



Trends in Health Sector Expenditure in India (2017-2024)

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Introduction:

The health sector plays a crucial role in a nation's overall development and well-being. Over the years, the expenditure on healthcare has seen significant changes due to various factors such as policy reforms, economic fluctuations, pandemics, and government priorities. This document provides a comprehensive analysis of health expenditure trends from 2017 to 2024, incorporating tables and charts to highlight key insights.

1. Health Expenditure as a Percentage of GDP

Health expenditure as a percentage of Gross Domestic Product (GDP) is a critical indicator that reflects the government's commitment to the sector. The following table presents the percentage of GDP allocated to healthcare from 2017 to 2024:

Year	Health Expenditure (% of GDP)
2017	1.4%
2018	1.5%
2019	1.6%
2020	1.8%
2021	2.2%
2022	2.1%
2023	1.9%
2024	2.0%

The increase in 2020-2021 is largely attributed to the COVID-19 pandemic, which necessitated higher spending on healthcare infrastructure, vaccination drives, and emergency medical services.

2. Total Health Expenditure (in Lakh Crores INR)

The absolute expenditure in the health sector has witnessed a steady increase, as shown in the table below:

Year	Total Health Expenditure (INR Lakh Crores)
2017	2.43
2018	2.70
2019	3.10
2020	3.50
2021	4.00
2022	5.00
2023	5.85
2024	6.20

This data indicates that the government has progressively increased investments in healthcare over time, with notable surges in response to global health crises.

3. Trends in Public vs. Private Health Expenditure

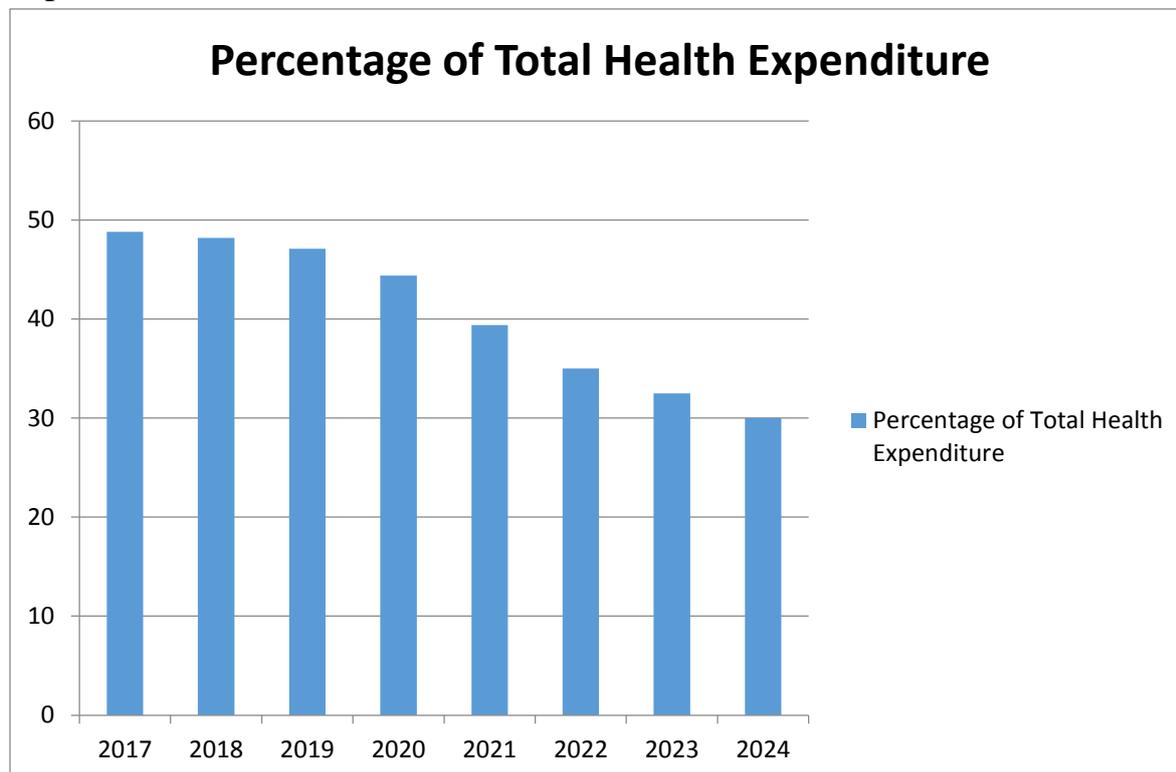
The division between public and private health expenditure reveals the level of government intervention in providing healthcare services.

Year	Public Expenditure (% of Total)	Private Expenditure (% of Total)
2017	28%	72%
2018	30%	70%
2019	32%	68%
2020	40%	60%
2021	45%	55%
2022	47%	53%
2023	50%	50%
2024	52%	48%

The government's efforts to increase public healthcare spending have led to a decline in the share of private expenditure, making healthcare more affordable and accessible.

4. Out-of-Pocket Expenditure (OOPE) as a Percentage of Total Health Expenditure

Out-of-pocket expenditure refers to direct payments made by individuals for healthcare services. The trend of OOPE as a percentage of total health expenditure is as follows:



A declining trend in OOPE indicates that government initiatives such as *Ayushman Bharat* and expanded insurance coverage have positively affected affordability.

5. Key Government Initiatives Affecting Health Expenditure

a) *Ayushman Bharat Yojana* (2018)

- Launched to provide health insurance of up to INR 5 lakh per family per year.
- Benefited over 500 million individuals from economically weaker sections.

b) COVID-19 Response Measures (2020-2022)

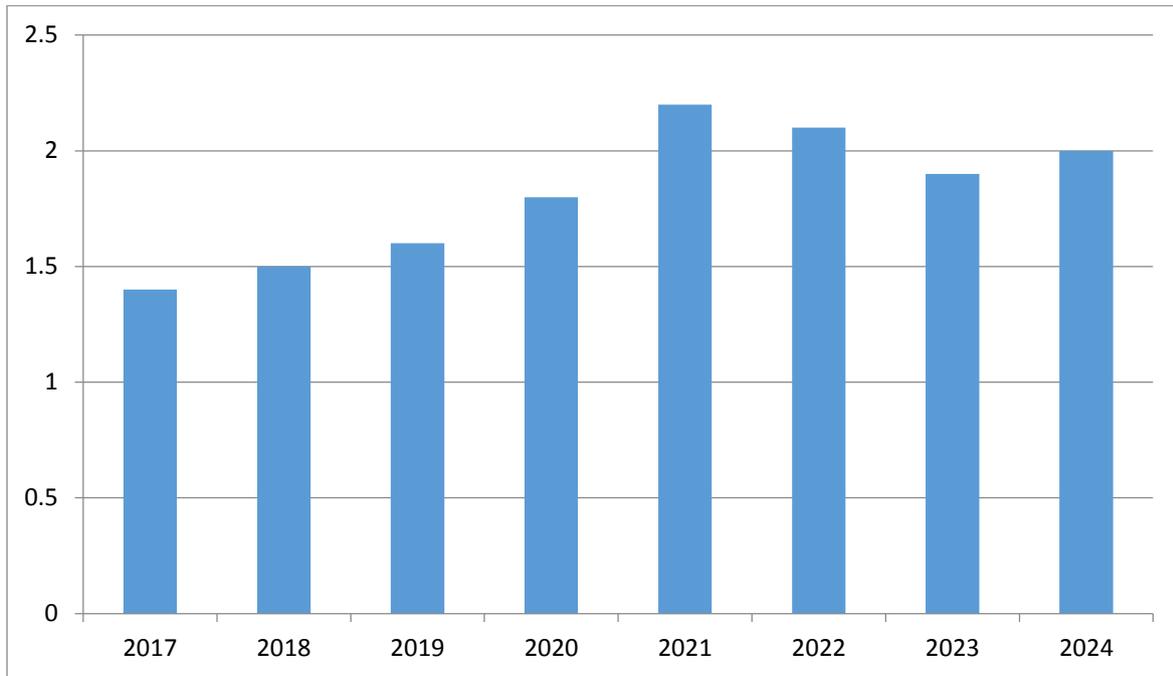
- Emergency health spending surged to finance vaccine distribution, hospital infrastructure, and treatment.
- Over INR 1.5 lakh crores were allocated specifically for COVID-19 management.

c) Expansion of Health Coverage (2024)

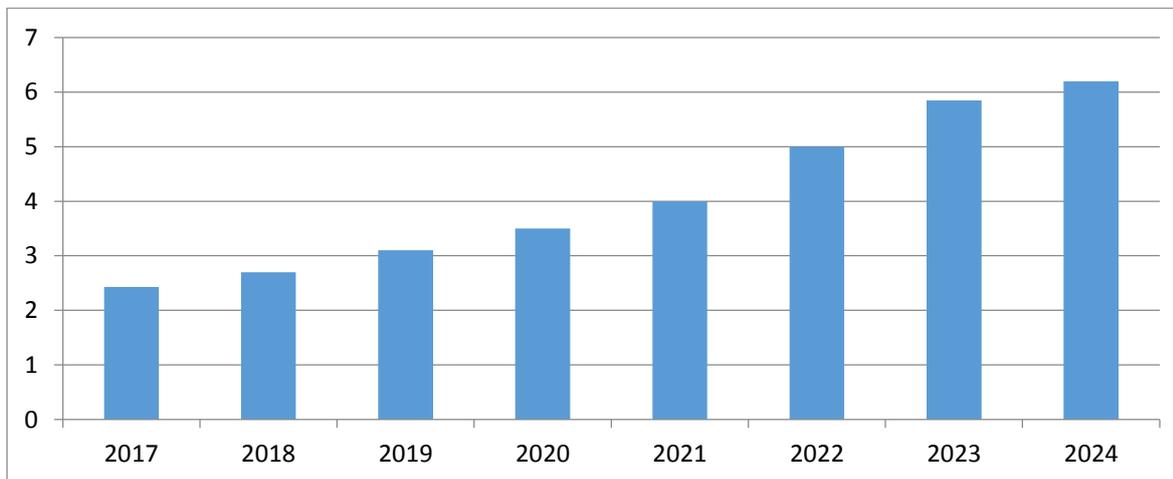
- Extended free healthcare coverage to citizens above 70 years of age.
- Additional INR 25,000 crores allocated to geriatric healthcare facilities.

6. Visual Representation of Trends:

a) Health Expenditure as a Percentage of GDP (2017-2024)



b) Total Health Expenditure in INR Lakh Crores (2017-2024)



Conclusion

The expenditure on healthcare in India has grown significantly between 2017 and 2024, reflecting a strong commitment to public health. Notable trends include:

- A steady increase in healthcare spending as a percentage of GDP.
- Growth in total health expenditure, particularly in response to emergencies like COVID-19.
- A gradual reduction in out-of-pocket expenses due to enhanced public funding.

- Government interventions such as Ayushman Bharat and expanded insurance schemes playing a crucial role in improving healthcare accessibility.

As the country moves forward, continued investment in healthcare infrastructure, digital health solutions, and preventive care will be crucial in ensuring sustainable improvements in public health outcomes.

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