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5. National Health Accounts Estimates 2022-23 - Reports

The Union Ministry of Health and Family Welfare recently released the 10th National Health Accounts Estimates for India, covering the financial year 2022-23 and providing comprehensive insights into healthcare financing patterns.

1. These estimates indicate a gradual shift toward greater public financing of healthcare and reduced financial vulnerability for households between 2013-14 and 2022-23.
2. The NHA Estimates represent a critical data source for understanding India's progress toward Universal Health Coverage and informing evidence-based health policy formulation.

1.Key Highlights of the NHA Estimates 2022-23

Rising Government Health Expenditure

1. Government Health Expenditure increased nearly threefold from 1.30 lakh crore rupees in 2013-14 to 3.85 lakh crore rupees in 2022-23, demonstrating substantial government commitment to healthcare.
2. In per capita terms, government health expenditure rose 2.7 times, from 1,042 rupees to 2,786 rupees, reflecting increased per-person investment in healthcare.
3. Government Health Expenditure as a share of GDP rose from 1.15 percent to 1.43 percent, indicating improved budgetary prioritization of healthcare.
4. Under the new GDP series with base year 2022-23, government health expenditure stands at 1.48 percent of GDP.
5. Its share in General Government Expenditure improved from 3.78 percent to 4.89 percent, showing healthcare's increasing importance in total government spending.

Total Healthcare Expenditure

1. The Total Healthcare Expenditure for India in fiscal year 2022-23 is valued at 7,66,814 crore rupees, reflecting substantial aggregate spending from all sources.
2. This comprehensive figure includes government spending, household out-of-pocket expenditure, insurance payments, and external health-related funding.

Strengthened Public Financing Role

1. The share of Government Health Expenditure in Total Health Expenditure increased from 28.6 percent to 43.7 percent, indicating a stronger role of public financing in India's health sector.
2. This shift reflects deliberate government policy prioritizing public health financing to reduce household financial burden and improve health security.

Declining Out-of-Pocket Expenditure

1. Out-of-Pocket Expenditure as a share of Total Health Expenditure declined substantially from 64.2 percent in 2013-14 to 43.4 percent in 2022-23, reflecting reduced direct financial burden on households.
2. This decline demonstrates improved financial protection for vulnerable populations against catastrophic health expenditure.
3. During the peak COVID-19 period in 2021-22, emergency public health responses pushed Government Health Expenditure to 1.84 percent of GDP, while Out-of-Pocket Expenditure fell to a historic low of 39.4 percent.

Primary Healthcare Emphasis

1. Government spending on primary healthcare more than doubled from approximately 0.5 lakh crore rupees in 2013-14 to 1.4 lakh crore rupees in 2022-23, indicating strategic prioritization of preventive care.
2. This investment reflects recognition that primary healthcare reduces disease burden and improves population health outcomes cost-effectively.

Expansion of Social Security and Insurance

1. Social Security Expenditure on healthcare, including Ayushman Bharat Pradhan Mantri Jan Arogya Yojana, government employee reimbursements, and social insurance, increased from 6 percent to 9.9 percent of Total Health Expenditure.
2. The share of private health insurance also increased from 3.4 percent to 9.2 percent, indicating growing reliance on insurance mechanisms for healthcare financing.

2.About National Health Accounts Estimates

Institutional Framework

1. National Health Accounts Estimates provide a systematic picture of healthcare financing in India by tracking sources of funds, financing schemes, providers, and health functions comprehensively.
2. The preparation of NHA estimates was institutionalized in 2014 at the National Health Systems Resource Centre, which serves as the National Health Accounts Technical Secretariat.

Methodology and Standards

1. The NHA uses the System of Health Accounts 2011 framework, an internationally accepted standard allowing global benchmarking of health finances and comparative analysis.
2. This standardized approach enables India to compare healthcare financing patterns with other countries and assess progress toward international health targets.

3.Significance of NHA 2022-23 Estimates

Progress Toward Universal Health Coverage

1. The NHA 2022-23 estimates indicate India's movement toward Universal Health Coverage through higher public health spending, reduced household financial burden, and greater focus on primary healthcare.
2. Improved financial protection from catastrophic health expenditure enables vulnerable populations to access needed healthcare without economic distress.

Reduced Household Financial Burden

1. The decline in Out-of-Pocket Expenditure from 64.2 percent to 43.4 percent reflects substantially improved financial protection for households against healthcare costs.
2. This reduction ensures that healthcare needs do not force households into poverty or debt.

Strengthening Public Health Financing

1. The rise in Government Health Expenditure from 28.6 percent to 43.7 percent of Total Health Expenditure shows the expanding role of the state in financing healthcare and ensuring equitable access.

Shift Toward Preventive Healthcare

1. The doubling of government spending on primary healthcare highlights a policy shift toward preventive, promotive, and early-stage healthcare reducing long-term disease burden and improving population health.

4.Challenges Requiring Attention

Continued Private Healthcare Dependence

1. Despite improvements, a large section of the population still relies on private hospitals, diagnostics, and medicines, exposing households to financial distress and catastrophic expenditure.

Below-Policy Expenditure Targets

1. Although government health expenditure has increased significantly, it remains below the National Health Policy 2017 target of 2.5 percent of GDP, requiring sustained fiscal commitment.

Quality and Accessibility Gaps

1. Higher expenditure alone may not translate into improved health outcomes unless accompanied by better doctor-patient ratios, medicine availability, diagnostics, and healthcare infrastructure quality.

Interstate Health Disparities

1. Significant variations persist across states in health infrastructure, institutional capacity, and service delivery, leading to unequal healthcare access.

5.Way Forward

1. **Increase Public Health Expenditure** - India should progressively raise public health spending toward the 2.5 percent of GDP target, emphasizing primary, preventive, and community healthcare systems.
2. **Strengthen Primary Healthcare Ecosystem** - Greater investment is needed in Primary Health Centres, telemedicine, immunization, screening programs, and frontline healthcare workers ensuring affordable accessible care.
3. **Reduce Household Financial Burden** - The government should expand insurance coverage, regulate private healthcare pricing, ensure affordable medicines, and improve access to low-cost diagnostics.

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