Demands for Grants 2023-24 of the Department-related Parliamentary Standing Committee on the Department of Health and Family Welfare, MoHFW. Available online at: https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/14/168/143_2023_3_15.pdf?source=rajyasabha
- ¹⁶PMJAY Dashboard. Available online at: <https://dashboard.pmjay.gov.in/pmj/#/pmjayhome>
- ¹⁷Rajya Sabha Unstarred Question Number 431. Study conducted by NHA on AB-PMJAY. Available online at: <https://sansad.in/getFile/annex/263/AU431.pdf?source=pqars>
- ¹⁸Lok Sabha Unstarred Question Number 40. Beneficiary Under AB-PMJAY. Available online at: <https://sansad.in/getFile/loksabhaquestions/annex/1715/AU40.pdf?source=pqals#:~:text=As%20of%2015th%20Jan%202024 ,crore%20claims%20have%20been%20settled.&text=Note%3A%20States%20FUT%20of%20Odisha,are%20not%20implementing %20AB%20PMJAY.>
- ¹⁹Rajya Sabha, Parliament of India, (2024). 154th Report on Action Taken by the Government on the Recommendations/ Observations contained in the 143rd Report on Demands for Grants 2023-24 of the Department of Health and Family Welfare, Ministry of Health and Family Welfare. Available online at: https://sansad.in/getFile/rsnew/Committee_site/Committee_File/ReportFile/14/187/154_2024_2_17.pdf?source=rajyasabha
- ²⁰New Pathway New Hopes: National Mental Health Policy of India. MoHFW, Gol (2014). Available online at: https://nhm.gov.in/images/pdf/National_Health_Mental_Policy.pdf

About ResGov

The Foundation for Responsive Governance (ResGov) is a Section 8 not-for-profit working to strengthen the capabilities of government and communities to ensure public initiatives reach the most vulnerable.

About the Authors

Sharad Pandey (sharad@resgov.org) is a Senior Research Associate at ResGov.

Avani Kapur (avani@resgov.org) is the Founder Director at ResGov.

Laavanya Tamang (laavanya@resgov.org) is a Senior Research Associate at ResGov.

Suggested Citation: Pandey, S., Kapur, A., Tamang, L. (2024), Trends in Finances for Department of Health and Family Welfare, *Budget Insights*, Volume 1, Issue 3, Foundation for Responsive Governance, New Delhi. 29 July 2024.

Acknowledgements

This is a team effort and we are grateful to the entire team at ResGov with special mention to Tanya Rana.

Banner Credit: Accountability Initiative, Centre for Policy Research.




We are working to strengthen the capabilities of government and communities to ensure public initiatives reach the most vulnerable.

Support our vision

Foundation for Responsive Governance
(ResGov)

S-351 Panchsheel Park
New Delhi 110017

 www.resgov.org

 hello@resgov.org

 @Res Gov

 www.linkedin.com/company/resgov