




Ministry of Health and Family Welfare Budget Insights


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KEY HIGHLIGHTS

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Ministry of Health and Family Welfare (MoHFW's) FY 26-27 Budget Estimates (BEs) increased by 10 per cent as compared to the previous years Revised Estimates (REs) to ₹1.06 lakh crore. Projected demand—particularly for DoHFW—has declined since FY 21-22, with allocations falling short even of these reduced demands. For, Department of Health Research (DHR's) also projected demand-allocation gap has doubled.
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Capital intensive schemes such as Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM) recorded utilisation as low as 29-43 per cent of BEs in FY 22-23 and FY 23-24, increasing to 65 per cent in FY 24-25 but still remaining well below allocations; Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) showed a similar pattern, declining to 41 per cent utilisation in FY 23-24.
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Only 39 per cent of XV Finance Commission health grants had been released by January 2025, with States utilising just 59 per cent of released funds.
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Union Budget 26-27 announced a scheme for Allied Health Care Professionals (AHPs) and allocated ₹1,000 crore to upgrade existing institutions and establish new ones in the public and private sectors, to train 1 lakh APHs over five years, focusing on 10 disciplines such as optometry, radiology, and anaesthesia to address non-communicable diseases.¹
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The budget also announced the establishment of NIMHANS-2 and the upgradation of mental health institutes in Ranchi and Tezpur as Regional Apex Institutions. It also proposes a 50 per cent expansion in emergency capacity at district hospitals through new Emergency and Trauma Care Centres.²

Health is primarily a state subject, but governance of health and healthcare-related activities involves all three tiers i.e., Union, states, and local bodies in India. The Ministry of Health and Family Welfare (MoHFW) provides overall policy direction, strategic oversight, and coordination for the health sector. It is responsible for national health policy formulation, inter-governmental and international coordination, and budgetary oversight, while programme implementation and research functions are carried out through its departments.

There are two departments under MoHFW:

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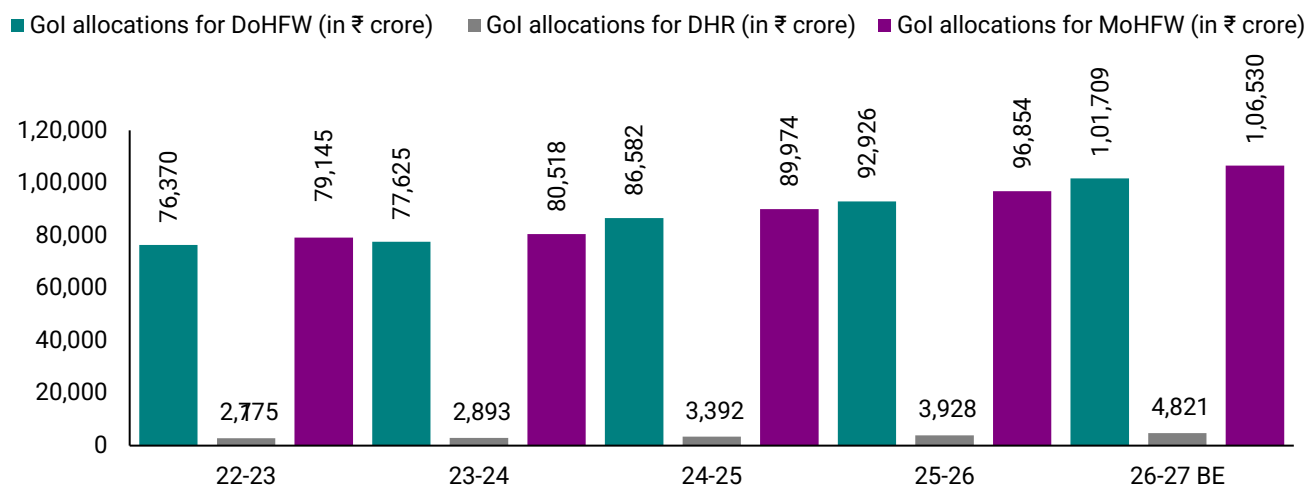
The Department of Health and Family Welfare (DoHFW) is responsible for the implementation of public health (like National Health Mission) and family welfare schemes, regulation of medical education, administration of autonomous medical institutions such as AIIMS, and provision of financial and administrative support to states.
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Department of Health Research (DHR) focuses on medical and health research and oversees the Indian Council of Medical Research (ICMR), generating evidence to inform health policy and programmes.

Trends in Finances of Ministry of Health and Family Welfare

- For FY 26-27 Budget Estimates (BEs), allocations for the MoHFW stood at ₹1,06,530 crore. This is ₹9,677 crore or 10 per cent more than the Revised Estimates (REs) of the previous year and 7 per cent more than the BEs.
- In the FY 26-27 BEs, allocations for the DoHFW stand at ₹1,01,709 crore, reflecting a 9 per cent increase over the FY 25-26 REs and 6 per cent over the BEs. Allocations for DHR increased by 23 per cent and 42 per cent, respectively, over the same period.
- Of the two departments, the DoHFW accounts for over 95 per cent of the Ministry allocations.

Fig 1: GoI Allocations for MoHFW (in ₹ crore)



Source: Union budget documents, various years. [Url](#). Last accessed on 4 February 2026.

Note: Allocation figures for FY 22-23 to FY 25-26 are REs, and for FY 26-27 are BEs.

- While actual expenditure of the DoHFW has remained lower than the BEs between FY 22-23 and FY 24-25, the gap narrowed in FY 24-25, with spending only about 0.4 per cent lower than the BEs. The actual expenditure of the DHR exceeds its BEs in FY 24-25 by 2 per cent.
- In FY 25-26, DoHFW saw cuts in its allocations at the RE stage (by 3 per cent), while allocations for DHR marginally increased by 1 per cent.
- Over the past five years, the projected demand by the DoHFW has remained consistently low and has declined significantly compared to the 21-22 level. Budgetary allocations have persistently fallen short of the Department's projected Demands for Grants.³
- The gap between projected demand and allocations for DHR has widened sharply, doubling from ₹575 crore in FY 24-25 to over ₹1,069 crore in FY 25-26 BEs. This is despite consistently high fund utilisation (87 per cent and above), indicating a strong case for higher budgetary support.⁴

Table 1: Trends in Allocations and Expenditures for DoHFW and DHR (in ₹ crore)

		22-23	23-24	24-25	25-26
DoHFW	BE	83,000	86,175	87,657	95,958
	Actuals	73,308	80,292	87,300	92,926
	% of funds spent	-12	-7	-0.4	-3
DoHR	BE	3,201	2,980	3,302	3,901
	Actuals	2,423	2,857	3,384	3,928
	% of funds spent	-24	-4	2	1

Source: Union budget documents, various years. [Url](#). Last accessed on 4 February 2026.

Note: For FY 25-26, figures are BEs and REs.

- This is reflected in the Union government’s health spending, which declined from 0.28 per cent of GDP in FY 22-23 to 0.27 per cent in FY 24-25 and has remained broadly constant at this level through FY 26-27 BEs.
- DoHFW action taken report emphasised sustained under-projection of health-sector demand constraints, human capital formation, and urged a need-based approach to budgeting, calling for higher and more realistic allocations to move towards the National Health Policy target of 2.5 per cent of GDP.⁵
- In FY 25-26, REs were about 3 per cent lower than BEs. As of 31 January 2025, only 81 per cent of the total RE had been utilised, leaving nearly 19 per cent (around ₹16,000 crore) unspent for the final two months. The Standing Committee cautioned, in light of MoF guidelines on year-end expenditure, closer monitoring of last-quarter spending and strict capping of expenditure that can be taken at the end of the month.⁶

Key Schemes of the Ministry of Health and Family Welfare

This section summarises allocations and expenditure across major schemes of MoHFW, covering Centrally Sponsored Schemes, Central Sector Schemes, and Autonomous Bodies. Detailed descriptions of each scheme are provided in **Annexure 1**.

- The National Health Mission (NHM) is MoHFW’s largest programme, administered by the DoHFW. In the FY 26-27 Budget Estimates, NHM accounts for 39 per cent of the total MoHFW allocations. This is followed by allocations to Autonomous Bodies—which include AIIMS and the establishment of new AIIMS—at 21 per cent. Ayushman Bharat–Pradhan Mantri Jan Arogya Yojana (PMJAY) accounts for 9 per cent, Medical Treatment of CGHS Pensioners for 6 per cent, and the Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM), and the Indian Council of Medical Research (ICMR) for 4 per cent each.
- The National AIDS and STD Control Programme (NACP) accounts for 3 per cent, while the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) accounts for 2 per cent. These schemes together account for 88 per cent of the Ministry’s allocation.
- For a review of the proposed and approved budgets, utilisation, and outcomes under the [National Health Mission](#) and its key components ([Reproductive and Child Health](#); [National Disease Control Programme \(NDCP\) and Non-Communicable Disease Control Programme](#); and [Health System Strengthening](#)), you can read our detailed briefs.
- All thirteen schemes mentioned below recorded higher allocations in the FY 26-27 BEs compared to the REs of the previous year, except for Family Welfare Schemes. However, when compared to their FY 25-26 BEs, allocations for the PMSSY declined by 9 per cent, while those for the National Tele Mental Health Programme (Tele MANAS) declined by 36 per cent. There has been considerable variation between BEs and REs in FY 25-26. Autonomous bodies and schemes such as Medical Treatment of CGHS Pensioners, ICMR, and Family Welfare Schemes, saw REs increase relative to BEs.
- In contrast, schemes such as the NHM, PMJAY, and the National Digital Health Mission witnessed marginal cuts in REs, ranging between 1–5 per cent. Schemes including the Tele MANAS (43 per cent), PMABHIM (42 per cent), PMSSY (32 per cent) NACP (23 per cent), witnessed steep declines in their REs.
- Actual health expenditure fell short of allocations for several key schemes between FY 22-23 and FY 24-25.
- Schemes such as PMABHIM witnessed severe underspending, with actual expenditure at only 29-43 per cent of BEs in FY 22-23 and FY 23-24, increasing to 65 per cent in FY 24-25, but still remaining well below allocations. A similar pattern is observed in PMSSY, where utilisation dropped sharply to 41 per cent of BEs in FY 23-24 and remained below 80 per cent in FY 24-25.
- The NACP expenditure was low ranging between 71 per cent to 87 per cent of BE during the period. Expenditure under the National Tele Mental Health Programme remained below 50 per cent across the years, while the National Digital Health Mission recorded underspending in the initial years, achieving more than full utilisation only by FY 24-25.
- In contrast, schemes such as NHM, PMJAY, Autonomous Bodies, medical treatment of CGHS pensioners, and ICMR broadly met or exceeded budgeted allocations.

Table 2: Trends in Allocations and Expenditures for key schemes (in ₹ crore)

		22-23	23-24	24-25	25-26	26-27
National Health Mission	BE	37,000	35,947	37,719	39,435	41,605
	Actuals	33,606	34,672	39,775	39,025	
	% of funds spent	91	96	105	99	
Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY)	BE	6,412	7,200	7,300	9,406	9,500
	Actuals	6,186	6,670	7,179	9,000	
	% of funds spent	96	93	98	96	
Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM)	BE	4,177	4,200	3,200	4,200	4,200
	Actuals	1,228	1,806	2,086	2,443	
	% of funds spent	29	43	65	58	
Family Welfare Schemes	BE	484	517	695	620	643
	Actuals	445	617	619	645	
	% of funds spent	92	119	89	104	
National AIDS and STD Control Programme	BE	3,027	3,080	2,892	3,443	3,477
	Actuals	2,143	2,450	2,528	2,662	
	% of funds spent	71	80	87	77	
Pradhan Mantri Swasthya Suraksha Yojana	BE	10,000	3,365	2,200	2,200	2,005
	Actuals	7,518	1,390	1,681	1,500	
	% of funds spent	75	41	76	68	
Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM) (Health)	BE	979	646	557	558	570
	Actuals	314	170	279	403	
	% of funds spent	32	26	50	72	
National Digital Health Mission - NHM	BE	200	341	200	340	350
	Actuals	84	175	213	324	
	% of funds spent	42	51	106	95	
National Tele Mental Health Programme	BE	-	134	90	80	51
	Actuals	65	33	42	45	
	% of funds spent	-	25	46	57	
Scheme for Allied Health Care Professionals (AHPs)	BE					1,000
	Actuals					
	% of funds spent					
Autonomous Bodies	BE	10,022	17,323	18,014	20,046	22,344
	Actuals	10,073	17,216	19,154	21,902	
	% of funds spent	101	99	106	109	
Medical Treatment of CGHS Pensioners (PORB)	BE	2,645	3,846	5,384	5,540	6,340
	Actuals	4,631	4,283	5,646	5,900	
	% of funds spent	175	111	105	106	
Indian Council of Medical Research, New Delhi	BE	2,198	2,360	2,732	3,126	4,000
	Actuals	2,047	2,343	2,870	3,150	
	% of funds spent	93	99	105	101	

Source: Union budget documents, various years. [Url](#). Last accessed on 4 February 2026.

Note: For FY 25-26, figures are BEs and REs and FY 26-27 are BEs.

MAIN DEVELOPMENTS

- As of 30 January 2025, only 39 per cent of approved health grants under the XV Finance Commission had been released, and just 59 per cent of these funds were utilised by states.⁷
- Vacancies across divisions of the DoHFW stood at 428 (29 per cent) against a sanctioned strength of 1,486 in 2024, showing negligible improvement from 454 vacancies in 23-24, weakening administrative functioning.⁸
- Across cadres, AIIMS Delhi faces 430 faculty vacancies (35 per cent), 2,109 non-faculty vacancies (16 per cent), 434 Senior Resident (non-academic) vacancies (37.5 per cent), and 113 Junior Resident (non-academic) vacancies (47 per cent) against sanctioned strength.⁹
- As on 8 August 2025, of 19 functional AIIMS (excluding Delhi AIIMS), only 60 per cent of sanctioned faculty positions had been filled.¹⁰
- Nearly 33 per cent of Group A posts and 87.5 per cent of Group B (Gazetted) posts remain vacant at Safdarjung Hospital (SJH) and Vardhman Mahavir Medical College (VMMC), affecting functioning of these institutions.¹¹
- As of 4 February 2026, 43.19 crore Ayushman cards¹² had been created- an 18 per cent increase from 36.65 crore on 9 February 2025.¹³ Half of these cards were issued in five states—Uttar Pradesh (13 per cent), Madhya Pradesh (10 per cent), Bihar (10 per cent), Maharashtra (9 per cent), and Odisha (8 per cent).
- In addition, 33,137 hospitals have been empanelled, including 17,508 public hospitals (53 per cent of the total) and 15,629 private hospitals.¹⁴ As of 15 November 2025, 1,184 hospitals were de-empanelled, ₹232 crore penalties levied against fraudulent entities and 411 hospitals suspended by the states/UTs.¹⁵
- Infrastructure creation under PM-ABHIM has been slow. Despite the capital-intensive nature of the scheme there has been under-utilisation of allocated funds for PM-ABHIM, particularly in the initial phases of each fiscal year. Of the 13,081 approved units under PM-ABHIM, only 5,682 (43 per cent) have been completed. Urban Ayushman Arogya Mandir (AAMs) recorded the highest completion rate, of 68 per cent, but other components like the Critical Care Blocks (CCBs) are significantly lagging, with just 3 per cent work completion.¹⁶

ANNEXURE- 1

Scheme Name	Description
National Health Mission	Govt's largest public health programme, aimed at achieving universal access to quality healthcare by strengthening health systems, institutions, and capacities across rural and urban areas.
Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PMJAY)	AB-PMJAY is a health insurance scheme aimed at providing quality in-patient care to poor families, reducing out-of-pocket health expenses (there is no cap on family size or the age of members).
Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)	PM-ABHIM is a Centrally Sponsored Scheme, with some Central Sector components, aimed at strengthening health system and institutional capacity across primary, secondary, and tertiary care to improve preparedness for current and future pandemics and disasters.
Family Welfare Schemes	They support population stabilisation and reproductive health through initiatives such as the Swastha Nagrik Abhiyan, contraceptive procurement and distribution, and training of medical personnel, among others.
National AIDS and STD Control Programme (NACP)	NACP aims to control the spread of HIV/AIDS and sexually transmitted diseases through prevention, awareness, and the provision of accessible and affordable healthcare services across India.
Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)	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.
National Digital Health Mission - NHM	National Digital Health Mission aims to create a secure, interoperable digital health ecosystem to support universal health coverage through accessible, efficient, and standards-based digital health infrastructure and data service.
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).
Scheme for Allied Health Care Professionals (AHPs)	To support the upgradation of existing institutions and the establishment of new Allied Health Professional institutions to train AHPs across public and private sectors.
Autonomous Bodies	Autonomous bodies under the DoHFW are institutions with administrative autonomy that play a critical role in medical education, research, public health initiatives, and training. These include premier institutions such as 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.
Medical Treatment of CGHS Pensioners	CGHS provides comprehensive medical care to central government pensioners and their dependents.
Indian Council of Medical Research (ICMR)	Indian Council of Medical Research is the apex body in the country to promote, co-ordinate and formulate biomedical and health research.

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- ⁷ *Ibid*
- ⁸ *Ibid*
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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.

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