

**NEXT IAS**

**DAILY EDITORIAL  
ANALYSIS**

**TOPIC**

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**DECLINING HEALTH SPENDING  
RISKS SDG GOALS**

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## DECLINING HEALTH SPENDING RISKS SDG GOALS

### Context

- Recent trends in government health spending across **Low Income Countries (LICs) and Lower Middle Income Countries (LMICs)**, including India, reveal worrying shifts as nations approach the deadline for the **Sustainable Development Goals (SDGs)**.

### About SDG 3 (Good Health and Well-being) by the United Nations

- SDG 3.1:** Reduce maternal mortality ratio to less than 70 per 100,000 live births.
- SDG 3.2:** End preventable deaths of newborns and children under 5, to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births.
- SDG 3.3:** End epidemics of AIDS, tuberculosis, malaria, and neglected tropical diseases.
- SDG 3.4:** Reduce premature mortality from non-communicable diseases (NCDs) and promote mental health.
- SDG 3.8:** Achieve universal health coverage (UHC).

### Declining Health Spending

- Pandemic Spending Surge and Subsequent Decline:** During the COVID-19 pandemic, there was a notable surge in government health spending as countries scrambled to manage the crisis.
  - However, this increase was short-lived. Post-pandemic, many nations have seen a steady decline in health spending, reversing the pre-pandemic trend where health had gained a greater share in national budgets.
  - It is now more permanent, challenging the momentum needed for health-related SDG targets.

### Challenges in Maintaining Health Funding

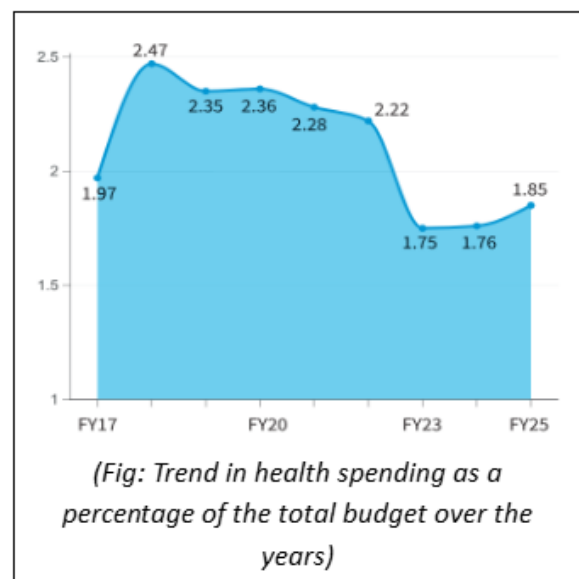
- As general government expenditure grows faster than health spending, the share of government budgets allocated to health has decreased.
  - In LICs, health spending as a share of total government expenditure dropped to 5.6% in 2023, down from its pandemic peak.
  - LMICs saw a similar trend, with health spending as a share of the budget declining to 6.5% in 2023.
- These reductions reflect the challenges in maintaining adequate funding for health while general government budgets remain largely stagnant or show modest growth.
- The decline in health spending is particularly pronounced in LICs and LMICs. From 2019 to 2023, government health spending per capita grew modestly, with LICs experiencing an average annual growth rate of just 0.4% and LMICs slightly higher at 0.9%.

### India & Health Funding

- The **Union Budget of 2024-25** has allocated ₹90,958.63 crore to the Union Health Ministry, marking a **12.9% increase from the previous year**. It includes ₹87,656.90 crore for health and family welfare and ₹3,301.73 crore for health research.
  - 2020-21:** Total health expenditure was 3.73% of GDP, with government health expenditure (GHE) at 1.60% of GDP
  - 2021-22:** Health expenditure was 2.1% of GDP
  - 2023-24:** GHE is 1.9% of GDP
- India aims **to increase public health spending to 2.5% of GDP by 2025**.

### Associated Risks

- Despite the increased budget, there are **concerns about meeting SDG targets** due to declining health spending in recent years. The share of health in the budget has **dropped below 2% post-pandemic**.



- India is among the countries where government health spending per capita and health spending's budget share have dropped.
- It is not unique to India but is a **common challenge across many LICs and LMICs**.

### Strategies to Mitigate Risks

- **Increase Health Spending:** Governments should prioritise health in their budgets to ensure adequate funding for essential services, infrastructure, and disease control programs.
  - ♦ It includes increasing allocations for maternal and child health, NCDs, and mental health services.
- **Strengthen Health Systems:** Investing in health infrastructure, training healthcare workers, and improving supply chains for medicines and vaccines can enhance the resilience of health systems.
- **Promote Public-Private Partnerships:** Collaborations between the public and private sectors can mobilise additional resources, improve service delivery, and foster innovation in healthcare.
- **Enhance Community Engagement:** Involving communities in health initiatives can improve awareness, increase uptake of health services, and ensure that programs are culturally appropriate and effective.
- **Leverage Technology:** Digital health solutions, such as telemedicine and electronic health records, can improve access to healthcare, especially in remote areas. The Ayushman Bharat Digital Mission (ABDM) is an example of leveraging technology to enhance healthcare delivery.
- **Focus on Preventive Care:** Emphasising preventive measures, such as vaccination, health education, and early detection of diseases, can reduce the burden on healthcare systems and improve health outcomes.

### Key Initiatives to achieve SDG 3 by India

- **Ayushman Bharat (Two Components)**
  - ♦ **Pradhan Mantri Jan Arogya Yojana (PM-JAY):** Provides health coverage up to 5 lakh per family per year for secondary and tertiary care hospitalisation.
  - ♦ **Health and Wellness Centres (HWCs):** Aim to provide comprehensive primary healthcare services, including maternal and child health services and non-communicable diseases care.
- **National Health Mission (NHM):** Comprising the National Rural Health Mission (NRHM) and the National Urban Health Mission (NUHM), this initiative aims to strengthen healthcare systems in **both rural and urban areas**, focusing on reproductive, maternal, newborn, child, and adolescent health.
- **Poshan Abhiyaan (National Nutrition Mission):** This mission aims to reduce stunting, undernutrition, anaemia, and low birth weight in children, as well as address malnutrition among pregnant women and lactating mothers.
- **Mission Indradhanush:** Aims to achieve full immunisation coverage for children and pregnant women by providing vaccines against various preventable diseases.
- **Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP):** It aims to provide quality medicines at affordable prices through special stores known as Pradhan Mantri Bhartiya Janaushadhi Kendras.
- **National Digital Health Mission (NDHM):** Now known as Ayushman Bharat Digital Mission (ABDM), aims to create a digital health ecosystem by providing a unique health ID to every citizen, facilitating access to health records and services.

### Conclusion

- The **'Right to Health'** has been interpreted as part of the **'Right to Life under Article 21 of Fundamental Right'**.
  - ♦ The **Supreme Court of India** has ruled that the **'Right to Life'** includes the right to live with human dignity, which encompasses access to healthcare.
- The decline in health spending poses a significant threat to achieving the health-related SDG targets by 2030 and access to healthcare facilities. It is crucial for governments to prioritise health in their budgets allocation and seek sustainable funding solutions.
  - ♦ There is a need to build resilient health systems and achieve the broader goals of sustainable development.

Source: TH

### Mains Practice Question

Critically analyse the potential impact of declining health spending on achieving the Sustainable Development Goals (SDGs). Discuss specific SDGs that are most at risk and propose strategies to mitigate these risks.