



Decline in Out-of-Pocket Health Spending

Source: [BS](#)

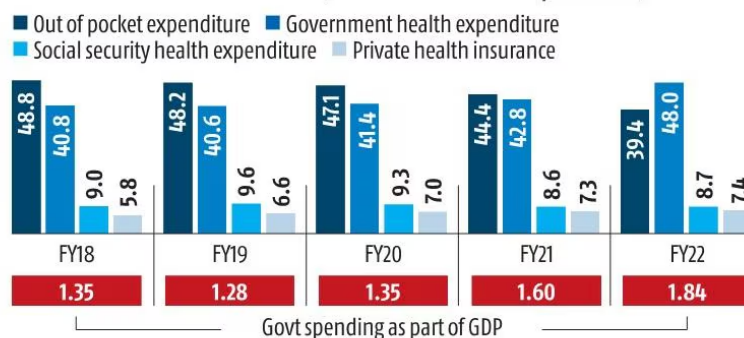
Recently, the [National Health Accounts \(NHA\) Estimates 2021-22](#) was released by the **Ministry of Health and Family Welfare** as per which [Out-of-pocket expenditure \(OOPE\)](#) dropped to **39.4%** of total health expenditure (THE) in 2021-22, down from **48.8%** in 2017-18.

- This aligns with the government's **objective** to reduce **OOPE to 35%** of THE by the financial year **2025-26**.
- **Reasons for Decline in OOPE:**
 - Increase in the **government's share of THE** from 40.8% to 48%.
 - Initiatives like [Ayushman Bharat](#) have facilitated broader access to health coverage.
 - Increased **private health insurance coverage** which grew from **5.8% in 2017-18 to 7.4% in 2021-22**.
- **Trends in Health Expenditure:**
 - **Social security expenditure for health** declined from **9% in 2017-18 to 8.7% in 2021-22**.
 - **Government health expenditure** as a percentage of GDP rose from **1.35% in 2017-18 to 1.84% in 2021-22**. (Target: 2.5% of GDP by 2025).
 - **Per capita health expenditure** nearly doubled between 2017-18 and 2021-22.
- **NHA Estimates** is an annual publication that **provides estimates of healthcare expenditures** in India.
 - It explains how **money flows in India's health system**, how it's spent, how healthcare is provided, and the types of services used.
 - Based on - '[A System of Health Accounts \(SHA\), 2011](#)' (by WHO).
 - Published by - **The National Health Systems Resource Centre (NHSRC)**.

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HEALTH SPENDING (as % of total health expenditure)



Read More: [Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana](#)

