



## Health Initiatives in Union Budget 2025-26

**For Prelims:** [Union Budget 2025-26](#), [Economic Survey \(ES\) 2024-25](#), [Ultra-Processed Foods \(UPFs\)](#), [Basic Customs Duty \(BCD\)](#), [Indirect Tax](#), [Health Insurance](#), [Gig Workers](#), [E-Shram portal](#), [Pradhan Mantri Ayushman Bharat Health Infrastructure Mission \(PM-ABHIM\)](#), [PM Matru Vandana Yojana](#), [Child Nutrition](#), [Anganwadi](#), [Production Linked Incentive \(PLI\) Scheme](#), [National Tele Mental Health Programme](#), [WHO](#), [Household Consumption Expenditure Survey \(HCES\) 2022-23](#), [FSSAI](#), [Chemotherapy](#).

**For Mains:** Health Initiatives in Union budget 2025-26, Concerns regarding ultra-processed foods (UPFs), establishment of cancer day-care centers.

[Source: IE](#)

### Why in News?

The [Union Budget 2025-26](#) has allocated around **Rs 1 lakh crore** for the **Ministry of Health and Family Welfare**.

- The share of health in the FY26 budget increased marginally to **1.97% from 1.9%** in FY25 but overall health allocation remained **below 2% of the budget**.
- The [Economic Survey \(ES\) 2024-25](#) and [Union budget 2025-26](#) recommended and announced a number of measures to **promote health** in the country.
- Among several announcements, the major one is the establishment of **Daycare Cancer Centers**.

**Note:** The [National Health Policy 2017](#) recommends that the **health expenditure** be increased from **1.15%** (2017) of the GDP to **2.5% of the GDP by 2025**.

### What are the Measures Recommended and Announced to Promote Health?

- **Taxing UPFs:** The [ES 2024-25](#) proposed a 'health tax' on [ultra-processed foods \(UPFs\)](#) to curb their consumption, citing links to [obesity](#), [diabetes](#), [heart disease](#), and [cancer](#).
  - The **high consumption of UPF** is a key reason for India being the **diabetic capital of the world**, with over **101 million affected**.
- **Cancer Care Expansion:** The government plans **cancer care centers** in every district by **FY 2026** and **200 new Daycare Cancer Centers by FY 2025-26** for localized **chemotherapy and treatment**.
- **Life-Saving Drug Exemptions:** The budget exempts **36 life-saving drugs** from [Basic Customs Duty \(BCD\)](#), reducing costs, while **Patient Assistance Programmes (PAPs)** run by pharma firms will continue providing free medicines duty-free.
  - BCD is an [indirect tax](#) levied on **all the goods and commodities** imported to India.
  - PAPs **assist** those **without health insurance** by covering full **medication costs** or

offering **discounts** on medicines.

- **AB PM-JAY for Gig Workers:** AB PM-JAY has been **expanded** to cover nearly **1 crore gig workers**, who will be registered on the **e-Shram portal** with ID cards for healthcare access.
- **Health Infrastructure and Manpower:** The budget allocated Rs 4,200 crore for **Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)** to enhance healthcare facilities and set up **five skill centers to train 3,00,000 healthcare professionals** annually to meet global healthcare demands.
- **Women and Child Healthcare:** **PM Matru Vandana Yojana** will expand **maternal health** programs, with increased funding for **child nutrition and vaccinations**.
  - More **Anganwadi centers** will be upgraded with **digital tracking systems**.
- **Pharmaceutical Research:** The government **allocated Rs 2,445 crore for the Production Linked Incentive (PLI) scheme** to boost pharmaceutical manufacturing.
- **Mental Health and Telemedicine:** The **National Tele Mental Health Programme** received **funding** to expand **mental healthcare services** across India.
- **Medical Tourism:** The government plans to simplify **visa procedures** for medical tourists to boost India's medical tourism market that is valued at **USD 7.56-USD 10.4 billion in 2024**.
  - The **"Heal in India" initiative** was launched in **2023** to promote medical tourism.

## Note:

- A 2023 **WHO report** showed **India's UPF** spending surged from **USD 900 million in 2006 to USD 37.9 billion in 2019**, with a **13.7% growth** in retail sales (2011-2021).
- The **Household Consumption Expenditure Survey (HCES) 2022-23** found UPFs make up **9.6% of rural and 10.64% of urban** household food budgets.
- Countries like Brazil, Canada, Chile, France, Mexico, Israel, Peru, the UK, and Uruguay use the **Nutrient Profile Model** for labeling and marketing restrictions of UPFs.
  - The **NPM rates foods** based on their nutrients to **identify healthy options** and those that may **harm health**.
- **Denmark** introduced a **tax on saturated fats** as early as **2011**, while **Mexico** levied surcharges on sugary drinks and junk food.

**Click to Read: [What are Ultra-Processed Foods and their Negative Impacts?](#)**

## What ES 2024-25 Recommended to Reduce Consumption of UPFs?

- **Clear Regulations:** It recommended **stricter FSSAI regulations**, including clear **UPF definitions**, and labeling standards.
- **Stronger Monitoring:** Implement **stricter monitoring** of branded products to ensure compliance with health standards and **prevent misleading claims**.
- **Enhanced Consumer Protection:** Strengthen laws to address **aggressive marketing**, particularly **targeting children and adolescents**.
- **Higher Taxation:** Consider imposing **higher taxes on heavily marketed UPFs** to discourage consumption and fund public health initiatives.
- **Consumer Awareness:** Launch **educational campaigns**, especially for children, about the health risks of UPFs, including **obesity, diabetes, and other metabolic diseases**.

## What is a Daycare Cancer Center?

- **About:** A Daycare Cancer Center is a cancer clinic offering **chemotherapy in a day facility** for patients who need **quick treatments** and **don't** require **overnight hospital stays**.
  - The government plans to establish **200 centers by 2025-26** across **India's 759 district hospitals**.
- **Objective:** It aims to enhance **district-level cancer care**, easing the **burden** on **metropolitan hospitals**, and is vital for rural populations facing **high treatment costs and long travel distances**.
- **Significance:** The centers will offer **chemotherapy, medications, biopsies, and complication management** to improve cancer care accessibility.
- **Concerns:**

- **Lack of Service Clarity:** Concerns exist about the absence of advanced treatments like **radiotherapy**, which requires **high investment in equipment**.
- **Infrastructure Issues:** Many district hospitals **lack biopsy services**, and some medical colleges **don't offer cancer treatment**, raising doubts about their ability to manage these centers.
- **Trust Issues:** Patients may be **reluctant to trust district-level centers** for cancer treatment, preferring established hospitals like **AIIMS**.
- **Workforce Shortages:** Concerns exist about attracting **trained oncologists** to smaller districts, which may require **competitive salaries and incentives**.
- **Public Health Impact:** Cancer cases are **rising in India**, with **one in nine** people expected to develop it.
  - The centers will ease the **growing patient load and improve treatment accessibility**, particularly in rural areas.

## Conclusion

The **Union Budget 2025-26** introduces key health measures, including **cancer care expansion and taxation on ultra-processed foods (UPFs)**, to address rising health concerns. While the initiatives aim to improve **accessibility and affordability**, challenges like **infrastructure, workforce, and public trust** remain significant hurdles to overcome.

### Drishti Mains Question:

Discuss the significance of the proposed cancer day-care centers and the challenges involved in their implementation.

## UPSC Civil Services Examination, Previous Year Question (PYQ)

### Prelims

**Q. Aspartame is an artificial sweetener sold in the market. It consists of amino acids and provides calories like other amino acids. Yet, it is used as a low-calorie sweetening agent in food items. What is the basis of this use? (2011)**

- (a) Aspartame is as sweet as table sugar, but unlike table sugar, it is not readily oxidized in human body due to lack of requisite enzymes
- (b) When aspartame is used in food processing, the sweet taste remains, but it becomes resistant to oxidation
- (c) Aspartame is as sweet as sugar, but after ingestion into the body, it is converted into metabolites that yield no calories
- (d) Aspartame is several times sweeter than table sugar, hence food items made with small quantities of aspartame yield fewer calories on oxidation

**Ans: (d)**

### Mains

**Q. What are the research and developmental achievements in applied biotechnology? How will these achievements help to uplift the poorer sections of the society? (2021)**

**Q. Why is nanotechnology one of the key technologies of the 21st century? Describe the salient features of Indian Government's Mission on Nanoscience and Technology and the scope of its application in the**

development process of the country. (2016)

PDF Refernece URL: <https://www.drishtias.com/printpdf/health-initiatives-in-union-budget-2025-26>

