3. Healthcare Access in India - Economy

The National Statistical Office's 80th Round Survey on Household Consumption on Health highlighted a significant increase in healthcare access across India.

1.Background

India's healthcare system has historically suffered from severe inequities with quality medical services concentrated in urban private hospitals while rural and economically disadvantaged populations depended on underfunded, poorly equipped government facilities. Out-of-pocket health expenditure pushed millions into poverty annually as families sold assets, borrowed at usurious rates, or simply foregone necessary treatment due to unaffordable costs. Healthcare infrastructure remained grossly inadequate with doctor-to-patient ratios far below WHO standards, diagnostic facilities concentrated in cities, and chronic shortages of medicines and equipment plaguing government hospitals.

The introduction of Ayushman Bharat in 2018—comprising health insurance coverage for 50 crore citizens and upgrading primary health centres into Health and Wellness Centres—represented a watershed moment in Indian healthcare policy. The scheme's implementation alongside increased public health spending, telemedicine expansion, affordable medicine initiatives, and targeted maternal health programs gradually transformed access patterns. The NSO's 80th Round Survey capturing 2023-24 data reveals this transformation's extent—over 50% of government hospital patients now incur less than ₹1,100 out-of-pocket expenditure with outpatient care in public facilities recording zero OOPE, health insurance coverage in rural areas surged from 12.9% to 45.5%, institutional deliveries reached 95.6% in rural areas, and projected population reporting ailments increased from 6.8% to 12.2% in rural regions reflecting improved health-seeking behaviour rather than worsening health. These improvements demonstrate that sustained policy commitment, adequate financing, and implementation focus can transform healthcare access even in resource-constrained developing country contexts.

2.Key Findings of NSO Survey

Out-of-Pocket Expenditure Reduction

1. Outpatient care in public facilities recorded zero out-of-pocket expenditure, highlighting the availability of free essential health services.
2. This represents dramatic shift from historical patterns where even government hospitals required substantial patient payments for medicines, diagnostics, and consumables.
3. Over 50% of patients in government hospitals incurred OOPE of less than ₹1,100 for treatment episodes.
4. Reduced financial burden protects families from catastrophic health expenditure and medical impoverishment.

Strengthening Health-Seeking Behaviour

1. The Projected Population Reporting Ailments has increased significantly, reflecting improved health awareness and reporting behaviour rather than deteriorating health.
2. In rural areas, PPRA increased from 6.8% in 2017-18 to 12.2% in 2025, indicating rural populations increasingly seek formal medical care rather than ignoring symptoms.
3. In urban areas, PPRA increased from 9.1% to 14.9%, showing similar patterns of enhanced health consciousness.
4. Higher reporting indicates people recognize health issues earlier, access medical facilities more readily, and trust healthcare systems sufficiently to seek treatment.

Maternal Healthcare Improvements

1. Institutional deliveries in rural areas rose dramatically to 95.6%, representing near-universal coverage compared to historical patterns where most rural births occurred at home.
2. Urban areas achieved 97.8% institutional deliveries, approaching complete coverage.

3. These improvements reflect successful implementation of schemes like Pradhan Mantri Suraks hit Martita Abhiyan and Janani Suraksha Yojana incentivizing institutional deliveries.
4. Higher institutional delivery rates directly reduce maternal and infant mortality through professional care, emergency intervention capacity, and infection prevention.

Health Insurance Coverage Expansion

1. Government-funded health insurance scheme coverage witnessed significant increases across rural and urban areas.
2. Rural area coverage surged from 12.9% to 45.5%, meaning nearly half of rural households now possess health insurance protection.
3. Urban area coverage increased from 8.9% to 31.8%, showing substantial though smaller gains compared to rural areas.
4. This expansion primarily reflects Ayushman Bharat PM-JAY implementation providing ₹5 lakh annual coverage per family.

3.Persistent Challenges in Healthcare Sector

Limited Diagnostic Access

1. Diagnostic facilities including pathology laboratories, imaging centres, and specialized testing remain concentrated in urban areas.
2. This geographic concentration limits early disease detection in rural regions where patients must travel long distances for basic tests.
3. Delayed diagnosis results in disease progression, worse treatment outcomes, and higher eventual costs.

Infrastructure Inadequacy

1. India faces persistent shortage of well-equipped hospitals and medical institutions, especially in rural and remote areas.
2. Many primary health centres lack basic equipment, reliable electricity, clean water, and adequate physical infrastructure.
3. District hospitals often cannot provide specialized services forcing patients to travel to state capitals or metropolitan cities.

Public Spending Constraints

1. India's healthcare spending stands at approximately 3.8% of GDP, including both out-of-pocket and public expenditure.
2. This figure remains substantially lower than developed countries spending 8-10% of GDP and emerging economies spending 5-6%.
3. Inadequate public funding forces continued reliance on private healthcare and high OOPE despite recent improvements.

Healthcare Workforce Shortage

1. Severe shortage of trained manpower including doctors, nurses, paramedics, and primary healthcare workers constrains service delivery.
2. The doctor-to-patient ratio remains merely 0.7 doctors per 1,000 people whereas WHO recommends 2.5 doctors per 1,000 people.
3. This shortage forces existing healthcare workers to handle excessive patient loads, reducing consultation time and care quality.
4. Rural areas face even more severe shortages as doctors prefer urban postings with better amenities and career opportunities.

4.Government Initiatives for Healthcare Access

Ayushman Bharat PM-JAY

1. Provides health coverage of ₹5 lakh per family per year for secondary and tertiary care hospitalization.

2. Coverage protects families from catastrophic health expenditure associated with serious illnesses requiring expensive treatment.
3. All Indians aged 70 and above are eligible for health coverage regardless of income or socio-economic status.
4. These universal elderly coverage recognizes that aging populations face higher health risks and medical costs.

Affordable Medicines and Diagnostics

1. Pradhan Mantri Bhartiya Janaushadhi Pariyojana ensures availability of low-cost generic medicines at Jan Aashaadha Kendras.
2. Generic medicines provide identical therapeutic benefits to branded drugs at fraction of the cost, dramatically reducing medicine expenses.
3. AMRIT pharmacies provide essential drugs and medical implants at heavily discounted prices.
4. These initiatives target the reality that medicine costs constitute major component of OOPE, particularly for chronic diseases.

Maternal Health Programs

1. Pradhan Mantri Suraks hit Martita Abhiyan launched in 2016 provides pregnant women fixed-day, free-of-cost assured quality antenatal care on the 9th of every month.
2. Regular antenatal checkups enable early detection of complications, nutritional supplementation, and health education.
3. The program specifically targets high-risk pregnancies requiring enhanced monitoring and specialist consultations.

Digital Health Infrastructure

1. The Swath Bharat Portal functions as a one-stop integrated platform bringing multiple national health programs onto a single digital interface.
2. Integration reduces duplication, improves coordination, and enables comprehensive patient tracking across programs.
3. Sanjivani telemedicine platform enables remote consultation connecting patients with specialists, especially benefiting rural areas lacking specialist doctors.
4. Telemedicine reduces travel costs, waiting times, and enables timely specialist advice improving treatment outcomes.

Disease-Specific Programs

1. The National TB Elimination Programme has improved tuberculosis detection, treatment coverage, and reduced TB incidence through DOTS strategy.
2. National Sickle Cell Anaemia Elimination Mission focuses on screening at-risk populations and eliminating sickle cell disease by 2047.
3. Pradhan Mantri National Dialysis Programme provides free dialysis services at government centres, dramatically reducing OOPE for kidney disease patients.
4. These targeted programs address specific high-burden diseases requiring sustained, specialized interventions.

5.Analyzing Healthcare Transformation

Financial Protection Mechanisms

1. Zero OOPE for outpatient care in public facilities removes a significant financial barrier that historically prevented poor families from seeking treatment.
2. Insurance coverage expansion protects families from catastrophic expenditure during serious illness episodes.
3. Together, these mechanisms break the vicious cycle where health shocks cause poverty and poverty prevents health-seeking.

Behavioural Change Indicators

1. Increased PPRA indicates not worsening health but improved health consciousness, trust in medical systems, and willingness to seek care.
2. This behavioural shift represents success of awareness campaigns, improved facility quality, and reduced financial barriers.
3. Higher reporting enables earlier intervention, better outcomes, and prevention of disease progression.

Equity Improvements

1. Rural areas witnessing higher growth rates in insurance coverage and health-seeking behaviour indicates narrowing urban-rural healthcare gaps.
2. Universal elderly coverage under Ayushman Bharat recognizes aging as a universal vulnerability transcending economic categories.
3. Near-universal institutional deliveries in rural areas represent dramatic equity achievement compared to historical urban-rural disparities.

6.Way Forward

Address Workforce Shortage

1. Dramatically increase medical college seats, nursing schools, and paramedic training capacity to produce adequate healthcare workforce, while implementing effective rural retention policies including financial incentives, infrastructure improvements, and career development opportunities ensuring adequate staffing in underserved areas rather than concentrating doctors in urban centres.

Leverage Digital Health

1. Expand Ayushman Bharat Digital Mission creating unified health IDs, digitizing health records, and enabling seamless information exchange across facilities improving efficiency, continuity of care, and reducing duplication, while scaling telemedicine services connecting rural patients with urban specialists through improved internet connectivity and trained facilitators at primary health centres.

Improve Rural Infrastructure

1. Prioritize infrastructure upgrades, diagnostic equipment, and specialist services in rural and remote areas ensuring geographically balanced development, while establishing district-level centres of excellence providing advanced tertiary care reducing need for patients to travel to state capitals or metros for specialized treatment.

Conclusion

The NSO's 80th Round Survey reveals significant healthcare access improvements with over 50% of government hospital patients incurring OOPE below ₹1,100, zero outpatient OOPE in public facilities, rural health insurance coverage surging from 12.9% to 45.5%, and institutional deliveries reaching 95.6% in rural areas. Despite persistent challenges including workforce shortage (0.7 doctors per 1,000 people vs WHO's 2.5 standard), infrastructure gaps, and limited diagnostic access, sustained policy commitment through Ayushman Bharat, affordable medicines, telemedicine, and targeted disease programs demonstrates India's healthcare transformation potential.

Source - https -//www.newsonair.gov.in/nso-survey-highlights-significant-rise-in-healthcare-access-across-country/