



## Healthcare Sector in India

**For Prelims:** Government Policies & Interventions, Healthcare Sector in India and related Initiatives.

**For Mains:** Healthcare Sector in India, Challenges and Potential.

### Why in News?

Healthcare has become more focused on innovation and technology over the past two years and **80% of healthcare systems are aiming to increase their investment in digital healthcare tools in the coming five years.**

### What is the Scenario of the Healthcare Sector in India?

#### ▪ About:

- Healthcare industry comprises **hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment.**
- India's healthcare delivery system is categorised into two major components - public and private.
  - The government (public healthcare system), comprises **limited secondary and tertiary care institutions** in key cities and focuses on providing basic healthcare facilities in the form of **Primary Healthcare Centres (PHCs)** in rural areas.
  - The private sector provides a **majority of secondary, tertiary, and quaternary care institutions** with major concentration in metros, **tier-I and tier-II cities.**

#### ▪ Market Statistics:

- The Indian healthcare sector is expected to record a **three-fold rise, growing at a CAGR (Compound Annual Growth Rate) of 22% between 2016-22 to reach USD 372 billion in 2022** from USD 110 billion in 2016.
- In the Economic Survey of 2022, India's **public expenditure** on healthcare **stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20.**
- In FY21, gross direct premium income underwritten by health insurance companies grew 13.3% YoY to Rs. 58,572.46 crore (USD 7.9 billion).
- The Indian **medical tourism market** was valued at USD 2.89 billion in 2020 and is expected to reach USD 13.42 billion by 2026.
- **Telemedicine** is also expected to reach USD 5.5 billion by 2025.

### What are the Challenges with the Health Sector?

#### ▪ Inadequate Access:

- Inadequate access to basic healthcare services such as shortage of medical professionals, a lack of quality assurance, insufficient health spending, and, most significantly, insufficient research funding.
- One of the **major concerns is the administrations'** insufficient financial allocation.

#### ▪ Low Budget:

- India's public expenditure on healthcare is only 2.1% of GDP in 2021-22 while Japan, Canada and France spend about 10% of their GDP on public healthcare.
  - Even neighbouring countries like **Bangladesh and Pakistan have over 3% of their GDP** going towards the public healthcare system.
- **Lack of Preventive Care:**
  - Preventive care is **undervalued in India**, despite the fact that it has been shown to be quite beneficial in alleviating a variety of difficulties for patients in terms of unhappiness and financial losses.
- **Lack of Medical Research:**
  - In India, R&D and cutting-edge **technology-led new projects receive little attention.**
- **Policymaking:**
  - Policymaking is undoubtedly crucial in providing effective and efficient healthcare services. In India, the issue is one of supply rather than demand, and policymaking can help.
- **Shortage in Professionals:**
  - In India, there is a shortage of doctors, nurses, and other healthcare professionals.
  - According to a study presented in Parliament by a minister, **India is short 600,000 doctors.**
- **Paucity of Resources:**
  - Doctors work in **extreme conditions ranging from overcrowded out-patient departments**, inadequate staff, medicines and infrastructure.

## What is the Potential of the Indian Health Sector?

- India's competitive advantage lies in its **large pool of well-trained medical professionals**. India is also cost competitive compared to its peers in Asia and western countries. The **cost of surgery in India is about one-tenth** of that in the US or Western Europe.
- India has all **the essential ingredients for the exponential growth** in this sector, including a **large population, a robust pharma and medical supply chain, 750 million plus smartphone users, 3<sup>rd</sup> largest start-up pool** globally with easy access to **VC (Venture Capital Fund) funding and innovative tech entrepreneurs** looking to solve global healthcare problems.
- India will have about **50 clusters for faster clinical testing of medical devices to boost product development and innovation.**
- The sector will be driven by life expectancy, shift in disease burden, changes in preferences, growing middle class, increase in health insurance, medical support, infrastructure development and policy support and incentives.
- As of 2021, the Indian healthcare sector is **one of India's largest employers as it employs a total of 4.7 million people**. The sector has generated 2.7 million additional jobs in India between 2017-22 -- over 500,000 new jobs per year

## What are the Initiatives for the Health Care Sector?

- [\*\*National Health Mission\*\*](#)
- [\*\*Ayushman Bharat.\*\*](#)
- [\*\*Pradhan Mantri Jan Arogya Yojana \(AB-PMJAY\).\*\*](#)
- [\*\*National Medical Commission\*\*](#)
- [\*\*PM National Dialysis Programme.\*\*](#)
- [\*\*Janani Shishu Suraksha Karyakram \(JSSK\).\*\*](#)
- [\*\*Rashtriya Bal Swasthya Karyakram \(RBSK\).\*\*](#)

## Way Forward

- There is an **urgent need to improve the infrastructure of public hospitals**, which are overburdened as a result of India's large population.
- The government **should encourage private hospitals** because they make a significant contribution.

- Because the difficulties are severe and cannot be tackled just by the government, the **private sector must also engage**.
- To improve the sector's capabilities and efficiency, **more medical personnel must be inducted**.
- In order to connect the dots in the health system, technology must be used.
  - Medical gadgets in hospitals and clinics, mobile health apps, wearables, and sensors are only a few examples of technology that should be included in this area.

## UPSC Civil Services Examination, Previous Year Questions (PYQs)

### Prelims

#### **Q. Which of the following are the objectives of 'National Nutrition Mission'? (2017)**

1. To create awareness relating to malnutrition among pregnant women and lactating mothers.
2. To reduce the incidence of anaemia among young children, adolescent girls and women.
3. To promote the consumption of millets, coarse cereals and unpolished rice.
4. To promote the consumption of poultry eggs.

**Select the correct answer using the code given below:**

- (a) 1 and 2 only
- (b) 1, 2 and 3 only
- (c) 1, 2 and 4 only
- (d) 3 and 4 only

**Ans: (a)**

**Exp:**

- National Nutrition Mission (POSHAN Abhiyaan) is a flagship programme of the Ministry of Women and Child Development, GoI, which ensures convergence with various programmes like **Anganwadi services, National Health Mission, Pradhan Mantri Matru Vandana Yojana, Swachh-Bharat Mission, etc.**
- The goals of National Nutrition Mission (NNM) are to achieve improvement in nutritional status of children from 0-6 years, adolescent girls, pregnant women and lactating mothers in a time bound manner during the next three years beginning 2017- 18. **Hence, 1 is correct.**
- NNM targets to reduce stunting, under-nutrition, anaemia (among young children, women and adolescent girls) and reduce low birth weight of babies. **Hence, 2 is correct.**
- There is no such provision relating to consumption of millets, unpolished rice, coarse cereals and eggs under NNM. **Hence, 3 and 4 are not correct.**
- **Therefore, option (a) is the correct answer.**

### Mains

**Q.** "Besides being a moral imperative of a Welfare State, primary health structure is a necessary precondition for sustainable development." Analyse. **(2021)**

**Source: PIB**