

Public Expenditure on Non-Communicable Diseases & Injuries in India: A Budget-based Analysis

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Abstract

Background: Resource allocation decisions for disease categories can be informed by proper estimates of the magnitude and distribution of total spending. In the backdrop of a high burden of Non-Communicable Diseases and Injuries (NCDI) in India, and a paucity of estimates on government spending on NCDI, this paper attempts to analyse public sector expenditure on NCDI spending in India.

Methods: Various recent budget documents of the Centre and States/Union Territories have been used to extract expenditure on NCDI. The aggregates thus arrived at have been analysed to estimate aggregate and state level per capita spending. State level spending have been compared against disease burden using DALYs. Patterns of spending on NCDI across states were also analysed together with state level poverty to observe possible patterns.

Findings: The total spending on NCDI by the government is low at less than 0.5% of GDP. NCDI spending is little more than one-fourth of total health spending of the country and most spending takes place at the state level (80%). The Ministry of Health and Family Welfare's share in Central spending on NCDI is around 65%, and currently it spends 20% of its total health spending on NCDI. The gap between spending and DALYs is the most for the economically vulnerable states. Also, the states with high poverty levels also have low per capita expenditure on NCDI

Interpretation: India does not depend on donor funding for health. It will have to step up domestic funding to address the increasing disease burden of NCDIs and to reduce the high out-of-pocket expenditure on NCDI. Policies on NCDI need to focus on UHC, service integration and personnel gaps.