

**GOVERNMENT OF INDIA
MINISTRY OF HEALTH AND FAMILY WELFARE
DEPARTMENT OF HEALTH AND FAMILY WELFARE**

**LOK SABHA
UNSTARRED QUESTION NO. 3131
TO BE ANSWERED ON 13TH DECEMBER, 2024**

REDUCTION IN OUT-OF-POCKET HEALTH EXPENDITURE

3131: SHRI VISHNU DAYAL RAM:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) whether it is true that India's out-of-pocket health expenditure has been reducing;
- (b) if so, the details of out-of-pocket health expenditure during the last three years, year-wise and State-wise; and
- (c) the initiatives taken/being taken by the Government to further reduce this expenditure in the coming years?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY
WELFARE
(SHRIMATI ANUPRIYA PATEL)**

(a) to (c) : As per National Health Accounts Estimates 2021-22, the Out-of-pocket expenditure (OOPE) as percentage of Total Health Expenditure (THE) is 39.4%. OOPE on health as percentage of THE in the country for the year 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 are 48.8%, 48.2%, 47.1%, 44.4% and 39.4% respectively and therefore there is declining trend in OOPE as percentage of THE. Available State-wise OOPE as percentage of State THE for the last three years as per National Health Accounts Estimates for India, is placed as Annexure.

Ministry of Health and Family Welfare (MoHFW) has taken up with States to prioritize allocation to health sector and enhance their health budgets at least 10% every year. The budget allocation for Department of Health & Family Welfare (DoHFW) has increased by 85% from Rs. 47,353 crore in 2017-18 (BE) to Rs. 87,657 crore in 2024-25 (BE). Further, the 15th Finance Commission provided Rs. 70,051 crore Grants for health through the local Governments.

The Central Government has taken several initiatives for supplementing the efforts of the State for providing quality and affordable healthcare services to the people and reduce the OOPE. Under the National Health Mission, the Government has taken many steps towards universal health coverage, by supporting the State Governments in providing accessible and affordable healthcare to people. The National Health Mission provides support for improvement in health infrastructure, availability of adequate human resources to man health

facilities, to improve availability and accessibility to quality health care especially for the underserved and marginalized groups in rural areas. National Free Drugs Service initiative and Free diagnostic Service has been rolled out to ensure availability of essential drugs and diagnostic facilities and reduce out of pocket expenditure of the patients visiting public health facilities.

In this regard, the Government has launched mission mode projects, namely Pradhan Mantri -Ayushman Bharat Health Infrastructure Mission (PM-ABHIM), Ayushman Arogya Mandir (erstwhile AB-HWC) and Pradhan Mantri Jan Arogya Yojana (PMJAY).

PM-ABHIM was launched as a mission to develop the capacities of primary, secondary, and tertiary health care systems; strengthen existing national institutions and create new institutions to cater to detection and cure of new and emerging diseases. PM-ABHIM is a Centrally Sponsored Scheme with some Central Sector components with an outlay of Rs 64,180 crore.

A total of 1,75,418 Ayushman Arogya Mandirs (AAMs) have been established and operationalized, till 10th December 2024, by transforming existing Sub-Health Centres (SHC) and Primary Health Centres (PHC) in rural and urban areas. The purpose of AAMs are to deliver the expanded range of comprehensive primary healthcare services that includes preventive, promotive, curative, palliative and rehabilitative services encompassing Reproductive and Child care services, Communicable diseases, Non-communicable diseases and all health issues, which are universal, free, and closer to the community

Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) provides health cover of Rs. 5 lakh per family per year for secondary and tertiary care hospitalization to approximately 55 crore beneficiaries corresponding to 12.37 crore families, constituting the bottom 40% of India's population. The Central Government has also recently approved health coverage for all senior citizens of the age 70 years and above irrespective of their income under PM JAY.

Besides, quality generic medicines are made available at affordable prices to all under Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) in collaboration with the State Governments. Affordable Medicines and Reliable Implants for Treatment (AMRIT) Pharmacy stores have been set up in some hospitals/institutions.

Annexure referred to in reply to parts (a) to (c) of Lok Sabha Unstarred Question No. 3131 for answer on 13.12.2024.

Annexure

State-wise Out of Pocket Expenditure (OOPE) as percentage of State Total Health Expenditure

S.No	State	Out of Pocket Expenditure % of State Total Health Expenditure		
		2019-20	2020-21	2021-22
1	Assam	34.9	33.2	27.6
2	Andhra Pradesh	63.6	58.8	52.0
3	Bihar	54.3	50.2	41.3
4	Chhattisgarh	36.7	33.9	29.2
5	Gujarat	40.8	40.0	35.0
6	Haryana	45.5	42.2	37.5
7	Jammu and Kashmir	46.6	31.8	25.9
8	Jharkhand	64.7	61.8	47.5
9	Karnataka	31.8	30.3	25.4
10	Kerala	67.9	65.7	59.1
11	Madhya Pradesh	53.0	53.0	43.3
12	Maharashtra	44.1	42.4	38.1
13	Odisha	53.4	44.6	37.1
14	Punjab	64.7	62.3	57.2
15	Rajasthan	47.4	42.8	37.1
16	Tamil Nadu	44.2	36.9	34.6
17	Uttar Pradesh	71.8	70.2	63.7
18	Uttarakhand	35.8	33.4	26.9
19	West Bengal	67.1	65.1	58.3
20	Telangana	41.6	39.8	37.6
21	Himachal Pradesh	46.0	45.0	39.6

Source: National Health Accounts (NHA) Estimates for India