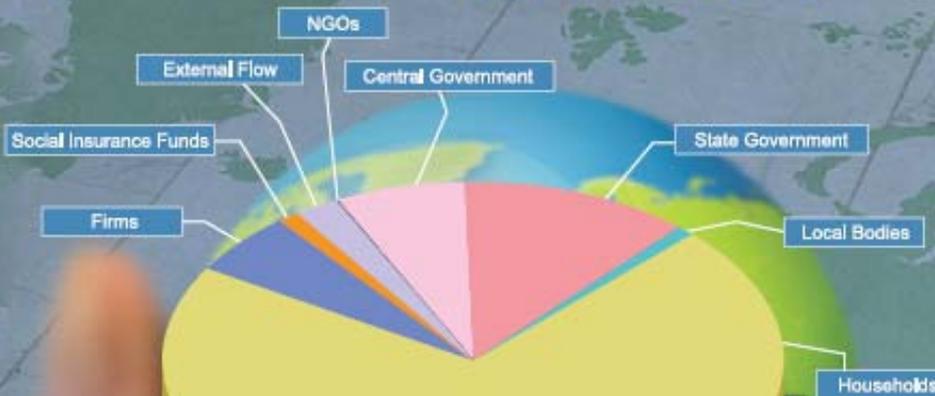


NATIONAL HEALTH ACCOUNTS INDIA



2004-05

(With Provisional Estimates from 2005-06 to 2008-09)



National Health Accounts Cell
Ministry of Health and Family Welfare
Government of India
(In collaboration with WHO Country Office for India)

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Foreword

Financing health care is one of the critical determinants that influence health outcomes in a country. The health system goals of equity and accessibility necessitate adoption of a financing strategy that will ensure protection of the majority of individuals from catastrophic health expenditure. To arrive at an appropriate strategy, policy makers would need to assess health system performance and prioritize allocation of resources across competing ends to obtain the best possible health outcomes. This prioritization and allocation though inescapable is difficult due to the complexity of the health system. National Health Accounts (NHA) is an effective tool to support health system governance and decision making by not only capturing financial flows but by also providing information relevant to designing better and more effective health policies. By providing a matrix on the sources and uses of funds for health, the NHA framework facilitates in tracing how resources are mobilized and managed, who pays and how much is paid for healthcare, who provides goods and services, how resources are distributed across services, intermediaries and activities the health system produces etc.

The first NHA for India was developed for the fiscal year 2001–02. The current estimate, second in the series, has been prepared for the fiscal year 2004–05. Selection of the year 2004–05 has been consciously made so as to have a comprehensive baseline of the quantum of public and private spending and the components of public spending given the launch of the major public health intervention, the National Rural Health Mission in 2005. Besides the estimate for 2004–05, the Report also provides the provisional estimates of total health expenditure for the period 2005–06 to 2008–09.

The NHA has been guided by the Steering Committee, an apex body in the preparation of estimate for 2004–05. The Committee comprises representatives from Government Departments, research institutions and State Governments. NHA cell has also been benefited from the consultative meetings convened with experts. As part of capacity building, training programmes and workshops have been organized on health accounts. Efforts have been initiated in 6 States to develop State health accounts.

It is hoped that this volume would be useful to policy makers, administrators and researchers in analyzing health expenditure and the direction in which financing health care would need to move in future.



(Ganga Murthy)
Economic Advisor

Acknowledgements

This Report on NHA 2004–05 is the outcome of the effort made by the National Health Accounts Cell in the Ministry of Health & Family Welfare in co-ordination with several other government Ministries/Departments, organizations and individuals. The pathway after the publication of the first national health accounts of 2001–02 has been difficult and time consuming requiring efforts on different fronts. These issues were resolved in the meetings of the Expert Group and the Steering Committee helping the Cell to reach its objective of estimating NHA 2004–05. Our sincere thanks to the Members of the Steering Committee with Secretary (H&FW) as the chair and the experts for giving the necessary direction, and extending continued support and guidance in bringing out these estimates. We are also thankful to Dr. S. J. Habayeb, WHO representative to India and WHO Country Office for extending his whole hearted support and financial assistance in this initiative.

NHA Cell would like to express to all the stakeholders its sincere appreciation of the assistance received in the preparation of NHA 2004–05 as scientifically as possible. In the process it has been possible to forge partnerships with Departments & organizations to take forward this task of developing health accounts in the future. Technical units and Departments under MoHFW, other Ministries/Departments at Central and State levels, donor organizations, NGOs, academic institutions and individuals with domain knowledge have all co-operated in this exercise. We would like to thank each and everyone of them for their valuable contribution.

Our sincere thanks to the Secretaries of Health and Finance Departments of the State Governments for providing the State budget documents for our use. The Central Statistical Organisation (CSO) has been a great source of strength from the very beginning in the task of developing health accounts. The invaluable assistance received from the officers of CSO are gratefully acknowledged. We are also grateful to the officers from the Ministries of Defence, Railways, Labour, Finance (Insurance Division), Home (FCRA Division), Statistics and Programme Implementation, Office of Comptroller and Auditor General, Planning Commission, IRDA, insurance companies, ESIS and CGHS for providing data as and when needed. We would also like to acknowledge the data used from the Report of the National Commission on Macro Economics & Health to bridge the gaps in the estimation of health expenditure on firms.

Our special thanks to all the experts who attended the series of Technical meetings that had been convened before firming up the estimates for 2004–05. Though contribution of each and every member with whom NHA Cell interacted is gratefully acknowledged, special mention needs to be made of Dr. Ramesh Kohli of CSO and Mr. V. Selvaraju who provided technical support in estimating out of pocket expenses. The initiative and assistance rendered by Shri Rakesh Maurya, Deputy Director and by our previous consultants, Ms. Pratheeba J, Dr. Neeta Rao and technical research support by Shri Bodhraj in the construct of 2004–05 estimates are also gratefully acknowledged.

Last but not the least we would like to place on record the excellent work done by our colleagues in the NHA Cell particularly Shri Sarit Kumar Rout in the preparation of NHA 2004–05.

Executive Summary

Adopting the methodology given in the Producers Guide, the NHA India 2004–05, analyses the financial flow and the transactions taking place from allocation of resources to creation of goods and services in the health sector during 2004–05 and makes provisional estimates from 2005–06 to 2008–09. Total health expenditure from all the sources was Rs. 1,337,763 million during 2004–05 constituting 4.25% of Gross Domestic Product. Of the total health expenditure, the share of private sector was maximum with 78.05%, public sector at 19.67% and the external flows contributed 2.28%. The provisional estimates from 2005–06 to 2008–09 shows that health expenditure as a share of GDP has come down to 4.13% in 2008–09. Though health expenditure has increased in absolute terms, the proportionately higher growth of GDP has resulted in a moderate increase in the share of health expenditure to GDP over the years. But the share of public expenditure in GDP has increased consistently during 2005–06 to 2008–09. It has reached 1.10% in 2008–09 from 0.96% in 2005–06.

Among all the sources, households contributed a significant portion at 71.13% of total health expenditure for availing health care services from different health care institutions. This covers expenditure on inpatient, outpatient care, family planning, and immunization etc. Another major source of funding was the state governments constituting 12%. The central government contributed 6.78% and firms 5.73%.

Amongst financing agents who channelised funds, households channelised 69.4% of total funds, followed by State Government with 11% and Central Government at 5.79%. The other financing agents such as NGOs and local bodies channelised an insignificant proportion of total funds.

The provider classification showed that the private providers accounted for 76.74% of the health expenditure incurred in 2004–05. In the public sector, the major providers included public hospitals, outreach centres, medical education, research and training etc. The public hospitals accounted for 5.82% of total expenditure, dispensaries 5.21%, family welfare centres 2.50% and medical education and research less than 2%.

As per the international classification of health accounts (ICHA) 77.96% was incurred on curative care, followed by 8.07% on reproductive child health and family welfare, and 1.80% on medical education and research. The Ministry of Health and Family Welfare spent 26.16% on curative care while it was 46.92% for the state governments. For the households more than 90% was spent on curative care.

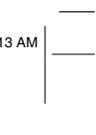


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Abbreviations

CGHS	Central Government Health Scheme
CSO	Central Statistical Organization
ESIS	Employees State Insurance Scheme
FCRA	Foreign Contribution Regulatory Authority
ICHA	International Classification of Health Accounts
FW	Family Welfare
GDP	Gross Domestic Product
GSDP	Gross State Domestic Product
GIC	General Insurance Corporation
IRDA	Insurance Regulatory & Development Authority
MCH	Maternity and Child Health
MoHFW	Ministry of Health & Family Welfare
NGOs	Non-Government Organizations
NCMH	National Commission on Macroeconomics & Health
NHA	National Health Accounts
NPISH	Non-Profit Institutions Serving Households
NFHS	National Family Health Survey
NSSO	National Sample Survey Organization
NRHM	National Rural Health Mission
OECD	Organization for Economic Cooperation and Development
OOP	Out of Pocket
OPD	Out Patient Department
PHC	Primary Health Care
PRIs	Panchayati Raj Institutions
RBI	Reserve Bank of India
RCH	Reproductive and Child Health
RE	Revised Estimates
SRS	Sample Registration System
THE	Total Health Expenditure
ULB	Urban Local Bodies
UTs	Union Territories
WHO	World Health Organization



Health Financing in India

1

Introduction

National Health Accounts is a tested and internationally accepted tool to determine a nation's health expenditure. It attempts to explain the health accounts of an economy through a set of tables that organizes, tabulates and presents health expenditure by identifying the linkages between sources, agents, providers and functions through a system of matrices. The flow of funds reflected in the matrices trace the manner in which resources are mobilized and distributed across different entities, interventions and activities in the health system.

The first National Health Accounts for India was developed for the fiscal year 2001–02. The current estimates, the second in the series has been prepared for the fiscal year 2004–05 with a three fold objective:

- Possibility of scientifically estimating out of pocket expenses based on the NSSO 60th Round on Morbidity, Healthcare and the Condition of the Aged of 2004 (given the fact that out of pocket expenses contribute to almost over 70% of total health expenditure in India).
- Provide a comprehensive base line particularly for component wise public health spending given the launch of the major public health intervention, the National Rural Health Mission in April, 2005.
- Assess the segment-wise total health spending post-NRHM with clear focus on public expenditure and its impact on Out of Pocket (OOP) expenses.

Besides giving a disaggregated picture of public and private health expenditure for 2004–05, the report also provides the provisional estimates of the total health expenditure for the period 2005–06 to 2008–09.

The health care system in India pre-dominantly is catered to by the private sector and a minuscule contribution through external flows. Expenditure in the private sector contributes to 78.05% of total health expenditure, public sector accounts for 19.67% and external flows 2.28%. In totality, health expenditure formed 4.25% of Gross Domestic Product (GDP). The distribution of total health expenditure and its share in GDP is reflected in the Table 1.1.

Table 1.1: Health Expenditure in India 2004–05 (in Rs. 000)

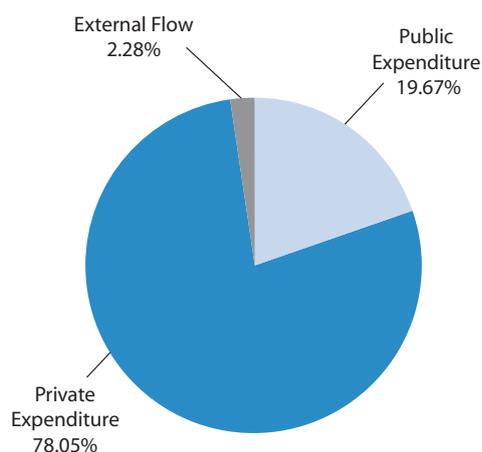
Type of Expenditure	Expenditure	Distribution of total Health Expenditure (%)	Share of GDP (%)
Public Expenditure	263,132,133	19.67	0.84
Private Expenditure	1,044,135,932	78.05	3.32
External Flow	30,495,141	2.28	0.10
Total Health Expenditure	1,337,763,206	100	4.25
Gross Domestic Product	31,494,120,000		

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare & Other Central Ministries, (2006–2007), Government of India
2. Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–2007), State Governments
3. Morbidity, Health Care and the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India
4. Foreign Contribution Regulation Act, Annual Report, Ministry of Home Affairs, (2004–05), Government of India
5. GDP figures from Ministry of Statistics and Programme Implementation, Government of India

Chart 1.1

Distribution of Total Health Expenditure in India 2004–05



Source: As given in Table 1.1

Sources of Financing Health Care

Table 1.2 gives the flow of funds into the health sector – Public, Private and flows from external agencies in terms of broad entities.

Table 1.2: Fund Flow to Health Sector by Source 2004–05 (in Rs. 000)		
Source of Funds	Expenditure (in Rs. 000)	% Distribution
A-Public Funds		
Central Government	90,667,581	6.78
State Government	160,171,666	11.97
Local Bodies ¹	12,292,886	0.92
Total-A	263,132,133	19.67
B-Private Funds		
Households ²	951,538,903	71.13
Social Insurance Funds ³	15,073,973	1.13
Firms ⁴	76,643,295	5.73
NGOs	879,761	0.07
Total-B	1,044,135,932	78.05
C-External Flows		
Central Government	20,884,614	1.56
State Government	3,272,854	0.24
NGOs	6,337,673	0.47
Total-C	30,495,141	2.28
Grand Total	1,337,763,206	100.00

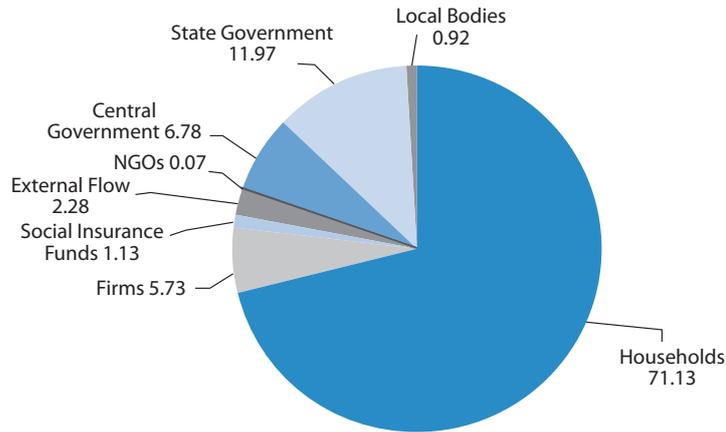
Notes:

1. Local Bodies data extrapolated on the basis of earlier studies (Details in Chapter II)
2. Household expenditure includes insurance premium paid to public and private insurance companies
3. Includes employer funds for social insurance
4. Firms data extrapolated from the figures as available in the National Commission on Macro Economics & Health (2005), Ministry of Health & Family Welfare, Government of India (Details in chapter II)

By source Central Government accounted for Rs. 90,667 million (6.78%) while State Governments contributed Rs. 160,171 million (12%). Under private expenditure, households contribute a significant portion at 71.13% of total health expenditure with social insurance funds at 1.13% and firms at 5.73%. The total external flow during 2004–05 has been Rs. 30,495 million with a major portion having been routed through the Central Government.

Chart 1.2

Sources of Funds for Health Care in India 2004–05

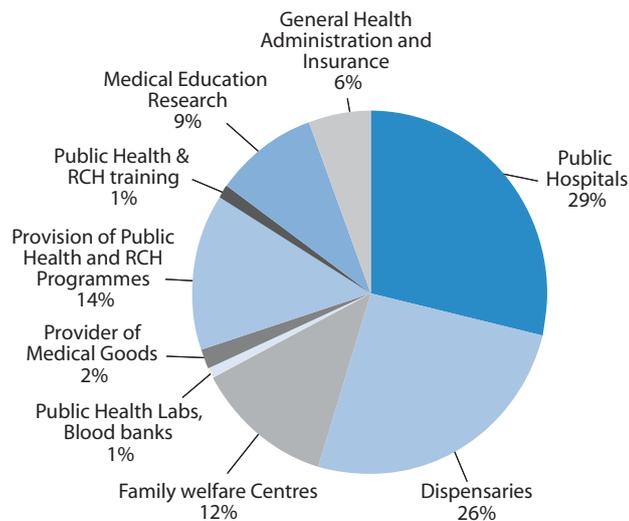


Health Expenditure by Provider

Private Provider of Health constituted 76.74% of total health expenditure in 2004–05 as against 20.97% by public providers. The chart below shows the distribution of total health expenditure amongst public providers.

Chart 1.3

Health Expenditure by Public Provider 2004–05



An overview of both public and private expenditure in States has been presented in Table 1.3.

Table 1.3: Public and Private Expenditure in Health by States & Union Territories 2004-05							
	Expenditure (in Rs. 000)			Expenditure (in Rs.)		In %	
	Public Expenditure	Private Expenditure	Total Expenditure	Per Capita Public	Per Capita Private	Public Exp. as Share of GSDP	Public Exp. as Share of State Expenditure
Major States							
Andhra Pradesh	15,166,809	69,133,745	84,300,554	191	870	0.72	3.22
Assam	4,546,276	17,217,791	21,764,067	162	612	0.86	3.08
Bihar	8,264,168	37,256,449	45,520,617	93	420	1.12	4.12
Gujarat	10,673,668	40,606,301	51,279,969	198	755	0.57	3.06
Haryana	4,609,237	19,866,486	24,475,723	203	875	0.49	3.19
Himachal Pradesh	4,003,601	5,598,467	9,602,068	630	881	1.74	4.98
Karnataka	12,901,254	33,041,496	45,942,750	233	597	0.87	3.77
Kerala	9,431,012	87,545,011	96,976,023	287	2663	0.88	4.65
Madhya Pradesh	9,375,858	41,694,492	51,070,350	145	644	0.87	3.19
Maharashtra	20,900,906	103,402,991	124,303,897	204	1008	0.55	2.88
Orissa	7,010,724	27,553,390	34,564,114	183	719	0.98	4.41
Punjab	6,322,375	28,456,190	34,778,565	247	1112	0.65	3.01
Rajasthan	11,283,333	34,868,833	46,152,166	186	575	0.98	3.90
Tamil Nadu	14,334,228	66,562,101	80,896,329	223	1033	0.71	3.43
Uttar Pradesh	22,805,122	151,006,063	173,811,185	128	846	0.92	3.86
West Bengal	14,485,984	91,102,485	105,588,469	173	1086	0.69	4.32
Small States							
Arunachal Pradesh	965,753	704,270	1,670,023	841	613	3.46	4.63
Chattisgarh	3,231,005	13,830,517	17,061,522	146	626	0.70	3.35
Delhi	8,618,674	2,614,528	11,233,202	560	170	0.94	-
Goa	1,229,966	2,053,843	3,283,809	861	1437	1.07	4.84
Jammu & Kashmir	5,489,206	5,238,474	10,727,680	512	489	2.26	4.93
Jharkhand	4,452,383	9,902,296	14,354,679	155	345	0.78	3.83
Manipur	667,254	859,204	1,526,458	294	379	1.32	2.57
Meghalaya	1,043,636	1,125,015	2,168,651	430	464	1.75	5.04
Mizoram	805,874	247,185	1,053,059	867	266	3.28	4.43
Nagaland	1,330,660	375,247	1,705,907	639	180	2.49	5.85
Pondicherry	1,051,023	1,699,652	2,750,675	1014	1639	2.02	-
Sikkim	612,475	240,773	853,248	1082	425	3.82	2.83
Tripura	1,097,598	3,877,742	4,975,340	328	1158	1.32	3.68
Uttarakhand	2,520,531	4,852,994	7,373,525	280	538	1.11	3.96

(Table 1.3: Continued)

	Expenditure (in Rs. 000)			Expenditure (in Rs.)		In %	
	Public Expenditure	Private Expenditure	Total Expenditure	Per Capita Public	Per Capita Private	Public Exp. as Share of GSDP	Public Exp. as Share of State Expenditure
Union Territories							
Andaman & Nicobar Islands	508,887	328,719	837,606	1275	824	NA	NA
Lakshwadeep	837,538	86,608	924,146	11965	1237	NA	NA
Chandigarh	72,381	560,784	633,165	71	547	NA	NA
Daman & Diu	78,236	60,441	138,677	389	301	NA	NA
Dadra & Nagar Haveli	80,803	153,217	234,020	328	623	NA	NA
India	263,132,133	1,044,135,932	1,307,268,065	242	959	NA	NA

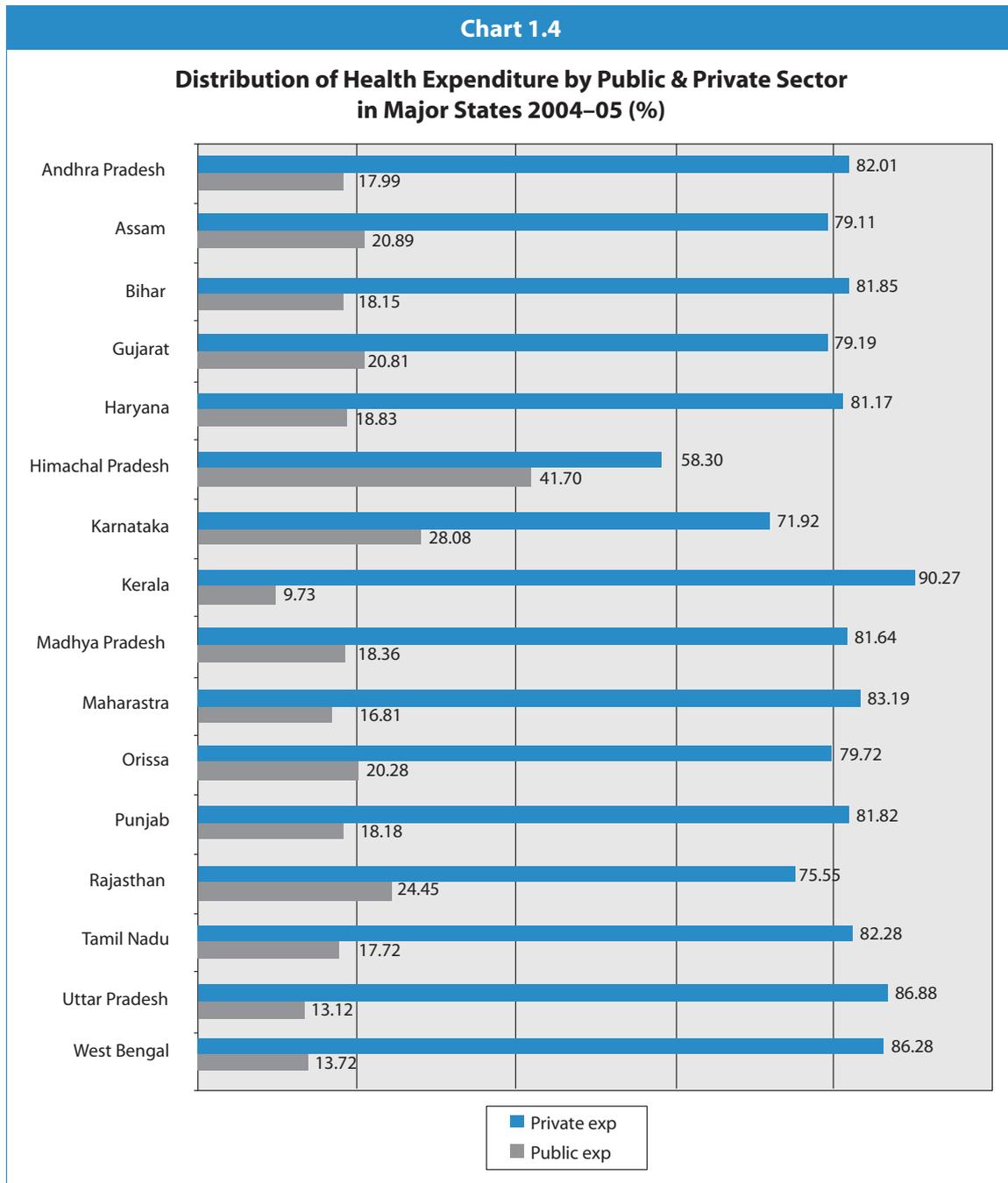
Note: State-wise data do not include family planning services, health expenditure by local governments, firms and NGOs.

NA-Not Available

Sources:

1. Demand for Grants of Health & Family Welfare Department & other Departments, (2006–07), State Governments
2. State Finances A Study of Budgets, (2006–07), Reserve Bank of India
3. Health Care And the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India
4. Gross State Domestic Product - Ministry of Statistic and Programme Implementation, Government of India
5. Population Projections for India and States 2001–2026, (2006), Report of the Technical Group on Population Projections, National Commission on Population, Registrar General and Census Commissioner, Government of India

The per capita health expenditure for India in 2004–05 was Rs. 1201 of which the share of public was Rs. 242 (20.18%) and that of private was Rs. 959 (79.82%). Public expenditure as a share of Gross State Domestic Product (GSDP) was less than 1% for all the major states except Bihar where this was 1.12%. Further as a share of total state expenditure, public expenditure varied within a range of 3 to 4% for all the major states except Maharastra where it was 2.88%.



The proportional distribution of health expenditure between public and private sector in major states show a wide variation with a major portion incurred in private sector during 2004–05. Among the major states 10 states show private spending in the range of 81 to 90%. Himachal Pradesh has been the only state where private sector expenditure in 2004–05 was 58.3% of total health spending (Chart 1.4).

International Comparison of Health Expenditure

Health spending across select countries based on available data shows a mixed picture as given in Table 1.4.

Country	Total Health Exp. as a % of GDP		Government Exp. on Health as % of Total Exp. on Health	
	2004	2005	2004	2005
USA	15.4	15.2	44.7	45.1
Germany	10.6	10.7	76.9	76.9
France	10.5	11.2	78.4	79.9
Canada	9.8	9.7	69.8	70.3
UK	8.1	8.2	86.3	87.1
Brazil	8.8	7.9	54.1	44.1
Mexico	6.5	6.4	46.4	45.5
China	4.7	4.7	38.0	38.8
Malaysia	3.8	4.2	58.8	44.8
Indonesia	2.8	2.1	34.2	46.6
Thailand	3.5	3.5	64.7	63.9
Pakistan	2.2	2.1	19.6	17.5
Sri Lanka	4.3	4.1	45.6	46.2
Bangladesh	3.1	2.8	28.1	29.1
Nepal	5.6	5.8	26.3	28.1
India	5.0	5.0	17.3	19.0

Source: World Health Statistics, (2007 & 2008), World Health Organization

In India while both health expenditure as percentage of GDP and public spending as percentage of total health expenditure is low when compared to developed countries, the scenario is different in comparison to South-east Asian countries. Health Expenditure as percentage of GDP in India is higher than Asian economies – China, Malaysia, Sri Lanka, Thailand, Pakistan and Bangladesh though public spending as percentage of total health expenditure is significantly lower than all these countries except Pakistan.

Provisional Estimation of Health Expenditure for 2005–06 to 2008–09

Table 1.5 has attempted estimates of health expenditure post 2004–05 on a provisional basis in terms of the broad sectors and the trend in the share of health expenditure as % of GDP.

Type of Expenditure	2005-06	2006-07	2007-08	2008-09
Public Expenditure	344,461,722	406,788,591	486,852,110	586,813,788
Private Expenditure	1,150,005,214	1,278,405,733	1,426,902,392	1,573,935,382
External Flow	21,448,597	22,402,612	26,538,964	37,015,853
Total Health Expenditure	1,515,915,533	1,707,596,936	1,940,293,466	2,197,765,023
Gross Domestic Product (Rs. 000)	35,803,440,000	41,458,100,000	47,234,000,000	53,217,530,000
Health Expenditure as share of GDP %	4.23	4.12	4.11	4.13
Public Expenditure as share of GDP %	0.96	0.98	1.03	1.10

Notes: 2007-08 and 2008-09 are Revised Estimates and Budget Estimates

Health Expenditure as a share of GDP presented in this table differs from that reported in the Economic Survey (2008-09), Ministry of Finance, Government of India, (Table 10.9, PP 267) due to the difference in composition of health expenditure as the economic survey includes water supply and sanitation along with medical and public health and family welfare

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare & Other Central Ministries, (2007-08 to 2009-10), Government of India
2. Demand for Grants of Health & Family Welfare Departments & Other Departments, (2007-08 to 2009-10), State Governments
3. State Finances: A Study of Budgets, (2008-09), Reserve Bank of India
4. Data from Aid, Accounts and Audit Division, (2005-06 to 2008-09), Ministry of Finance, Government of India
5. Gross State Domestic Product - Ministry of Statistic and Programme Implementation, Government of India

Health expenditure as a share of GDP has reached 4.13% in 2008-09. Further the share of public expenditure in GDP has increased consistently during 2005-06 to 2008-09. It has reached 1.10% in 2008-09 from 0.96% in 2005-06. Though health expenditure has increased in absolute terms, the proportionately higher growth of GDP has resulted in a moderate increase in the share of health expenditure to GDP over the years.

Heads	2005-06	2006-07	2007-08	2008-09
Total State Expenditure	275,814,400	328,460,400	382,789,700	456,677,700
State Expenditure (Own resources)	211,721,600	252,204,000	285,935,300	342,957,300
Central Transfers				
Under NRHM	59,350,900	70,926,000	89,400,500	106,496,500
HIV/AIDS	4,741,900	5,330,400	7,453,900	7,223,900
% Increase in Central Transfers under NRHM	26.24	19.50	26.05	19.12
% Increase under State Expenditure (Own resources)	23.41	19.12	13.37	19.94

Note: State Expenditure includes Central Transfer through Treasury and Societies

Source: Demand for Grants of Ministry of Health & Family Welfare, (2007-08 to 2009-10), Government of India

An attempt has been made in table 1.6 to examine the growth of health expenditure by the states both with and without central transfer during 2005–06 to 2008–09. As observed from table 1.6 the annual increase in state expenditure excluding the central transfers has come down to 19.94% in 2008–09 from 23.41% in 2005–06 with a fluctuation over 2006–07 and 2007–08. Further central transfers under NRHM increased significantly in 2005–06 over 2004–05 and after that it started fluctuating between 19–26% from 2006–07 to 2008–09.

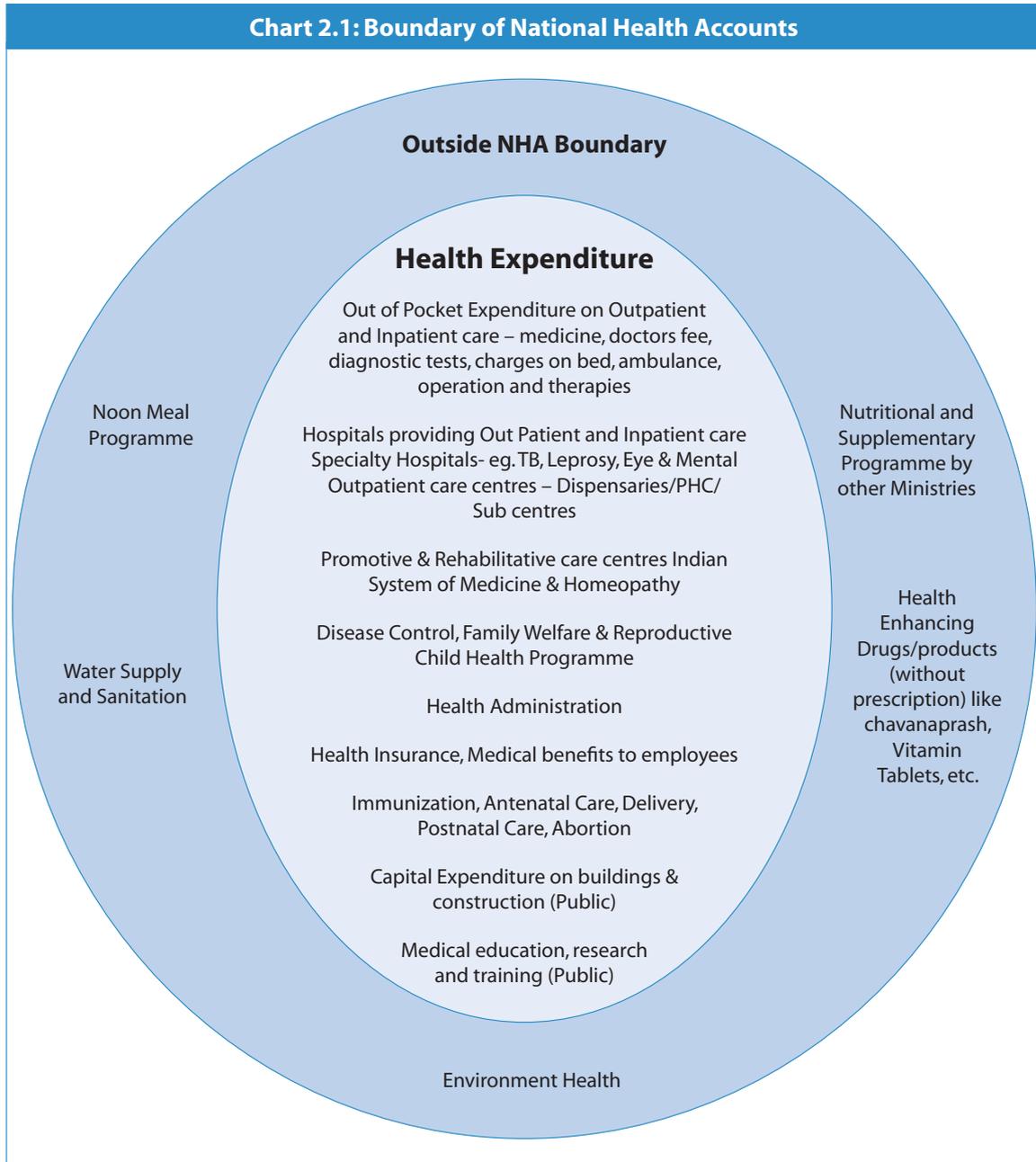
Methods and Sources

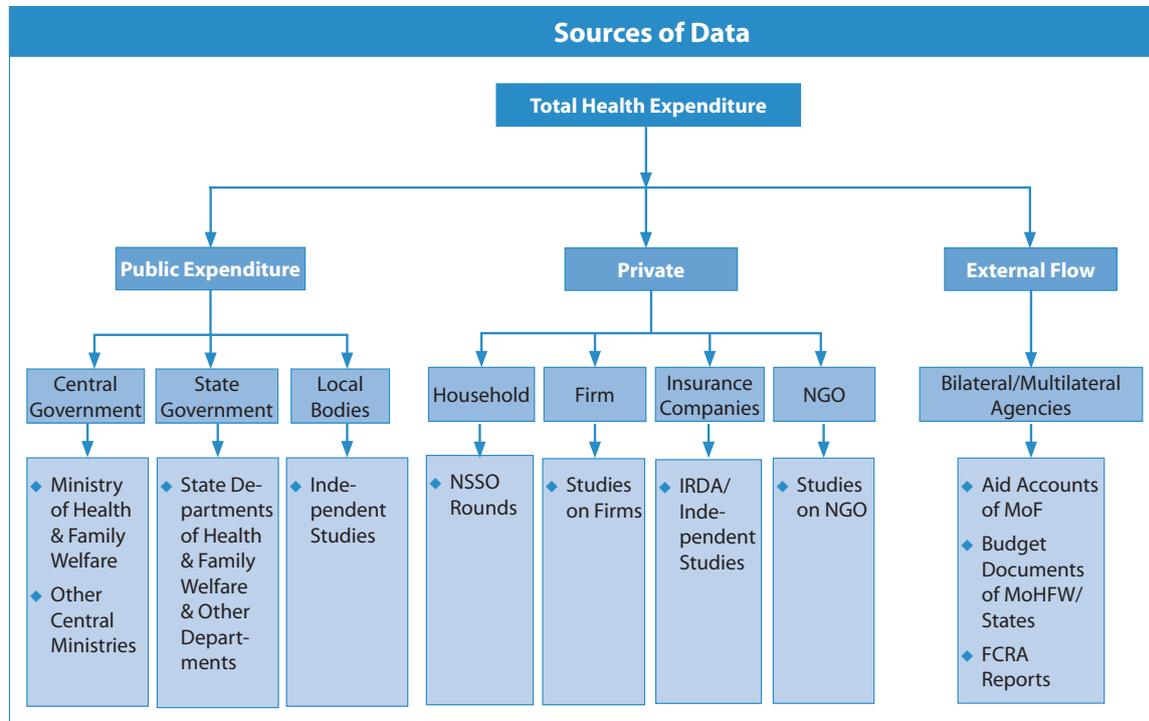
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In the computation of NHA, the WHO definition of health expenditure has been adopted. As per WHO, total health expenditure includes all expenditure whose primary purpose is to restore, improve and maintain health for nation and for individuals during a defined time period (Guide to producing national Health accounts, 2003, World Bank, World Health Organization, and the United States Agency for International Development) The preparation of NHA has been guided by the approach set out in the Producers Guide. The methodology set out in the Guide expands the system of health accounts classification to facilitate collection of health expenditure in a disaggregated manner as demanded in a pluralistic system of health financing and delivery. This methodology has been further customized and adapted to the Indian health system framework as detailed later. In this exercise, the disaggregation encompasses relative contribution by sectors, providers of health and by functions of health care.

Adopting the definition as mentioned above, the NHA boundary India includes expenditure on inpatient and out patient care, hospitals, specialty hospitals, promotive and rehabilitative care centres, capital expenditure on health by public, medical education and research etc and excludes water supply sanitation, environment health and noon meal programme (Chart 2.1).

Chart 2.1: Boundary of National Health Accounts





Public Expenditure

Public expenditure data has been sourced from the state budget documents, detailed demand for grants of MoHFW and other central Ministries/Departments. These documents give in totality classification under plan and non-plan and provides budget and revised estimates under the different schemes/programmes in the health sector. Budgetary accounting presents these data under different heads-major, sub-major and minor heads representing functions, sub-functions and the programmes.

In case of health expenditure, the relevant major heads are 2210 - Medical and Public Health, 2211 - Family Welfare, 4210 - Capital Expenditure on Medical and Public Health and 4211- Capital Expenditure on Family Welfare.

For the year 2004–05, public expenditure figures have been taken from the demand for grants of 2006–07 for state and central ministries and these figures have been validated with the figures given in the Annual Financial Statements. Included under public expenditure is the expenditure incurred under major heads 2210, 2211, 4210 and 4211 irrespective of the department through which these resources are channelized. It also includes all other expenditure heads appearing under MoHFW the Demand for Grants of Health and Family Welfare departments of State governments and the expenditure on medical reimbursement or treatment of employees of the central and state governments. Additionally for the central government, medical expenditure incurred by the Ministries of Defence, Posts, Railways, Labour and Social Justice have been covered as these Ministries contribute a significant proportion towards health spending.

The expenditure classified under source, agent, provider and International classification of health accounts (ICHA) functions has tracked all transactions from resource allocation to creation of output within the health system.

Local Bodies

Local bodies act as a financing source, agent and provider of health care in the country. Total revenue of the local bodies comprises own resources, grants from the state and central government and loans. Own resources being limited for a majority of rural local bodies, grants constitute a significant proportion of total resources. One of the important challenges faced in estimation of expenditure by local bodies has been the non availability of disaggregated data from reliable sources. Given this constraint, an attempt was made to conduct a study of urban and rural local bodies on a sample basis for 2004–05 by the NHA Cell. The sample study however did not lead to any meaningful conclusions and estimation due to the nature of the data collected, non availability of disaggregated data and non availability of documents from some of the local bodies in select States. In the absence of any other reliable source estimation has been made for urban local bodies based upon the study of “Municipal Finance in India – An Assessment” made by the Reserve Bank of India (RBI). This study provides total revenue and expenditure of 35 major Municipal corporations of the country whose population was 1 million and above as per 2001 census during 1999–2000 to 2003–04. Based upon the average growth rate for the disaggregated expenditure data for the above period, the health expenditure for 2004–05 has been estimated.

External Flows

Data relating to the external aid component has been taken from the detailed demand for grants of Ministry of Health and Family Welfare and state department of health and external flows to NGOs from FCRA division of Ministry of Home Affairs, Government of India.

Private Expenditure

The private sector health expenditure includes Out Of Pocket (OOP) expenditure incurred by households for availing health care services, health expenditure through insurance mechanism and expenditure by corporate bodies on their employees and families (referred here and in NHA as Firms).

Out of Pocket Expenditure

The data collected through the 60th round of the NSSO (Report of the 60th round on Morbidity, Healthcare and Condition of the Aged, 2004) forms the source of data to estimate household expenditures on health. This survey covered 73,868 households spread across all the states and union territories of India. Information on utilization of health care services by households for both hospitalized and non-hospitalized treatments by type of service provider, nature of ailment and a number of related characteristics have been collected through this survey. The data facilitates the estimation of “where,” “on what” and “from whom” the medical care that was sought by the

households and expenditures incurred by them. The reference period for data collection was 15 days for non-hospitalized cases and 365 days for hospitalized cases and all other components. Unit level data of this survey has been used for estimation of health expenditures. Expenditures reported by the sample households have been estimated using appropriate weights defined in the survey design.

The data collected by the NSSO refers to the period from January to June 2004. For the purpose of NHA 2004–05, adjustment procedures have been adopted of the OOP expenditures from the NSSO so as to refer to the period April 2004 to March 2005. Expenditure on In-Patient and Out-Patient expenditures have been estimated from the NSSO data set and the expenditure per person reporting ailment and per person hospitalized for rural and urban sectors have been estimated separately. There was a need to adjust for price and population, therefore annual growth of health expenditures was estimated using the 52nd and 60th Health Survey rounds. In order to adjust population the proportion of In-Patient and Out-Patient care was assumed to be same as given in the NSSO round, using the same proportion, the total population on In-Patient and Out-Patient and other components of OOP expenditure was arrived at population figures from the Report of the (Technical Group on Population Projections (2006), National Commission on Population, Office of the Registrar General and Census Commissioner, Government of India). Health expenditure for the year 2004 has been estimated by multiplying the average in-patient and out-patient expenditures with the estimated number of in-patients and out-patients.

The same procedure was followed for estimating each component (ANC, PNC, Delivery, Abortion & Still Births and Immunization) of OOP except Family planning for which the estimates were based on the data available from National Family Health Survey-3 on family planning methods and their average expenditure.

Insurance

Insurance is one of the components of NHA as it plays the role of source and financing agent that purchases health care services for those insured. It is one of the mechanisms that pays for health care services for an unforeseen event and makes health care services financially accessible during the event of catastrophic contingencies. In India for the purposes of NHA health insurance has been classified into two types - Social Health Insurance (e.g. Employees State Insurance Scheme) & Voluntary Health Insurance. Voluntary health insurance schemes are provided by the public sector insurance companies and private health insurance companies. In India General Insurance Companies also known as Non-Life Insurance Companies provide health insurance schemes to the public in the form of individual or group policies against the payment of premium. There are a number of Community based health insurance schemes, managed by various types of community based organizations like Self Help Groups, Non-Governmental Organizations, and by insurance companies as well. It covers less than 1% of the country's population and the information is not easily available from a single source or study. The major sources of data for the component of Insurance have been the ESIC Annual Reports various years & State Budget documents. For the Voluntary health insurance schemes a study was conducted by the NHA cell eliciting information from the four public sector companies and eight private health insurance companies who were offering health insurance schemes. For the years 2005–06 to 2008–09 the data on Voluntary health

insurance schemes has been various sources from the Insurance Regulatory Development Authority. Another important component of social insurance scheme is central government health scheme (CGHS) which covers employees and retirees of the central government, certain autonomous and semi government organizations, members of parliament, governors and accredited journalists. The families of the employees are also covered under scheme. These services are provided through public facilities identified by the central government and specialized treatment from private health care facilities with reimbursement facility. For CGHS information has been obtained from the MoHFW and ministry of Finance, Government of India. Though NSSO provides information regarding health insurance premium by households and reimbursements received, this source has not been tapped as the study is sample based.

Firms

In the context of NHA, Firms play a varied role as financing source, financing agent and providers of healthcare. Firms in their capacities as employers make various payment on behalf of their employees for healthcare services. Besides ESIS benefits, a number of other payments to the non-ESIS are also in existence such as accident and other health related insurance schemes, reimbursement incurred by the eligible beneficiaries, reimbursement upto the stipulated upper limit for given conditions, a medical grant or fixed sum payment to employees etc. Further many firms have their own facilities, post retirement medical benefits and health check-ups. These could be obligatory or otherwise. As there is no clear source of health expenditure incurred by firms, a survey was undertaken to track their contribution in private health expenditure. Lack of adequate response did not lead to any meaningful conclusions.

In view of the above, the health expenditure by firms for 2004–05 has been estimated using the health expenditure data of firms given in the National Commission on Macroeconomics and Health, 2005, MoHFW, Government of India. This provides information on health expenditure of public and private enterprises and public sector banks. Total expenditure by these three enterprises and their share of GDP has been estimated for 2001–02. Assuming the ratio to be the same, and applying this ratio on the 2004–05 GDP, health expenditure by firms for 2004–05 has been estimated.

NHA Entities and Matrices

In NHA, health expenditures are measured and organized on the basis of entities. In the basic NHA framework there are four principal entities; financing sources, financing agents, providers and functions, in a health system. NHA tracks flow of funds across the health system starting from financing sources to the end point i.e. functions. Here financing sources are institutions or entities that provide the funds used in the health system. Financing sources in India are Central Government, State Government, Local Government, External Agencies, NGOs, Corporate Sector and Households. Financing agents are institutions or entities that channelize the funds provided by financing sources and use those funds to pay for, or purchase health care. Financing agents in India are State Governments, Central Government bodies, Other Ministries and Departments, Local bodies, NGOs, ESIS/CGHS, Private Insurance, Corporate sector and households. Providers are entities that receive money in exchange for or in anticipation of producing health care. Providers of health care in India

are Government rural and urban health care facilities, charitable institutions, Diagnostic care centres, drug outlets, private clinics, private hospitals and other health care establishments. Functions are in the nature of goods and services provided and activities performed, using resources available. Functions can be classified according to kind of care like preventive/rehabilitative care or primary/secondary/tertiary care or personal health care/collective health care/health related functions etc'. The NHA provides details of flow of funds across these entities using a 2×2 matrix format leading to the tabulation of the four core NHA matrices, which enables us to understand the flow of funds from financing agents to providers (FAXP), financing agent by function and (FAXF) and financing source to financing agent (FSXFA).

Methodological Refinements

The NHA exercise of 2001–02 and the subsequent efforts in collecting complete information has enabled conceptual, methodological and estimation refinements to be made in the preparation of NHA 2004–05. These refinements include:

- Expenditure heads under MoHFW have been carefully scrutinized and all items non classified earlier have been classified under appropriate heads after an analysis of the nature of expenditure incurred. (contribution to international organizations like WHO, red cross society were treated under non classified items earlier now classified under public health activities).
- Provider classification given in the Producers Guide has been further amplified in the 2004–05 estimation and the provider list restricted to entities that receive money for/or in anticipation of providing these activities. Also specific activities have been grouped under the relevant provider code. Illustratively:
 - Activities like RCH, training etc. hitherto shown as separate items have been grouped under the relevant category.
 - CGHS and ESIS earlier retained as separate providers have been classified in terms of providers under Dispensaries and Public Hospitals respectively.
 - Expenditure under medical stores and drug manufacture shown as separate items has been now shown as provider of medical goods.

These regroupings have accordingly resulted in changes in the proportion of resources under that head, besides being in sync with the Provider Classification.

- Commodity assistance received through external agencies not categorized under external flows as this stands re-appropriated against disease control programmes expenditure already consolidated and hence accounted for.
- Insurance based data though available under OOP expenses in the NSSO Report substituted by actual data available for Social Insurance Schemes ESIS (Annual Report) and CGHS (MoHFW) and private insurance (IRDA to the extent possible) and reports of private insurance companies.

- Overlapping functions have constrained classification of health expenditure under MoHFW in terms of secondary and tertiary healthcare. Under the Central Government, hospitals are both teaching institutions and providers of care making it difficult to classify them under either secondary or tertiary care. However, this classification has been retained while analyzing State health expenditure as by and large district and sub-divisional hospitals have been classified as secondary care.
- Capital expenditure includes expenditure incurred under (4210 – Capital expenditure on Medical & Public Health, 4211 – Family Welfare) and maintenance or creation of assets booked under other Major Heads of State and Central Government Budgets.
- Expenditure on health incurred by Departments other than Health Department in States included in NHA 2004–05 estimation.
- OOP expenses in 2001–02 estimates were based on trend growth rate for 1995–96 to 2001–02 calculated on the basis of Monthly Per-capita Consumer Expenditure Rounds of NSSO (52nd & 57th Round). A re-assessment while preparing 2004–05 estimates shows an over-estimation of OOP in 2001–02. For 2004–05, the trend growth rate based on the 52nd & 60th Rounds have been adopted and using the unit cost and proportions from the 60th Round and taking the mid-year population for 2004, the OOP for 2004–05 has been estimated. Adjustments for price and population have been made.

Limitations

Non availability of data in respect of entities like firms, NGOs, local bodies have constrained in estimating health expenditure in an inclusive manner. The absence of any single agency and the different nature of these entities alongwith the diversified functions they perform has not made it possible to meaningfully tap even the secondary sources of data for the purpose of estimation. Institutionalizing collection of these data is being initiated as expected to bridge this felt need.

Public Health Expenditure

3

Public health expenditure by definition includes health expenditure by the Centre, States and local bodies. Within the gamut of public health spending, a significant contribution has been made by the state governments. Adopting NHA framework, an attempt has been made to analyze the spending by the central and state governments and local bodies and the distribution pattern of major providers of services and functions.

Health Expenditure by Central and State Governments

The central and state government expenditure covers medical and public health (2210 & 4210), family welfare (2211 & 4211), secretariat social service (2251) and other expenditure, relating to medical reimbursement of employees of state and central government.

Table 3.1: Health Expenditure of Central and State Governments 2004–05 (in Rs. 000)

	State Government	Central Government		Grand Total
	All States	Central Ministries	UTs Without Legislature	
A-Revenue Expenditure				
2210 - Medical Public Health	160,951,354	28,660,100	1,381,049	190,992,503
2211 - Family Welfare	26,251,323	13,966,200	NA	40,217,523
2251 - Secretariat Social Service	276,371	242,908	NA	519,279
Others ¹		4,199	NA	4,199
Total A	187,479,048	42,873,407	1,381,049	231,733,504
B-Capital	11,766,196	487,400	164,340	12,417,936
Total A+B²	199,245,244	43,360,807	-	242,606,051
C-Others³	9,985,429	30,371,148	32,456	40,389,033
Total⁴	209,230,673	73,731,955	1,577,845	284,540,473

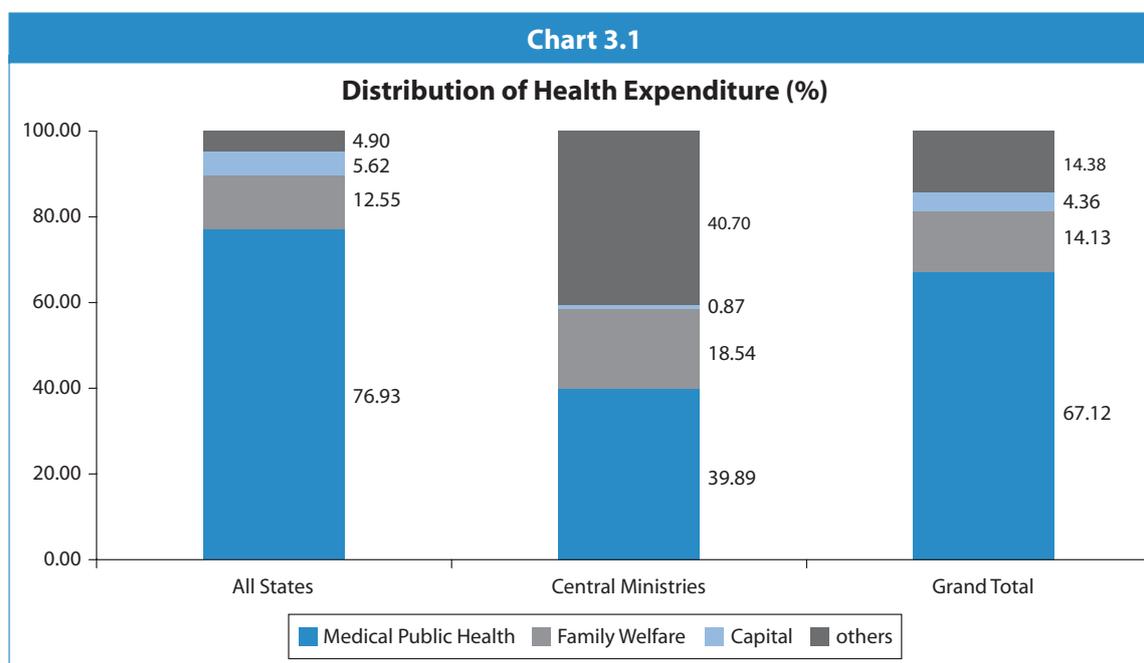
Notes: Actual figures taken for all the states except for Bihar, Jharkhand and Jammu & Kashmir for which revised estimates have been taken in to account

1. Discretionary Grant by Ministry of Health
 2. Expenditure by State Departments of Health and MoHFW
 3. Include Medical Reimbursement by Central and State Governments, Health Expenditure by Ministry of Defence, Labour, Railways, Post and other Ministries
 4. Grants in Aid from Centre to States and UTs not included in the MoHFW but covered under States
- NA – Not Available

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare (2006–07), Government of India
2. Demand for Grants of Railways, Posts, Telecommunications, Defence, Labour & Employment, and Other Central Ministries, (2006–07), Government of India,
3. Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–07), State Governments

Total health expenditure measured by Central and State Governments was Rs. 284,540 million in 2004–05 and of which the state's share was Rs. 209,230 million constituting 73.53%. In terms of spending 67.12% was for medical public health, 14.38% for family welfare purposes and 4.36% was capital expenditure. The distributive pattern of health expenditure showed that the Centre spent a higher proportion of resources on family welfare in comparison to the states. Further at the central level 40.70% of health expenditure was incurred by Defence, Railways, Post, Telecommunication and on medical reimbursement for employees by all other Central Ministries (Chart 3.1).



Sources:

1. Demand for Grants of Ministry of Health & Family Welfare (2006–07), Government of India
2. Demand for Grants of Railways, Posts, Telecommunications, Defence, Labour & Employment, and Other Central Ministries, (2006–07), Government of India,
3. Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–07), State Governments

By system of medicine, the break up of health expenditure showed that almost 55% of total health expenditure was spent on allopathic system of medicine though this share varied significantly between centre and states. At the state level, more than 60% of the expenditure was incurred on allopathy where as just 26.54% was by the central government. Similarly for medical education and research the central government spent 16% of total expenditure whereas the state's spending was 9.77%. In case of family welfare though the central government incurred relatively higher proportion of expenditure in comparison to the states in a number of areas like training, research and evaluation, urban family welfare services etc. the spending was less than 1% of health expenditure in 2004–05 (Table 3.2).

Table 3.2: Distribution of Health Expenditure of State and Central Government 2004–05
(in Rs. 000)

	State Government	% Distribution	Central Government	% Distribution	Total	% Distribution
A-Medical & Public Health						
Urban Health Services Allopathy	76,905,758	36.76	6,099,591	8.10	83,005,349	29.17
Urban Health Services other System of Medicine	7,628,936	3.65	589,453	0.78	8,218,389	2.89
Rural Health Services - Allopathy	33,522,904	16.02	0		33,522,904	11.78
Rural Health Services - Other System of Medicine	5,171,613	2.47	311,209	0.41	5,482,822	1.93
Medical Education Training & Research	20,432,356	9.77	12,069,819	16.03	32,502,175	11.42
Public Health	24,351,717	11.64	9,996,225	13.27	34,347,942	12.07
Other Expenditure	4,672,348	2.23	81,203	0.11	4,753,551	1.67
Total A	172,685,632	82.53	29,147,500	38.70	201,833,132	70.93
B-Family Welfare						
Direction & Administration	2,577,117	1.23	93,599	0.12	2,670,716	0.94
Training	784,840	0.38	214,366	0.28	999,206	0.35
Research & Evaluation	4,002	0.00	396,158	0.53	400,160	0.14
Rural Family Welfare Services	13,965,591	6.67	36,484	0.05	14,002,075	4.92
Urban Family Welfare Services	1,183,999	0.57	628	0.00	1,184,627	0.42
Maternity & Child Health	2,701,464	1.29	6,194,622	8.23	8,896,086	3.13
Transport	250,710	0.12	2,623	0.00	253,333	0.09
Compensation	1,594,601	0.76	762	0.00	1,595,363	0.56
Mass Education	50,982	0.02	1,414,886	1.88	1,465,868	0.52
Selected Area Programmes	370,766	0.18	401,013	0.53	771,779	0.27
Asst Local Bodies	582,483	0.28	-	0.00	582,483	0.20
Other Services and Supplies	1,222,546	0.58	2,484,239	3.30	3,706,785	1.30
Other Expenditure	994,140	0.48	2,726,820	3.62	3,720,960	1.31
Total B	26,283,241	12.56	13,966,200	18.54	40,249,441	14.15
C-Secretariat Social Service	276,371	0.13	242,908	0.32	519,279	0.18
D-Other¹			4,199	0.01	4,199	0.00
Total A+B+C+D²	199,245,244	95.23	43,360,807	57.58	242,606,051	85.26
Other Departments³	9,985,429	4.77	31,948,993	42.42	41,934,422	14.74
Grand Total	209,230,673	100.00	75,309,800	100.00	284,540,473	100.00

Notes:

1. Discretionary grant by Ministry of Health
2. This is equal to total expenditure made on major heads 2210, 2211, 2251, 4210 and 4211 as presented in the Demand for grants of State Department of health, other State Departments and MoHFW. The grants in aid from Centre to States (3601) and Centre to UTs (3602) have not been included in MoHFW as it stands included in the expenditure of the state Government and UTs
3. Includes health expenditure by UTs, medical expenditure by other departments, medical reimbursement and medical expenses by Defence, Railways, Post and other Ministries

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare (2006–07), Government of India
2. Demand for Grants of Railways, Posts, Telecommunications, Defence, Labour & Employment, and other Central Ministries, (2006–07), Government of India,
3. Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–07), State Governments

Data in Table 3.2 shows the relative priorities by Centre and the States. In case of States, the focus has been on medical and public health while the Centre besides emphasizing medical and public health also attached equal importance to medical reimbursement of employees and health expenditure by other Ministries such as Railways, Post, Telecommunication and Defence.

Health Expenditure by Sources

Central Government

The source wise classification defines health expenditure by centre and state governments from their own revenue deducting the payments received from any other sources. For example health expenditure by central government excludes the user fees and external flows. For State governments it excludes central transfers, direct external flows and users fees and takes into account money spent by the state governments only.

Table 3.3: Sources of Funds Central Government 2004–05 (in Rs. 000)

MoHFW	Total Health Expenditure	External Flow	Public Receipts ¹	Central Government Share ²
Medical & Public Health	29,147,500	6,179,353	1,086,200	21,881,947
Family Welfare	13,966,200	6,548,509	341,700	7,075,991
Secretariat Social Services	242,908	–	–	242,908
Grants in Aid to State Government	37,284,421	8,008,600	–	29,275,821
Grants in Aid to UTs with Legislature	385,874	148,152	–	237,722
Others	4,199	–	–	4,199
Total A	81,031,102	20,884,614	1,427,900	58,718,588
B-Other Central Ministries				
Expenditure on UTs without Legislature	1,577,845	–	–	1,577,845

(Table 3.3: Continued)

MoHFW	Total Health Expenditure	External Flow	Public Receipts ¹	Central Government Share ²
Other Central Ministries	30,284,316	–	–	30,284,316
Special Assistance to North East Region	86,832	–	–	86,832
Total B	31,948,993	–	–	31,948,993
Grand Total (A+B)	112,980,095	20,884,614	1,427,900	90,667,581

Notes:

1. Receipts include user fees, fines, receipts from blood banks and public health labs, sale proceeds from contraceptives etc. under 0210 and 0211
2. Obtained by deducting public receipt and external support from the Total Health Expenditure

Source: Demand for Grants of Ministry of Health & Family Welfare, Railway, Post, Defence, Labour & Employment, (2006–07), Government of India

As presented in Table 3.3 above health expenditure incurred by the central government was Rs. 112,980 million from all the sources in 2004–05. Net expenditure after making necessary adjustments was found to be Rs. 90,667 million, of which Rs. 58,718 million constituting 65% was spent by MoHFW and the rest by other Central Ministries.

State Governments

The sources of financing for health for states include central government, transfers, external flows received directly from external agencies, user fees and their own budgetary resources.

Table 3.4: Sources of Funds State Governments 2004–05 (in Rs. 000)

	Total Health Expenditure	Central Government Grants		External Flows Direct External Flows	Receipts ¹	State Government Own Funds
		Own Resources	EAC			
State Dept of Health & Family Welfare	198,716,080	29,513,543	8,156,752	3,272,854	8,115,858	149,657,073
Other State Dept	10,514,593	–	–	–	–	10,514,593
Total	209,230,673	29,513,543	8,156,752	3,272,854	8,115,858	160,171,666

Note: Grants from central government and receipts deducted from the state governments to arrive at the expenditure incurred by the state government exclusively

1. Receipts include user fees, fines, receipts from blood banks and public health labs, sale proceeds from contraceptives, ESIS schemes etc. under 0210 and 0211

Sources:

1. Demand for Grants of Department of Health and Family Welfare & other Departments, (2006–07), State Governments
2. Detailed Estimates of Revenue and Receipts (2006–07), State Governments

As seen in Table 3.4 above total health expenditure by state governments was Rs. 209,230 million of which Rs. 37,670 million was provided by central government. Source wise analysis shows that of the total health spending by the state government 18% was met through the central government 4% from public receipts and 1.56% was from the direct external flow to the state governments. State's own resources accounted for 76.44% in the total health spend.

The classification of health expenditure into provider and ICHA functions is based upon division of health expenditure in to two broad categories current expenditure meant for current consumption expenditure and capital expenditure defined as all expenditure used for creation of capital assets that are largely developmental in nature.

Table 3.5: Total Health Expenditure (in Rs. 000)

Type of Expenditure	Rupees	Percent
Current Expenditure	239,118,926	(94.67)
Capital Expenditure	13,472,554	(5.33)
Total Health Expenditure	252,591,480	(100.00)

In 2004–05, 94.67% constituted current consumption expenditure and an insignificant 5.33% accounted for creation of capital assets in health sector (Table 3.5).

Health Expenditure by Providers

In this section health expenditure by provider and ICHA function have been discussed. Health expenditure presented here includes expenditure by MoHFW excluding other central ministries and state governments. Table 3.6 discusses public health expenditure by provider for MoHFW and the state governments.

Table 3.6: Health Expenditure by Providers 2004–05 (in Rs. 000)

	Provider	Centre ^s		State		Total	
		Expenditure	% Distribution	Expenditure	% Distribution	Expenditure	% Distribution
HP.1	Public Hospitals	6,510,673	15.18	71,699,356	36.54	78,210,029	32.71
HP.3.4	Outpatient Care Centres						
	Dispensaries/PHC/Sub Centre	3,310,172	7.72	40,324,708	20.55	43,634,880	18.25
	Family Welfare Centre	41,867	0.10	15,050,760	7.67	15,092,627	6.31
HP.3.9	Public Health Labs Blood Banks, Ambulances	853,136	1.99	996,146	0.51	1,849,282	0.77
HP.4	Provider of Medical Goods	76,486	0.18	3,842,936	1.96	3,919,422	1.64
HP.5	Provision of Public Health & RCH Programmes	18,671,869	43.55	24,581,635	12.53	43,253,504	18.09
HP.6	General Health Administration and Insurance	1,845,838	4.30	16,245,752	8.28	18,091,590	7.57

(Table 3.6: Continued)

	Provider	Centre [§]		State		Total	
		Expenditure	% Distribution	Expenditure	% Distribution	Expenditure	% Distribution
HP.8	Institutions Providing Health Related Services						
	Medical Education & Research	8,554,518	19.95	17,015,863	8.67	25,570,381	10.69
	Public Health & RCH Training	1,396,863	3.26	1,639,857	0.84	3,036,720	1.27
	NGO Provider	1,617,085	3.77	2,552,153	1.30	4,169,238	1.74
	Not Classified			2,291,253	1.17	2,291,253	0.96
	Total Expenditure*	42,878,507	100	196,240,419	100	239,118,926	100

Notes:

§ is related to MoHFW only

* excludes capital expenditure

1. Public Hospitals Include Medical college hospitals, Specialty Hospitals like mental hospitals, leprosy hospitals, pediatrics hospitals, District, sub divisional and area hospitals, and expenditure on hospital and dispensaries etc.
2. Dispensaries/PHCs and sub centres include expenditure on PHCs, urban health centre, village dispensaries, homeopathic clinics and dispensaries, ayurvedic dispensaries; rural health services other system of medicine etc.
3. Public Health and RCH programme includes all the national disease control programmes such as national Filaria, TB, Malaria and Blindness control programmes and RCH programmes
4. Public Health and RCH training includes training of nurses, midwives, ANMs, TBAs, Regional Public Health Training Institutes, state Institute of Health and Family Welfare etc.

Among all providers, expenditure by public hospitals was the highest at Rs. 78,210 million constituting 32.71% of total current health expenditure in 2004–05, followed by out patient care centres at 26.56% and provision of public health and RCH programmes at 18.09%. In the case of Centre, expenditure focus has been on public health and RCH programmes and Medical Education and Research while expenditure in states has been on public hospitals and out patient care centres, the delivery points of health care.

Health Expenditure by ICHA Functions

As per the ICHA Classification, a sum of Rs. 107,772 million was spent on curative care, which accounted for 42.67% of health expenditure. Between centre and states, the states spent 47% on curative care, while the centre spent 22.16%. Preventive and Public Health Services were found to be major health care function for the central government where in 42% of the health expenditure was incurred against 16.45% by the State governments. Overall 10% was spent on Health Administration. (Table 3.7).

Table 3.7: Health Expenditure by ICHA Functions 2004–05 (in Rs. 000)							
	Health Care Function	Centre ^s		State		Total	
		Expenditure	% Distribution	Expenditure	% Distribution	Expenditure	% Distribution
HC. 1	Curative Care	9,607,065	22.16	98,165,221	46.92	107,772,286	42.67
HC. 2&3	Rehabilitative & Long term Nursing Care	442,681	1.02	265,642	0.13	708,323	0.28
HC. 4	Ancillary Services related to Medical Care	634,608	1.46	5,238,806	2.50	5,873,414	2.33
HC. 5	Medical Goods Dispensed to Outpatients	870,527	2.01	1,445,352	0.69	2,315,879	0.92
HC. 6	Prevention and Public Health Services						
	RCH and Family Welfare	10,507,966	24.23	19,987,510	9.55	30,495,476	12.07
	Control of Communicable Diseases	6,348,842	14.64	10,870,690	5.20	17,219,532	6.82
	Control of Non Communicable Diseases	707,575	1.63	1,600,438	0.76	2,308,013	0.91
	Other Public Health Activities	536,320	1.24	1,950,121	0.93	2,486,441	0.98
	Total	18,100,744	41.74	34,408,775	16.45	52,509,482	20.79
HC. 7	Health Administration & Insurance	3,121,444	7.20	21,246,297	10.15	24,367,741	9.65
	Health and Related Function						
	Medical Education and Training of Health Personnel	5,110,709	11.79	19,037,818	9.10	24,148,527	9.56
	Research and Development	4,607,154	10.63	525,799	0.25	5,132,953	2.03
	Capital Formation	482,300	1.11	12,990,254	6.21	13,472,554	5.33
	Nutrition Programme	–		207,769	0.10	207,769	0.08
	Food Adulteration Control	383,616	0.88	385,030	0.18	768,646	0.30
	Total	10,583,802	24.41	33,146,680	15.84	43,730,461	17.31
	Functions from other Sources	–		12,593,244	6.02	12,593,244	4.99
	Functions not Specified	–		2,720,682	1.3	2,720,682	1.1
	Total	43,360,807	100	209,230,673	100	252,591,480	100

Notes:

\$ is related to MoHFW only

1. Services of curative care include expenditure on Teaching hospitals, specialty hospitals, ESI dispensaries, Homeopathic hospitals and dispensaries, Ayurvedic hospitals and dispensaries, Primary health centres, community health centres and expenditure on dental care etc.
2. Rehabilitative care includes expenditure on rehabilitative centres for TB and Leprosy patients, institute for rehabilitation of physically handicapped, drug deaddiction programmes, etc.
3. Ancillary services related medical care includes expenditure on blood banks, blood transfusion council, regional diagnostic centres, ambulance related expenditure, medical store depot etc.
4. RCH and Family welfare covers expenditure on RCH and family welfare programmes

Health Expenditure by Functions

Health expenditure by function in 2004–05 has shown that among all functions primary care has been the focus both by the central and state government. While the centre spent 56% on primary

care, for the states it was 38%. A classification under primary, secondary and tertiary care of central sector health expenditures though attempted did not lend itself to such a categorization in view of the overlapping functions. In the case of states for which this categorization has been done, it is seen that 18.67% had been spent on secondary care. In case of tertiary care the central government spent relatively higher percentage (25.22) against 21.84% by the states. Health research and evaluation was found to be one of the priority areas by the central government spending 10.51% while states spent less than 1% (Table 3.8).

Table 3.8: Health Expenditure by Functions 2004–05 (in Rs. 000)

Health Care Function	Centre [§]		State		Total	
	Expenditure	% Distribution	Expenditure	% Distribution	Expenditure	% Distribution
1. Tertiary Care Services	10,815,858	25.22	42,857,130	21.84	53,672,988	22.45
2. Secondary Care			36,635,456	18.67	36,635,456	15.32
3. Primary Care Services						
a. PHC/Sub centres/ Dispensaries	3,559,472	8.30	36,093,496	18.39	39,652,968	16.58
b. Public Health Programs	9,641,277	22.49	17,303,530	8.82	26,944,807	11.27
c. Family Welfare	10,660,865	24.86	20,509,288	10.45	31,170,153	13.04
d. Rehabilitative Care	211,849	0.49	690,893	0.35	902,742	0.38
Total 3	24,073,463	56.14	74,597,207	38.01	98,670,670	41.26
Direction and Administration	3,098,447	7.23	20,982,788	10.69	24,081,235	10.07
Health Statistics research, evaluation and training	4,505,431	10.51	876,563	0.45	5,381,994	2.25
Medical stores Depot and drug manufacture	385,308	0.90	3,831,487	1.95	4,216,795	1.76
Medical reimbursement and compensation	–		9,868,076	5.03	9,868,076	4.13
Functions not specified	–		6,591,712	3.36	6,591,712	2.76
Total Expenditure*	42,878,507	100.00	196,240,419	100.00	239,118,926	100.00

Notes:

§ is related to MoHFW only

* Excludes capital expenditure

1. The dividing line between tertiary and secondary care is so thin that it is difficult to classify them into separate functions in case of MoHFW. Most of the hospitals have teaching as well as provider of care functions which makes it difficult to classify them in to secondary and tertiary. In view of this both have been classified as Tertiary care
2. Tertiary Care Services covers all the medical and teaching hospitals, Regional Post Graduate Centre, PG Institute of Medical Education & Research, reference hospitals, specialty hospitals, leprosy, TB hospitals, Medical colleges, regional medical colleges
3. Secondary care covers district and sub divisional hospitals, ESI hospitals, area hospitals, community health centres
4. Primary Care Services includes CGHS Dispensaries/Hospitals in Allopath and Ayurveda, primary health centres, dispensaries, sub centres, homeopath and ayurved dispensaries, ESI dispensaries, school health programmes, TB clinics, expenditure on national disease control programmes and family welfare programmes
5. Health Statistics research and evaluation and training includes National TB Training Institute, Central Leprosy Teaching & Research Institute, National Institute of Communicable disease
6. Medical stores Depot and drug manufacture covers BCG Vaccine Laboratory, Pharmaceutical Laboratory of Indian Medicine and Homeopathy

External Flows

External flows though insignificant has been a source of supplementing finances to different programmes and schemes. These funds largely flow to reproductive child health, immunization, family welfare, AIDs control programmes from bilateral and multilateral agencies.

Table 3.9: External Flow in Health Sector 2004–05 (in Rs. 000)

Type of External Assistance	Amount (Rs. 000)	Percentage
Aid to Central Government ¹	20,884,614	68.49
Aid to State Government ²	3,272,854	10.73
Grants to NGOs ³	6,337,673	20.78
Total	30,495,141	100

Sources:

1. External Assistance shown under 2210, 2211, 4210 and 3601 of MoHFW budget
2. External Assistance shown under 2210, 2211 and 4210 in state budgets
3. Foreign Contribution Regulation Act, Annual Report (2004–05), Ministry of Home Affairs, Government of India

External flow amounted to Rs. 30,495 million during 2004–05 of which Rs. 20,884 million constituting 68.49% was routed through the Ministry of Health and Family Welfare. State governments received directly 10.73% of total external funds. Further grants to NGOs formed 20.78% of total external flow in 2004–05 (Table 3.9).

Table 3.10: External Assistance to NGOs by Health Care Functions 2004–05 (in Rs. 000)

Nature of Activity	Amount (Rs. 000)	Percentage
Maternal and Child Health and Family Welfare Programmes	1,265,346	19.97
Construction/Running of Hospitals/Dispensaries	1,826,863	28.83
Control of Communicable Diseases	2,147,151	33.88
Supply of Medicine, Material Aids, Visual Aids, Family Planning Aids,	430,130	6.79
Rehabilitative and Long Term Nursing Care	668,183	10.54
Total	6,337,673	100

Source: Foreign Contribution Regulation Act, Annual Report (2004–05), Ministry of Home Affairs, Government of India

A break up of external flow to the NGOs through FCRA shows that 34% was spent on control of communicable diseases, 29% on construction and running of hospital, and 10.54% on rehabilitative and nursing care (Table 3.10).

Private Health Expenditure

4

Private health expenditure in India includes out of pocket expenditure, health insurance and expenditure towards health by firms and NGOs. Among all these components, out of pocket expenditure has the single largest share in the total health expenditure of the country. The methodology adopted for estimation of private health expenditure has been given in detail in chapter II.

Out of Pocket Expenditure

Total out of pocket expenditure in India on various health care services such as out patient care, inpatient care, delivery, anti natal and post natal care, abortion and still births, immunization and family planning services has been presented in Table 4.1.

Table 4.1: Out-of-Pocket Expenditure on Health Care by Households 2004–05 (in Rs. 000)

Expenditure on Health Care	Total	% Distribution	Per Capita Expenditure (in Rs.)
Out-Patient Care	614,774,538	66.10	564.53
In-Patient Care	218,333,032	23.48	200.49
Delivery care	31,925,528	3.43	29.32
Post Natal Services	5,808,715	0.62	5.33
Anti Natal care services	12,543,534	1.35	11.52
Abortion and Still births ¹	40,220	0.00	0.04
Immunization	4,851,318	0.52	4.45
Family Planning Services ²	26,279,373	2.83	24.13
Medical attention at Death ³	15,446,918	1.66	14.18
Total Expenditure on Health	930,003,177	100.00	853.99

Notes:

1. Estimates based on the total number of pregnant women and number of deliveries
2. Data available from NFHS-3 on family planning and their average expenditure
3. Health expenditure incurred by households on the members who died during the previous year

Sources:

1. *Health Care and the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India*
2. *Population Projections for India and States 2001–2026, (2006), Report of the Technical Group on Population Projections, The National Commission on Population, The Registrar General and Census Commissioner, Government of India*

Out of pocket expenditure constituted more than two third of total health expenditure in India during 2004–05. The component wise analysis as presented in above table showed that about 66.10% was spent on out patient care, followed by 23.48% on in patient care, 3.43% on delivery and 2.83% on family planning services. In per capita terms Rs. 564 was spent on outpatient care which was highest among all the services.

Component wise rural and urban break up has been given in Table 4.2.

Expenditure on Health Care	Rural	Urban	Total
Out-Patient Care	396,715,569	218,058,969	614,774,538
In-Patient Care	123,057,693	95,275,339	218,333,032
Delivery Care	18,020,851	13,904,678	31,925,528
Post-natal Services	3,735,449	2,073,266	5,808,715
Anti-natal Care Services	7,249,680	5,293,854	12,543,534
Abortion and Still births ¹	11,965	28,255	40,220
Immunization	1,746,360	3,104,958	4,851,318
Family Planning Services ²	18,239,724	8,039,650	26,279,373
Medical Attention at Death ³	10,211,560	5,235,358	15,446,918
Total Expenditure on Health	578,988,851	351,014,325	930,003,177

Notes: Details on Methodology in chapter II

1. Estimates based on the total number of pregnant women and number of deliveries
2. Data available from NFHS-3 on family planning and their average expenditure
3. Health expenditure incurred by households on the members who died during the previous year

Source: *Health Care and the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India*

Of the total out of pocket expenditure by household in 2004–05, Rs. 578,998 million constituting 62% was spent by the rural households for availing different health care services and the balance 38% was by the urban households.

To capture the pattern of out of pocket expenditure in case of inpatients, data as contained in the NSSO report has been analyzed and Table 4.3 reflects on a per case basis the expenditure incurred under public and private sector in rural and urban areas.

Table 4.3: Components of in Patient Expenditure in Public & Private Sector (%)

Type of Hospital	Sector	Doctor' fee	Diagnostic Test	Bed etc.	Medicine	Blood etc.	Food	Total
Private	Rural	26	9	17	40	3	5	100
	Urban	27	11	17	38	4	3	100
Public	Rural	4	12	4	66	4	9	100
	Urban	5	15	6	62	5	8	100

Source: *Select Health Parameters: A Comparative Analysis across the National Sample Survey Organization 42nd, 52nd and 60th Rounds, (2007), Ministry of Health & Family Welfare, Government of India*

Expenditure on out patient care covering medicine, doctor's fee etc. both in rural and urban areas formed the single largest component.

Among various components highest expenditure was incurred on medicine both in public and private health care institutions and this varied within a range of 38–66%. In public health care institutions around 66% of expenditure has been incurred on medicine in rural areas while it was slightly lower at 62% in urban areas. In private health care institutions besides medicine, doctor's fee was another critical component. Non availability of drugs to the inpatient has pushed up expenditure on medicines in the public sector.

The break up of expenditure on in patient care among different components has been presented in Table 4.4.

Table 4.4: Composition of Out of Pocket Expenditure – Inpatient Care Public (%)

States	Doctor's Fee	Diagnostic Test	Other Services, Bed	Medicine	Blood etc.	Food
Rural						
Andhra Pradesh	7.55	7.15	2.28	69.71	2.98	10.33
Assam	9.74	11.70	4.97	56.96	10.70	5.93
Bihar	2.79	28.30	2.31	51.27	4.22	11.11
Chhattisgarh	37.80	6.86	0.00	53.91	0.00	1.44
Gujarat	0.65	10.64	0.71	66.13	10.81	11.05
Haryana	2.86	8.21	3.42	82.07	0.35	3.09
Jharkhand	4.23	7.75	4.23	68.59	0.14	15.07
Karnataka	12.76	12.10	2.20	62.27	0.66	10.01
Kerala	4.08	20.63	4.65	56.35	1.70	12.59
Madhya Pradesh	2.85	4.53	1.84	78.21	2.10	10.48
Maharashtra	4.95	3.00	3.91	59.58	9.52	19.04
Orissa	5.19	7.33	2.28	72.59	1.94	10.67
Punjab	7.19	1.51	9.11	66.31	1.84	14.05
Rajasthan	1.76	15.91	1.35	72.73	2.49	5.77
Tamilnadu	5.88	7.84	10.59	40.00	0.39	35.29
Uttar Pradesh	12.83	13.70	10.64	54.00	3.65	5.18
West Bengal	1.31	11.19	8.15	68.28	5.66	5.41
All India	4.16	11.92	4.36	66.49	3.75	9.33

(Table 3.6: Continued)

States	Doctor's Fee	Diagnostic Test	Other Services, Bed	Medicine	Blood etc.	Food
Urban						
Andhra Pradesh	11.31	9.67	6.28	62.31	4.52	5.90
Assam	3.16	25.09	0.37	60.28	0.21	10.88
Bihar	0.00	15.95	0.00	81.47	0.00	2.59
Chhattisgarh	0.00	2.55	0.00	75.00	4.59	17.86
Gujarat	9.37	7.59	4.59	64.85	7.12	6.47
Haryana	1.09	11.37	20.08	62.91	0.40	4.15
Jharkhand	3.41	16.53	5.45	70.30	0.24	4.07
Karnataka	0.70	15.59	5.25	59.89	10.68	7.88
Kerala	4.09	14.59	4.20	54.70	5.52	16.91
Madhya Pradesh	1.94	8.43	2.45	77.57	0.42	9.19
Maharashtra	3.43	8.48	4.65	62.42	14.95	6.06
Orissa	0.77	10.70	0.95	77.05	1.10	9.44
Punjab	17.20	7.35	6.56	64.15	1.49	3.24
Rajasthan	2.40	15.30	5.35	62.31	8.40	6.25
Tamilnadu	2.73	9.77	3.91	53.91	6.25	23.44
Uttar Pradesh	10.91	15.43	6.04	59.37	2.92	5.34
West Bengal	2.28	24.28	7.81	58.61	2.66	4.36
All India	4.64	15.12	5.84	62.31	4.57	7.52

Source: Select Health Parameters: A Comparative Analysis across the National Sample Survey Organization 42nd, 52nd and 60th Rounds, (2007), Ministry of Health & Family Welfare, Government of India

The above table has shown that the expense on purchase of medicines was higher in public hospitals in rural areas of Haryana, Jharkhand, Madhya Pradesh, Rajasthan and Uttar Pradesh. In urban areas, Bihar, Punjab, Rajasthan, Uttar Pradesh, Chhattisgarh and West Bengal spent more for medicines. In the public sector, by and large doctor's fee has been negligible in total out of pocket expenditure except in Chattisgarh rural where it has been 37.8% and Punjab urban at 17.2%.

The distribution of expenditure on in patient care for private per hospitalization case in major states has been presented in Table 4.5.

Table 4.5: Composition of Out of Pocket Expenditure – Inpatient Care Private (%)

States	Doctor's Fee	Diagnostic Test	Other Services, Bed	Medicine	Blood etc.	Food
Rural						
Andhra Pradesh	29.78	11.16	14.52	37.11	2.17	5.30
Assam	25.12	17.98	16.67	32.65	3.38	4.23
Bihar	21.44	11.74	13.29	46.15	0.86	6.47
Chhattisgarh	17.73	18.41	11.82	39.34	1.36	11.34
Gujarat	40.49	5.43	12.17	35.99	3.23	2.70
Haryana	20.40	6.73	20.23	45.22	1.96	5.45
Jharkhand	24.98	6.33	15.53	47.40	0.71	5.05

States	Doctor's Fee	Diagnostic Test	Other Services, Bed	Medicine	Blood etc.	Food
Karnataka	28.88	6.53	23.34	35.62	0.95	4.67
Kerala	15.61	12.83	23.10	34.82	6.95	6.73
Madhya Pradesh	23.66	9.01	13.93	47.79	0.57	5.01
Maharashtra	30.14	8.64	12.02	40.69	5.54	2.96
Orissa	27.31	4.15	17.79	37.70	1.88	11.14
Punjab	20.74	18.04	15.32	43.10	1.39	1.39
Rajasthan	19.22	9.90	15.31	46.51	2.86	6.19
Tamilnadu	27.16	7.61	20.53	39.90	0.36	4.40
Uttar Pradesh	21.73	7.42	18.72	46.98	1.32	3.83
West Bengal	31.13	11.67	19.07	32.10	2.63	3.39
All India	25.84	9.37	16.57	40.43	2.86	4.91
Urban						
Andhra Pradesh	32.14	11.64	13.87	36.27	2.47	3.61
Assam	27.46	29.49	11.54	29.99	0.00	1.53
Bihar	19.64	12.02	15.61	43.08	3.02	6.62
Chhattisgarh	23.86	5.02	10.71	57.30	3.12	0.00
Gujarat	37.53	8.65	14.25	36.62	1.49	1.46
Haryana	35.85	11.22	18.46	27.91	3.03	3.53
Jharkhand	42.84	3.02	9.81	39.63	2.57	2.12
Karnataka	37.91	10.41	19.80	27.77	1.25	2.86
Kerala	16.93	14.77	19.88	43.65	1.11	3.65
Madhya Pradesh	34.42	9.71	14.32	37.18	1.03	3.35
Maharashtra	24.13	11.74	17.13	36.59	9.29	1.13
Orissa	29.71	7.68	15.73	30.06	8.23	8.59
Punjab	21.18	7.15	17.12	49.75	1.19	3.60
Rajasthan	22.57	9.97	15.15	44.54	4.93	2.84
Tamilnadu	27.07	11.36	18.23	32.77	6.06	4.51
Uttar Pradesh	27.26	5.22	14.39	47.03	0.49	5.61
West Bengal	16.87	13.16	16.75	45.81	4.14	3.28
All India	27.31	10.84	16.56	37.77	4.43	3.09

Source: *Select Health Parameters: A Comparative Analysis across the National Sample Survey Organization 42nd, 52nd and 60th Rounds, (2007), Ministry of Health & Family Welfare, Government of India*

Doctor's fee and medicine both are seen to be critical components in private sector in rural and urban areas. In private health institutions, in the states of Kerala & Chattisgarh rural, doctor's fee has been less than 20% of OOP while in urban areas of Kerala, Bihar also has shown this feature. Cost of medicine incurred has been informally high across all states both in rural and urban areas.

Expenditure on Health Insurance

The expenditure on insurance constituted a small fraction of total health expenditure and the breakup amongst various insurance agencies has been presented in Table 4.6.

Components	Expenditure	% Distribution
Employees' State Insurance Scheme ¹	12,581,953	34.4
Central Government Health Scheme ²	2,492,020	6.8
Public Insurance Companies ³	19,306,982	52.7
Private Insurance Companies ⁴	2,228,744	6.1
Grand Total	36,609,699	100.0

Sources:

1. Annual Report, (2004–05), Employees' State Insurance Corporation
2. Ministry of Finance, Government of India
- 3 & 4. Study of Health Insurance Companies, (2007–08), Ministry of Health & Family Welfare, Government of India

Total expenditure on insurance was Rs. 36,609 million, of which Rs. 19,306 million constituting 52.7% was incurred by public insurance companies. ESIS and CGHS taken together constituted 41% of total spending on insurance.

Components	Expenditure	% Distribution
Medical Benefits ¹	6,863,758	54.55
Cash Benefits ²	2,646,902	21.04
Other Benefits to Subscribers ³	8,046	0.06
Administration	1,999,618	15.89
Contribution to Capital Construction Fund	844,542	6.71
Repairs and Maintenance of Buildings	219,087	1.74
Total	12,581,953	100.00

Notes:

1. Medical benefits are the direct diagnostic and treatment services provided by ESIS hospitals, dispensaries and diagnostic centres. It also includes family welfare services, immunization and supply of special aids
2. Cash benefits comprises the cash paid to the eligible insured under sickness, Maternity, Disablement, Dependants benefits and funeral expenses
3. Other benefits include rehabilitation allowance, vocational rehabilitation and unemployment allowance (under Rajiv Gandhi Shramik Yojana)

Source: Annual Report, (2004–05), Employees' State Insurance Corporation

The expenditure pattern of ESIS, (Table 4.7) shows that 54.55% of the total expenditure was on medical benefits of employees, followed by 21% on cash benefits and 16% on administrative expenditure.

	2004–05	% Distribution
Hospital Bills ¹	2,492,020	42.84
Local Chemist ²	1,702,384	29.27
Health Administration ³	1,622,010	27.89
Total	5,816,414	100.00

Notes:

1. Provided by Ministry of Finance for medical reimbursement of the pensioners
2. Local chemist covers expenditure on GMSD/MSO
3. Taken from the Demand for Grants of Ministry of Health & Family Welfare, Government of India

The health expenditure by CGHS, as presented in Table 4.8 indicates that, highest proportion (43%) of total expenditure was incurred on hospital bills followed by 29.27% on local chemist and 27.89% on health administration.

Premium collected and claims settled by both the public and private insurance companies have been presented in Table 4.9.

Public & Private Insurance Companies	Premium Collected	Claims Settled	Admin Exp.	Total Expenditure (Claims Settled+ Admin Exp.)
A. General Insurance Corporation/ Companies	14,259,500	16,552,400	2,754,582	19,306,982
B. Private Health Insurance Companies	2,711,439	1,768,296	460,448	2,228,744
Total (A + B)	16,970,939	18,320,696	3,215,030	21,535,726

Source: Study of Health Insurance Companies, (2007–08), Ministry of Health & Family Welfare, Government of India

Premium collected by the private insurance companies constituted 16% of total premium collected during 2004–05. Claims settled however by the insurance companies were 8% higher than the premium collected during 2004–05. The administrative expenditure incurred by the private insurance companies has been 6% higher than the public sector.

The scheme wise premium collected by the public and private insurance companies have been presented in Table 4.10.

Public & Private Insurance Companies	Health Insurance	Accidental Insurance	Hospital Cash	Critical Illness	UHS	Others	Total
A. GIC Companies	13,298,500	–	–	–	98,600	862,400	14,259,500
B. Private Health Insurance Companies	1,826,822	843,592	10,292	3,924	–	26,808	2,711,439
Total (A + B)	15,125,322	843,592	10,292	3,924	98,600	889,208	16,970,939

Source: Study of Health Insurance Companies, (2007–08), Ministry of Health & Family Welfare, Government of India

In case of public, health insurance and UHS are the two important components, while for private it covers a wide a range of insurance schemes such as health insurance, accidental insurance, hospital cash and others.



Health Accounts Estimates

5

In this chapter, the data has been presented in terms of matrices identifying the financing sources, financing agents, providers and functions adopting the methodology given in the Producer's Guide and as explained in Chapter II. The ultimate objective in this exercise of NHA classification has been to arrive at the net expenditure incurred by the individual entities/functions. Health expenditure given in Chapter III based on the budget of the financing entities and out of pocket expenses incurred on health given in Chapter IV has formed the basis for these matrices.

Table 5.1: Health Expenditure by Financing Sources 2004–05 (in Rs. 000)

Source of Funds	Expenditure	% Distribution
Central Government	90,667,581	6.78
State Government	160,171,666	11.97
Local Bodies	12,292,886	0.92
Households	951,538,903	71.13
Employer Fund for Social Insurance	15,073,973	1.13
Firms	76,643,295	5.73
NGOs	879,761	0.07
External Flows	30,495,141	2.28
Total	1,337,763,206	100.00

Note: Household expenditure includes insurance premiums paid to public and private insurance companies

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare & Other Central Ministries, (2006–2007), Government of India
2. Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–2007), State Governments
3. Morbidity, Health Care and the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India
4. Foreign Contribution Regulation Act, Annual Report, Ministry of Home Affairs, (2004–05), Government of India
5. Annual Report, (2004–05), Employees' State Insurance Corporation

Households constituted the major source of financing about 71.13% of the total expenditure followed by the State governments at 11.97%. Funding by the remaining entities formed 16.9%.

Health expenditure by financing agents has been captured in Table 5.2.

Financing Agent	Expenditure	% Distribution
Ministry of Health & Family Welfare	71,686,508	5.36
Other Central Ministries	5,755,385	0.43
State Department of Health	143,567,344	10.73
Other State Departments	3,616,819	0.27
Local Bodies	20,257,598	1.51
Social Security Funds	891,896	0.07
CGHS/Medical Benefits	33,449,856	2.50
ESIS	15,876,601	1.19
State Government Employees Benefit Scheme	5,977,799	0.45
GIC Companies	19,494,511	1.46
Private Insurance Companies	2,228,744	0.17
Households	928,388,385	69.40
NGOs	9,928,465	0.74
Firms	76,643,295	5.73
Total	1,337,763,206	100

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare & Other Central Ministries, (2006–2007), Government of India
2. Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–2007), State Governments
3. Morbidity, Health Care and the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India
4. Foreign Contribution Regulation Act, Annual Report, Ministry of Home Affairs, (2004–05), Government of India
5. Employees' State Insurance Corporation, Annual Report 2004–05

The entities/institutions channelising funds are akin to the financing sources with households channelising 69.4% of the funds.

Healthcare providers comprise both public and private providers of health. The distribution of healthcare expenditure among the different providers has been shown in Table 5.3.

Provider	Expenditure	% Distribution
Public Hospitals	77,904,269	5.82
Dispensaries	69,675,221	5.21
Family welfare Centres	33,427,002	2.50
Public Health Labs, Blood banks	1,833,862	0.14
Provider of Medical Goods	4,617,224	0.35
Provision of Public Health and RCH Programmes	37,967,136	2.84

Provider	Expenditure	% Distribution
Public Health & RCH training	3,301,854	0.25
Medical Education Research	25,261,647	1.89
General Health Administration and Insurance	15,109,539	1.13
NGO Provider	11,464,760	0.86
Private Provider of Health Services	1,026,567,405	76.74
Not Classified	30,633,287	2.29
Total	1,337,763,206	100

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare & Other Central Ministries, (2006–2007), Government of India
2. Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–2007), State Governments
3. Morbidity, Health Care and the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India
4. Foreign Contribution Regulation Act, Annual Report, Ministry of Home Affairs, (2004–05), Government of India
5. Employees' State Insurance Corporation, Annual Report 2004–05

In the public sector, the major providers include public hospitals, outreach centres, medical education, research and training etc. The same pattern as in the case of financing sources and financing agents given that out of pocket expenses constitute a large portion of health expenditure. Private providers of health in 2004–05 accounted for 76.74% of the health expenditure incurred.

By function, major expenditure incurred has been under curative care at 76.9% followed by RCH and family welfare at 8%. (Table 5.4).

Table 5.4: Health Expenditure by Functions 2004–05 (in Rs. 000)		
ICHA Function	Expenditure	% Distribution
Curative Care	1,042,869,705	77.96
Rehabilitative or Long term Nursing care	6,584,492	0.49
Ancillary Services related to medical care	6,865,742	0.51
Medical goods dispensed to outpatients	2,747,011	0.21
RCH and Family Welfare	107,971,453	8.07
Control of Communicable Diseases	18,077,393	1.35
Control of Non Communicable Diseases	2,422,183	0.18
Other public Health activities	6,541,673	0.49
Health Administration & Insurance	43,315,661	3.24
Nutrition Programme by state Dept of Health	213,219	0.02
Medical Education and Training of Health Personnel	24,109,129	1.80
Research and Development	6,031,522	0.45
Food Adulteration	775,194	0.06
Capital Expenditure	14,516,534	1.09
Functions not Specified	54,722,295	4.09
Total	1,337,763,206	100

Sources:

1. *Demand for Grants of Ministry of Health & Family Welfare & Other Central Ministries, (2006–2007), Government of India*
2. *Demand for Grants of Departments of Health & Family Welfare & Other Departments, (2006–2007), State Governments*
3. *Morbidity, Health Care and the Condition of the Aged, NSSO 60th Round, (2006), Ministry of Statistic and Programme Implementation, Government of India*
4. *Foreign Contribution Regulation Act, Annual Report, Ministry of Home Affairs, (2004–05), Government of India*
5. *Employees' State Insurance Corporation, Annual Report, 2004–05*

NHA Matrices

The main tables given above have been translated in the form of matrices as given in the guide to generate national health accounts through accounting flows. These matrices include:

Table 5.5: Health Expenditure by Financing Source and Agent (FSXFA) 2004-05 (in Rs. 000)

Financing Agents	Financing Source											Total
	Central Government			State Government			Private Funds					
	MoHFW	Other Central Ministries	State Department of Health	Other State Departments	Local Bodies	Households	NGOs	Employer Fund for Social Insurance \$	Firms \$	External Flow		
MoHFW	49,715,695					1,086,200					20,884,614	71,686,509
Other Central Ministries	2,209,538	3,545,847										5,755,385
State Department of Health	3,433,362	86,832	136,162,569	83,135		528,592				3,272,854		143,567,344
Other State Departments			49,897	3,566,922								3,616,819
Local Bodies			7,943,872	14,879	12,292,886							20,257,598
Social Security Funds	22,997		868,899									891,896
CGHS/Medical benefits	2,647,483	28,310,353						2,492,020				33,449,856
ESIS			2,400,661	893,987				12,581,953				15,876,601
State Government Employees Benefit Scheme			22,132	5,955,667								5,977,799
GIC Companies	67,687		119,842			19,306,982						19,494,511
Private Insurance Companies						2,228,744						2,228,744
Households						928,388,385						928,388,385
NGOs	621,826		2,089,205				879,761			6,337,673		9,928,465
Firms								766,432,95				76,643,295
Total	58,718,588	31,948,993	149,657,077	10,514,590	12,292,886	951,538,903	879,761	15,073,973	76,643,295	30,495,141		1,337,763,206

Note: \$ Disaggregated information not available

Provider	Financing Agent													Grand Total
	MoHFW	Other Central Ministries	State Department of Health	Other State Dept	Local Bodies	Social Security Funds	CGHS/ Medical Benefits Central Government	ESI	State Government Medical Benefits	NGOs	Insurance Companies	Households	Firms	
Public Hospitals	7222939	516078	57112746	2456006	1779286	5000		3294648	5517566					77904269
Dispensaries	2107375	671391	29676088	256738	4941718	883896	30957836	180179	180179					69675221
Family welfare Centres	27683022	36484	5356449		97365			253682	253682					33427002
Public Health Labs, Blood banks	837055	20797	959429					16581	16581					1833862
Medical Stores/Drug Manufacturers	613124	890420	2943931	28539	141210									4617224
Public Health and RCH Programmes	20104172	2246045	15277083	134110	201728	3000		998	998					37967136
Public Health & RCH training	1820911	2909	1468795	501	3425			5313	5313					3301854
Medical Education Research	6356353	1098899	17778351	26636	1097			311	311					25261647
Health Administration	3920720	253335	10484467	222145	225703			3169	3169					15109539
NGO	1020838		1395218					9048704						11464760
Private Provider of Health Services								21535726				928388385	76643295	1026567406
Others not Specified		19027	1114787	492144	12866065		2492020	12581953	879761	187530				30633287
Total	71686509.21	5755385	143567344	3616819	20257597	891896	33449856	15876601	5977799	9928465	21723256	928388385	76643295	1337763206

Table 5.7: Health Expenditure by Financing Agent and Function (FAXF) 2004-05 (in Rs. 000)

	Financing Agent											Grand Total		
	MoHFW	Other Central Ministries	State Department of Health	Other State Dept	Local Bodies	Social Security Funds	CGHS/ Medical Benefits Central Government	ESI	Medical Benefits	NGOs	Insurance Companies		Households	Firms
Curative Care	26056007	1131786	75176798	2345928	1767504	126398	19614102	1871371	5653695	870201	119842	831492778	76643295	1042869705
Rehabilitative or Long term Nursing Care	382555		272500	36724			5224530			668183				6584492
Ancillary Services Related to medical Care	1085133	911777	4403906	53706	106844			190488	5350	108538				6865742
Medical goods Dispensed to Outpatients	870527	1002	1445352							430130				2747011
RCH and Family Welfare	19796215	2015144	7190972	1164	745440			777	13230	1611142		76597370		107971453
Control of Communicable Diseases	8086270	113431	7456764.9	65719	53449				154608	2147151				18077393
Control of Non Communicable Diseases	1110883	10034	1287003	12342		1921								2422183
Other public Health Activities	170600	3758	1361474	1236	9493			22987	2582	50538	67687	4851318		6541673
Health Administration & Insurance	5729396	264432	7718612	430686	753510	750590	5927511	144024	23349	37825	21535726			43315661
Nutrition Programme by State Dept of Health		5450	207769											213219
Medical Education and Training of Health Personnel	3635290	426099	19797557	21104	1097				323	227659				24109129
Research and Development	4329432	664335	371579	26274	1650				311	637941				6031522
Food Adulteration	383616	6548	385030											775194
Capital Expenditure	50585	164614	11647651	593501	14222					2045961				14516534
Functions not Specified		36975	4844377	28435	16804389	12987	2660726	13669941	124351	1093196		15446918		54722295
Total	71686509	5755385	143567344	3616819	20257598	891896	33449856	15876601	5977799	9928465	21723255	928388384	76643295	1337763206

Appendix I

Composition and Terms of Reference of Steering Committee for National Health Accounts

In the context of institutionalizing the system of National Health Accounts by 2005 as envisaged in National Health Policy, 2002, it has been decided to re-constitute a Steering Committee under the Chairmanship of Secretary (Health & Family Welfare) to advise on issues concerning the National Health Accounts. The composition of the committee is as follows:

- | | |
|--|----------|
| 1. Shri Naresh Dayal
Secretary (H& FW)
Department of Health & Family Welfare
Ministry of Health & Family Welfare
Nirman Bhawan
New Delhi-110011 | Chairman |
| 2. Ms. K. Sujatha Rao
Secretary
Department of AIDS Control
Ministry of Health & Family Welfare
Chandralok Building, Janpath
New Delhi-110001 | Member |
| 3. Mrs S. Jalaja
Secretary (Ayush)
Ministry of Health & Family Welfare
1, Red Cross Road
New Delhi-110001 | Member |
| 4. Dr. V. M. Katoch
Secretary
Department of Health Research
Ansari Nagar
New Delhi | Member |
| 5. Dr. R. K. Srivastava
Director General of Health Services
Ministry of Health & Family Welfare
Nirman Bhawan
New Delhi-110011 | Member |
| 6. Shri Naved Masood
Additional Secretary & Financial Adviser
Ministry of Health & Family Welfare
Nirman Bhawan
New Delhi-110011 | Member |

7. Shri V.Venkatachalam Member
Addl. Secretary
Ministry of Health & Family Welfare
Nirman Bhawan
New Delhi-110011

8. Shri P.K. Pradhan Member
Addl. Secretary & Mission Director (NRHM)
Ministry of Health & Family Welfare
Nirman Bhawan
New Delhi-110011

9. Prof N. K. Sethi Member
Sr. Adviser (Health)
Planning Commission
Government of India
Yogana Bhawan, Sansad Marg
New Delhi-110001

10. Shri S.C. Seddy Member
DG & Chief Executive Officer
National Sample Survey Organisation
Sardar Patel Bhawan
New Delhi-110001

11. Shri S.K. Das Member
DG & CEO
Central Statistical Organisation
Sardar Patel Bhawan
New Delhi-110001

12. Shri Ramesh Kolli Member
Addl. Director General
Central Statistical Organisation
Sardar Patel Bhawan
New Delhi-110001

13. Dr. S. J. Habayab Member
WHO Representative to India
534, "A" wing
Nirman Bhawan
Maulana Azad Road
New Delhi-110011

14. Shri Anup K. Pujari Member
Joint Secretary (Fund Bank)
D/o Economic Affairs
Ministry of Finance
North Block, New Delhi

- | | |
|--|------------------|
| 15. Ms. Meena Aggarwal
Joint Secretary (PF-II)
Department of Expenditure
Ministry of Finance
North Block, New Delhi | Member |
| 16. Shri Assem Khurana
Joint Secretary (FCRA)
M/O Home Affairs
Jaisalmer House
Man Singh Road
New Delhi | Member |
| 17. Ms. Dakshita Das
Controller of Aid Accounts & Audit
5 th Floor, B- wing
Janpath Bhawan
New Delhi-110001 | Member |
| 18. Dr. Ashok Kumar
Director
Central Bureau of Health Intelligence
Ministry of Health & Family Welfare
Nirman Bhawan
New Delhi-110011 | Member |
| 19. Smt. Ganga Murthy
Economic Adviser
Ministry of Health & Family Welfare
Room No-244 B-A
Nirman Bhawan
New Delhi-110011 | Member Secretary |

Terms of Reference:

The Steering Committee would guide and advise in the preparation of National Health Accounts for India and meet as and when considered necessary.

1. The tenure of the committee will be for two years.
2. The Chairman, if deemed necessary, may form sub-committees and co-opt official and non-official members as needed. The Chairman may like to designate work across members according to their area of expertise, so that NHA cell can obtain their views in the interim, if necessary.
3. The members are expected to maintain confidentiality of the data, discussed in Steering Committee meetings till the final approval and dissemination of NHA estimates.
4. The TA/DA of non official members shall be paid as per Govt.

Appendix II

Classification of Financing Sources, Agents Providers & Functions

Financing Sources: Financing Sources are the institutions or entities who provide funds in health care system.

1. Central Government
2. State Government
3. Local Governments (Urban and Rural)
4. Households (out-of-pocket expenditure)
5. Firms (Public & Private)
6. Non Profit Institutions Serving Households (NPISHs/NGOs)
7. External Flow

(Details in Appendix: II (a))

Financing Agents: Financing agents are institutions or entities that channel funds provided by financing sources and use those funds to pay for or purchase the activities in the health accounts boundary. The financing agents in NHA India are:

1. Ministry of Health and Family Welfare
2. Other Central Government Ministries
3. State Department of Health and Family Welfare
4. Other State Departments
5. Local Governments
6. Social Security Funds
7. Insurance Providers (Public/Private)
8. NGOs
9. Public/Private Firms
10. Households

(Details in Appendix: II (b))

Providers: Providers are entities that receive money in exchange for or in anticipation of producing activities inside the health accounts boundary. The following classification of providers is used for India.

1. Hospitals and Dispensaries under MoHFW and State Governments
2. Specialty Hospitals
3. PHC/Sub-centre/Family Welfare Centres
4. Ambulatory Health Care Including Blood Banks and Ambulances
5. Provision and Administration of Public Health and RCH Programmes
6. Health Administration and Health Insurance
7. Medical Education, Research & Training Institutions
8. Hospitals and Dispensaries Under Local Bodies
9. Private Hospitals
10. Private Dispensaries and Doctors
11. Drug Outlets/shops
12. Diagnostic Centres
13. Hospitals and Dispensaries Under Charitable Institutions/NGOs
14. Hospitals and Dispensaries Under Institutions Run by Corporate Sector

(Details in Appendix: II (c))

Health Care Functions: Functions refer to the goods and services produced within the health accounts boundary.

ICHA-HC Functional Classification of Health Care

Code	Description
	Personal Health Care Services
HC 1	Services of Curative Care
HC 2	Services of Rehabilitative Care
HC 3	Services of Long Term-nursing Care
HC 4	Ancillary Services to Health Care
HC 5	Medical Goods Dispensed to Outpatients
	Collective Health Care Services
HC 6	Prevention and Public health Services

HC 7	Health Administration and Health Insurance Health Related Functions
HCR 1	Capital Formation of Health Care Provider Institutions
HCR 2	Education and Training of Health Personnel
HCR 3	Research and Development in Health
HCR 4	Food Hygiene and Drinking Water Control

Further for health policy requirements another classification of health care function has been attempted as given below:

1. Services of Primary Care (Excluding RCH and Public Health Services)
2. Services of Secondary Care
3. Services of Tertiary Care
4. Expenditure on Public Health Programs
5. General Health Administration
6. Capital Expenditure
7. Others

(Details in Appendix: II (d) and II (e))

Appendix II (a) Classification of Financing Sources			
Codes	WHO Guide #	NHA India Classification	India NHA Code
FS. 1	Public funds	Public funds	FS. 1
FS. 1.1	Territorial government funds	Government funds	FS. 1.1
FS. 1.1.1	Central government revenue	Central government revenue	FS. 1.1.1
FS. 1.1.2	Regional and municipal government revenue	State government revenue	FS. 1.1.2
		Urban local bodies revenue	FS. 1.1.3.1
		Panchayati raj institutions revenue	FS. 1.1.3.2
FS. 1.2	Other public funds	Nil	NA
FS. 1.2.1	Return of assets held by public entity		
FS. 1.2.2	Others		
FS. 2	Private funds	Private funds	
FS. 2.1	Employer funds	Employer funds	FS. 2.1
FS. 2.2	Household funds	Household funds	FS. 2.2
FS. 2.3	Non-profit institutions serving households	NGO revenue	FS. 2.3
FS. 2.4	Other private funds	Nil	NA
FS. 3	Rest of the world	External assistance	FS. 3

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Appendix II (b) Classification of Financing Agents			
Codes	Financing Agents (WHO Guide)#	Financing Agent	India NHA Code
HF 1 General government		HF 1 Public sector	HF 1
HF 1.1 Territorial government		General government	HF 1.1
HF 1.1.1	Central govt.	Ministry of health and family welfare and its autonomous bodies	HF 1.1.1.1
		Other central ministries and divisions	HF 1.1.1.2
HF 1.1.2	State/provincial govt.	State department of health and family welfare	HF 1.1.2.1
		Other state departments	HF 1.1.2.2
HF 1.1.3	Local/municipal govt.	Urban local governments	HF 1.2.3.1
		Panchayat raj institutions	HF 1.2.3.2
HF 1.2	Social security funds	Govt employee insurance schemes(central/state)	HF 1.2.1
		Employees State Insurance Corporation (ESIC)	HF 1.2.2
		Universal health insurance scheme (Ministry Of Finance)	HF 1.2.3
		Other social security funds	HF 1.2.4
HF 2 Private sector		HF 2 Private sector	
HF 2.1	Private social insurance	Firm's fund on health insurance	HF 2.1
HF 2.2	Other private insurance	Private insurance companies & GIC	HF 2.2
HF 2.3	Private/household' out-of pocket payment	Household' out-of pocket payment	HF 2.3
HF 2.4	Non-profit institutions serving households	NGOs involved in providing health care services	HF 2.4
HF 2.5	Private firms and corporations (other than health insurance)	Public/private firms having own health care establishments for employees	HF 2.5
HP 3	Rest of the world	Nil	NA

Appendix II (c) Classification of Financing Provider		
Code	ICHA Classification for Providers #	NHA India Provider List (Level I)
HP 1	Hospitals	NHA India Provider List (Level II)
HP 1.1	General hospitals	HP 1.1 Hospitals
		HP 1.1.1 Hospitals under central government
		HP 1.1.2 Hospitals owned by state government
		HP 1.1.3 Hospitals owned by local bodies
		HP 1.1.3 Hospitals under social insurance
		HP 1.1.4 Hospitals owned by public or private firms
HP 1.2	HP 1.2 Mental health and substance abuse hospital	HP 1.1.5 Private hospitals (private for profit entities)
		HP 1.1.6 Hospital owned by charitable institutions/NGOs
		HP 1.2.1 Government mental hospitals
		HP 1.2.2 Mental hospitals owned by private for profit sector
HP 1.3	Specialty (other than mental health and substance abuse hospitals)	HP 1.2.3 Mental hospitals owned by private non profit sector (NGOs)
		HP 1.3 Other sociality hospital (hospitals only for a specific disease or condition other than mental and substance abuse)
		HP 1.3.1 Specialty hospital for cancer
HP 1.4	Hospitals of non allopathic system of medicine	HP 1.3.2 Specialty hospital for tuberculosis
		HP 1.3.3 Specialty hospital for other diseases
		HP 1.4.1 Hospitals owned by central/state government
		HP 1.4.2 Hospitals owned by local bodies (ISM system)
HP 2	Nursing and residential care facilities	HP 1.4.3 Hospitals under social insurance (ISM system)
		HP 1.4.4 Hospitals owned by private for profit entities (ISM System)
HP 2.1	Nursing care facilities	HP 1.4.5 Hospital owned by charitable institutions/NGOs (ISM system)
HP 2.2	Residential mental health and substance abuse hospitals	
HP 2.3	Community care facilities for the elderly	
HP 2.9	All other residential care facilities	
HP 3	Providers of ambulatory health care	
HP 3.1	Office of physicians	HP 3.1.1 Physicians dealing with allopathic system of medicine
		HP 3.1.2 Physicians dealing with ISM system of medicine
HP 3.2	Offices of dentists	HP 3.2 Dentists

(Appendix II (c): Continued)

Code	ICHA Classification for Providers #	NHA India Provider List (Level I)	NHA India Provider List (Level II)
HP 3.3	Offices of other health practitioners	HP 3.3 Other para medical personnel	HP 3.3.1 Optometrist HP 3.3.2 Occupational and speech therapist HP 3.3.3 Physio therapists HP 3.3.4 Nurses HP 3.3.5 Dental hygienist HP 3.3.6 Traditional medicine (without doctors approbation) HP 3.3.7 Naturopaths office HP 3.3.8 Mid wives offices HP 3.3.9 Chiropractors HP 3.3.10 Dieticians HP 3.3.11 Nutritionists HP 3.3.12 Non-qualified medical practitioners HP 3.3.13 Others
HP 3.4	Outpatient care centres		HP 3.4.1.1 Maternity homes HP 3.4.1.2 Post partum centres HP 3.4.1.3 Sub-centre/health posts HP 3.4.1.4 Mobile clinics
HP 3.4.1	Family planning centres	HP 3.4.1 Family welfare centres	
HP 3.4.2	Outpatient mental health and substance abuse centres	HP 3.4.2.1 Mental health clinics	
HP 3.4.3	Free standing ambulatory care centres		HP 3.4.3.1 Mobile clinic doing cataract surgeries owned by non profit private sector HP 3.4.3.2 Mobile clinic doing cataract surgeries owned by non profit private sector (Other facilities are already counted)
HP 3.4.4	Dialysis care centres	Not generally available in India as a separate unit	
HP 3.4.5	All other outpatient community and other integrated care centres	HP 3.4.5 Dispensaries and other outpatient community and other integrated care centres	HP 3.4.5.1 Govt. owned other outpatient community and other integrated care centres HP 3.4.5.2 Dispensaries/Clinic owned by industrial firms (allopathy and ISM separate) HP 3.4.5.3 Dispensaries/Clinic owned by NGOs (allopathy and ISM separate) HP 3.4.5.4 Dispensaries/Clinic in private sector (allopathy and ISM separate)

(Appendix II (c): Continued)

Code	ICHA Classification for Providers #	NHA India Provider List (Level I)	NHA India Provider List (Level II)
HP 3.4.9	All other outpatient multi-specialty and cooperative service centres	Covered in HP 3.4.5	
HP 3.5	Medical and diagnostic laboratories	HP 3.5 Diagnostic centres and pathological labs	HP 3.5.1 X Ray/CT scan/other diagnostic scanning centres HP 3.5.2 Medical pathological labs
HP 3.6	Providers of home health care services	HP 3.6 Providers of home health care services	HP 3.6.1 Community/domiciliary nurse (private) HP 3.6.2 Community/domiciliary nurse (NGO) HP 3.6.3 Own/self HP 3.6.4 Relatives HP 3.6.5. Friends
HP 3.9	Other providers of ambulatory health care	HP 3.9.1 Ambulance services	
HP 3.9.1	Ambulance services		HP 3.9.1.1 Ambulance services by govt. bodies/departments HP 3.9.1.1 Private ambulance services HP 3.9.1.1 Ambulance services of industrial firms HP 3.9.1.2 Ambulances by NGOs/voluntary agencies
HP 3.9.2	Blood and organ banks	NA (Blood banks associated with hospitals)	
HP 3.9.3	Alternative or traditional practitioners	Already accounted in HP 3.3	
HP 3.9.9	All other ambulatory health care services	Nil	
HP 4	Retail sale and other providers of medical goods		
HP 4.1	Dispensing chemists	Hp 4.1 Dispensing chemists	HP 4.1.1 Private medical store pharmacy (allopathic system) HP 4.1.2 Private medical store or pharmacy (ISM)
HP 4.2	Retail sale and other suppliers of optical glasses and other vision products	HP 4.2 Optical shop	
HP 4.3	Retails sale and other suppliers of hearing aids	Hp 4.3 Shops selling hearing aids	
HP 4.4	Retail sale and other suppliers of medical appliances (other than optical glasses and hearing aids)	Included in HP 4.1	
HP 4.9	All other miscellaneous sale and other suppliers of pharmaceuticals and medical goods	All other miscellaneous sale and other suppliers of pharmaceuticals and medical goods	

(Appendix II (c): Continued)

Code	ICHA Classification for Providers #	NHA India Provider List (Level I)	NHA India Provider List (Level II)
HP 5	Provision and administration of public health programmes	HP 5 Provision and administration of public health programmes and insurance	
HP 6	General health administration and insurance		
HP 6.1	Government administration on health	HP 6.1 Government administration on health	HP 6.1. Expenditure by central government HP 6.2. Expenditure by state government HP 6.3 Expenditure by local bodies on health administration (allopathy and ISM separate)
HP 6.2	Social security funds	HP 6.2 Social security funds	HP 6.2 Expenditure by finance ministry on health insurance administration
HP 6.3	Other social insurance	HP 6.3 Other social insurance schemes	HP 6.3.1 Administrative expenditure on ESIS (allopathy and ISM separate) HP 6.3.2 Administrative for health facilities provided by public & private firms for employees
HP 6.4	Other (private) insurance	HP 6.4 private insurance	HP 6.4.1 Administrative expenses on health insurance for GIC companies HP 6.4.2 Administrative expenses of private health insurance providers
HP 6.9	Other providers of health administration	HP 6.9 Other providers	HP 6.9.1 Administrative expenditure for health facilities provided by NGOs HP 6.9.1 Administrative expenditure for health facilities provided by Industrial firms
HP 7	All other Industries		
HP 7.1	Establishments as providers of occupational health care services	Already covered in HP 1.1 and HP 3.4	
HP 7.2	Private households as providers of home care	Personnel health services by member of their own household (covered in HP 3.6.3 & HP 3.6.4), benefits in cash and kind, unpaid work (not covered)	
HP 7.3	All other Industries as secondary producers of health care	2	
HP 8	Institutions providing health related services		

(Appendix II (c): Continued)

Code	ICHA Classification for Providers #	NHA India Provider List (Level I)	NHA India Provider List (Level II)
HP 8.1	Research institutions	HP 8.1 Research institutions	HP 8.1 HP 8.1.1 Health Research Institutions in public sector HP 8.1.2 Research Institutions by for profit private sector (R&D expenditure of pharmaceutical, bio medical firms etc.) HP 8.1.3 Research institutions by non profit private sector including NGOs
HP 8.3	Other institutions providing health related services	HP 8.2.1 Education and training institutions for doctors	HP 8.2.1.1 Education and training institutions by MoHFW HP 8.2.1.2 Education and training institutions by state department of health HP 8.2.1.3 Education and training institutions by local bodies HP 8.2.1.4 Education and training institutions by charitable institutions and public trusts HP 8.2.1.5 Education and training institutions by for profit private sector HP 8.2.2.1 Education and training institutions by MoHFW
HP 9	Rest of the world	HP 8.2.2 Education and training for nurses and paramedics	HP 8.2.2.2 Education and training institutions by defence department HP 8.2.2.3 Education and training institutions by state department of health HP 8.2.2.4 Education and training institutions by local bodies HP 8.2.2.5 Education and training institutions by charitable institutions and public trusts HP 8.2.2.6 Education and training institutions by for profit private sector
HPnsk	Provider nor specified by kind National health expenditure	HPnsk Provider nor specified by kind National health expenditure	

Appendix II (d) Classification of Health Care Functions		
ICHA Code	Function Description	Function Description India
HC 1	Services of curative care	HC 1 Services at hospitals and dispensaries
HC 1.1	Inpatient curative care	HC 1.1 Inpatient care services
HC 1.2	Day cases of curative care	NA
HC 1.3	Outpatient curative care	HC 1.2 Outpatient care services
HC 1.3.1	Basic medical and diagnostics services	HC 1.3.1 Basic medical and diagnostics services
HC 1.3.2	Outpatient dental care	HC 1.3.2 Dental Care
HC 1.3.3	All other specialized medical services	HC 1.3.3 All other specialized medical services (mental health, drug/substance abuse therapy and out-patient surgery)
HC 1.3.4	All other outpatient curative care	HC 1.3.4 All other outpatient curative care
HC 1.4	Services of curative home care	HC 1.4 Services of curative home care
HC 2	Services of rehabilitative care	Comprises of medical and paramedical services delivered during an episode of rehabilitative care <i>same classification</i>
HC 2.1	Inpatient rehabilitative care	
HC 2.2	Day cases of rehabilitative care	
HC 2.3	Outpatient rehabilitative care	
HC 2.4	Services of outpatient rehabilitative care	
HC 3	Services of long-term nursing care	Same classification (includes long term nursing care for dependents, medical and paramedical services to terminally ill, including counseling for their families etc.)
HC 3.1	Inpatient long term nursing care	
HC 3.2	Day cases of long term nursing care	
HC 3.3	Long term nursing care: home care	
HC 4	Ancillary services to medical care	HC 4 Ancillary services to medical care
HC 4.1	Clinical laboratory	HC 4.1 Clinical laboratory
HC 4.2	Diagnostic imaging	HC 4.2 Diagnostic imaging
HC 4.3	Patient transport and emergency rescue	HC 4.3 Ambulance services
HC 4.4	All other miscellaneous ancillaries	HC 4.4 All other miscellaneous ancillaries
HC 5	Medical good dispensed to outpatients	HC 5 Medical good dispensed to outpatients
HC 5.1	Pharmaceuticals and other medical non-durables	HC 5.1 Pharmaceuticals and other medical non-durables
HC 5.1.1	Prescribed medicines	HC 5.1.1 Prescribed medicines
HC 5.1.2	Over the counter medicines	Same as ICHA, but data not available separately
HC 5.1.3	other medical non durables	
HC 5.2	Therapeutic appliances and medical durables	
HC 5.2.1	Glasses and other vision products	
HC 5.2.2	Orthopedic address and other prosthetics	
HC 5.2.3	Hearing aids	
HC 5.2.4	Medico technical devices, including wheel chairs	
HC 5.2.9	All other miscellaneous medical goods (additional row entries)	
HC 6	Prevention and public health services	HC 6 prevention and public health services
HC 6.1	MCH and family planning counseling	RCH and FP services
HC 6.2	School health services	School health services
HC 6.3	Prevention of communicable diseases	Prevention of communicable diseases (disease wise)
HC 6.4	Prevention of non communicable diseases	Prevention of non communicable diseases (disease wise)

(Appendix II (d): Continued)

ICHA Code	Function Description	Function Description India
HC 6.5	Occupational health care	Occupational health care
HC 6.9	All other miscellaneous public health services	All other miscellaneous public health services
HC 7	Health administration and health insurance	Health administration and health insurance
HC 7.7	General government administration on health	Same as ICHA-HC
HC 7.1.1	General government administration on health (except social security)	
HC 7.1.2	Administration, operation and support of social security funds	
HC 7.2	Health administration and health insurance: Private	
HC 7.2.1	Health administration and health insurance: Social insurance	
HC 7.2.2	Health administration and health insurance: Other private	
HC.Nsk	HC expenditure not specified by kind	HC expenditure not specified by kind
HCR 1-5	Health related functions	
HC R.1	Capital formation for health care provider institutions	Capital expenditure
HC R.2	Education and training of health personnel	Education and training of health personnel
HC R.3	Research and development in health	Research and development in health
HC R.4	Food, hygiene and drinking water control	Food, hygiene and drinking water control
HC. R 5	Environmental health	Environmental health
HCR.Nsk	HC <i>rexpediture</i> not specified by kind	HC <i>rexpediture</i> not specified by kind

Appendix II (e) Classification Primary Secondary and Tertiary Care Services**Tertiary Care Services**

Hospitals attached to teaching institutions

Major/general hospitals

TB, cancer hospitals etc.

Medical education allopathy

Secondary care services

ESIS Hospitals

District sub district/specialty hospitals

Community health centres (CHC)

Maternity home/women & children hospital

Mental hospitals

Contagious diseases hospitals

Medical education: Ayush

Others

Primary care services (curative care)

PHC/Dispensaries/clinics (excluding exp in head 2211)

Health sub centres (excluding in 2211)

ESIS Dispensaries

School health schemes

CGHS dispensaries

Public health & family welfare (presented separately)

TB Clinics

Mobile clinics

Public health

Natural calamities related

Nutritional programmes by dept. of health & FW

Disease control communicable diseases

Disease control non-communicable diseases

Food adulteration

Drugs control

Public health labs

Public health education/IEC

Miscellaneous public health

Family welfare

FW Training

Rural/urban FW services, maternity or child welfare centre/FW centres at PHC, CSSM

Sub centres (in 2211)

Mass education/IEC

Compensation

Other family welfare

General expenditure

Direction & administration (All D&A)

Health statistics, research, evaluation & training

Medical stores depot & drug manufacture

Capital expenditure

Medical reimbursements

Appendix III

Sources of Data

A. Government Expenditure

- i) Demand for Grants of Ministry of Health & Family Welfare & Other Central Ministries (2006–07 to 2009–10), Government of India
- ii) Demand for Grants of Railways, Posts, Telecommunications, Labor & Defence (2006–07 to 2008–09), Government of India
- iii) Demand for Grants of Department of Health and Family Welfare and other Departments (2006–07 to 2008–09), State Governments
- iv) Annual Financial Statements, (2006–07 to 2008–09), State Governments
- v) Estimates of Revenue & Receipts, (2006–07 to 2008–09), State Governments
- vi) Finance Accounts (2006–07), Government of India

B. Local Bodies

Municipal Finance In India – An Assessment, Department of Economic Analysis and Policy (2007), Reserve Bank of India

C. External Flows

- i) Demand for Grants of Ministry of Health & Family Welfare and State Departments of Health and Family Welfare (2006–07), Government of India, State Governments
- ii) Foreign Contribution Regulation Act, Annual Report, (2004–05), Ministry of Home Affairs, Government of India
- iii) Controller of Aid Accounts and Audit, Department of Economic Affairs, Ministry of Finance

D. Insurance Funds

- i) Annual Report, Employees' State Insurance Corporation, (ESIC) 2004–05.
- ii) Demand for Grants Ministry of Health & Family Welfare (2006–07), Government of India
- iii) Ministry of Finance, Government of India
- iv) Study on Health Insurance Companies (2007–08), Ministry of Health & Family Welfare, Government of India

E. Households

- i) Morbidity, Health Care And the Condition of the Aged, NSSO 60th Round, Ministry of Statistics and Programme Implementation (2006), Government of India
- ii) Receipt budgets of Central and State Governments

F. Firms

- i) National Commission on Macro Economics and Health (2005), Ministry of Health & Family Welfare, Government of India

G. NGOs

- i) Foreign Contribution Regulation Act, Ministry of Home Affairs, (2004–05 to 2006–07), Government of India

H. Population

Population Projections for India and States 2001–2026, (May 2006), Report of the Technical Group on Population Projections Constituted by the National Commission on Population, the Registrar General & Census Commissioner, India

Annexure I: Tables

Table 1.1A: Disaggregate Health Expenditure of State and Central Governments 2004–05
(in Rs. 000)

States-A	Revenue		Capital ¹	Total Medical PH and FW	Others ²	Total
	2210-Medical & Public Health	2211-Family Welfare				
Andhra Pradesh	11,847,829	3,022,868	152,076	15,022,773	144,036	15,166,809
Arunachal Pradesh	729,360	41,359	169,340	940,059	25,694	965,753
Assam	3,426,243	668,041	124,032	4,218,316	327,960	4,546,276
Bihar	6,124,168	1,657,525	84,572	7,866,265	397,903	8,264,168
Chhattisgarh	2,453,832	322,121	386,164	3,162,117	68,888	3,231,005
Delhi	6,674,564	283,237	1,494,522	8,452,323	166,351	8,618,674
Goa	1,103,328	20,545	70,940	1,194,813	35,153	1,229,966
Gujarat	8,277,700	1,168,100	264,876	9,710,676	962,992	10,673,668
Haryana	3,249,167	558,113	114,028	3,921,308	687,929	4,609,237
Himachal Pradesh	2,752,548	358,932	610,714	3,722,194	281,407	4,003,601
Jammu Kashmir	4,404,184	275,217	729,231	5,408,632	80,574	5,489,206
Jharkhand	2,853,365	1,003,477	503,161	4,360,003	92,380	4,452,383
Karnataka	8,587,581	1,768,498	83,013	70,439,092	2,462,162	12,901,254
Kerala	7,839,504	1,070,411	302,800	9,212,715	218,297	9,431,012
Madhya Pradesh	7,412,859	1,148,803	426,574	8,988,236	387,622	9,375,858
Maharashtra	17,458,127	1,450,387	936,440	19,844,954	1,055,952	20,900,906
Manipur	543,736	62,322	60,696	666,754	500	667,254
Megalaya	784,856	79,000	145,120	1,008,976	34,660	1,043,636
Mizoram	625,465	91,868	63,782	781,115	24,759	805,874
Nagaland	787,683	93,987	419,362	1,301,032	29,628	1,330,660
Orissa	5,366,078	908,394	245,141	6,519,613	491,111	7,010,724
Pondicherry	892,099	42,298	82,996	1,017,393	33,630	1,051,023
Punjab	5,509,203	528,675	56,034	6,093,912	228,463	6,322,375
Rajasthan	8,929,284	1,560,256	295,956	10,785,496	497,837	11,283,333
Sikkim	484,638	50,863	34,073	569,574	42,901	612,475
Tamil nadu	11,112,958	1,928,610	477,922	13,519,490	814,738	14,334,228
Tripura	831,510	100,416	115,021	1,046,947	50,651	1,097,598
Uttar Pradesh	16,310,933	4,061,564	2,176,413	22,548,910	256,293	22,805,203
Uttaranchal	1,770,019	210,596	505,157	2,485,772	34,759	2,520,531
West Bengal	11,808,533	1,714,840	636,040	14,159,413	326,571	14,485,984
Total A	160,951,354	26,251,323	11,766,196	198,968,873	10,261,800	209,230,673
Union Territories-B						
Andaman & Nicobar	443,057		60,579	503,636	5,251	508,887
Chandigarh	735,793		83,040	818,833	18,705	837,538
Dadra & Nagar Haveli	61,781		8,500	70,281	2,100	72,381
Daman & Diu	73,180		4,130	77,310	926	78,236
Lakashadweep	67,238		8,091	75,329	5,474	80,803
Total B³	1,381,049	-	164,340	1,545,389	32,456	1,577,845

Table 1.1A: (Continued)

States-A	Revenue		Capital ¹	Total Medical PH and FW	Others ²	Total
	2210-Medical & Public Health	2211-Family Welfare				
MoHFW-C ⁴	28,660,100	13,966,200	487,400	43,113,700	247,107	43,360,807
Other Central Ministries					30,371,148	30,371,148
Grand Total A+B+C	190,992,503	40,217,523	12,417,936	243,627,962	40,912,511	284,540,473

Notes: The accounts figure has been taken for all the states except for Bihar, Jharkhand and Jammu Kashmir and for these states revised estimate has been taken

1. Capital expenditure includes expenditure on medical and public health, family welfare and housing
2. Others include other department expenditure within the health demand, secretariat social service expenditure (2251) and medical reimbursement for central and state governments, medical expenses by Ministry of Defence, Labour, Railway and Post and other ministries
3. Expenditure taken from Ministry of Home affairs
4. This covers the expenditure on 2210, 2211, 4210 and 4211. The grants in aid from centre to states 3601 and centre to UTs-3602 have not been included here as it is covered in the state government and UTs budgets.

Sources:

1. Demand for grants of Ministry of Health & Family Welfare & other Central Ministries (2006–07), Government of India,
2. Demand for grants of Departments of Health and Family Welfare & other Departments, (2006–07), State Governments

Table 1.2A: Share of Public & Private Expenditure 2004–05 (%)

States	Share of Public	Share of Private
Andhra Pradesh	17.99	82.01
Arunachal Pradesh	57.83	42.17
Assam	20.89	79.11
Bihar	18.15	81.85
Chhattisgarh	18.94	81.06
Delhi	76.72	23.28
Goa	37.46	62.54
Gujarat	20.81	79.19
Haryana	18.83	81.17
Himachal Pradesh	41.70	58.30
Jammu Kashmir	51.17	48.83
Jharkhand	31.02	68.98
Karnataka	28.08	71.92
Kerala	9.73	90.27
Madhya Pradesh	18.36	81.64
Maharashtra	16.81	83.19
Manipur	43.71	56.29
Meghalaya	48.12	51.88
Mizoram	76.53	23.47
Nagaland	78.00	22.00
Orissa	20.28	79.72
Pondicherry	38.21	61.79
Punjab	18.18	81.82

Table 1.2A: (Continued)

States	Share of Public	Share of Private
Rajasthan	24.45	75.55
Sikkim	71.78	28.22
Tamil Nadu	17.72	82.28
Tripura	22.06	77.94
Uttar Pradesh	13.12	86.88
Uttaranchal	34.18	65.82
West Bengal	13.72	86.28
Union Territories		
Andaman & Nicobar Island	60.75	39.25
Lakshadweep	90.63	9.37
Chandigarh	11.43	88.57
Daman & Diu	56.42	43.58
Dadra & Nagar Haveli	34.53	65.47
All India	20.13	79.87

Source: As given in Table 1.3 in Chapter 1

States	OP Care	IP Care	Delivery	ANC	PNC	Abortion and Still Births	Immunization	At Death-OP	At Death-IP	Total Health Expenditure
Andhra Pradesh	48,725,215	15,562,861	1,849,474	396,035	841,572	1,954	315,596	28,150	1,413,176	69,134,033
Arunachal Pradesh	374,243	243,645	59,385	8,211	15,764	79	2,774	-	-	704,102
Assam	13,748,628	2,556,408	399,810	117,651	174,510	1,376	96,103	-	123,556	17,218,041
Bihar	26,286,765	6,517,869	2,670,805	312,021	882,612	1,531	426,087	-	158,569	37,256,259
Chhattisgarh	9,918,956	2,648,674	745,728	148,786	260,623	1,278	106,326	-	-	13,830,372
Delhi	1,156,961	1,102,450	180,862	33,161	84,413	161	41,985	-	14,478	2,614,472
Goa	1,461,073	509,299	41,472	12,064	24,499	90	5,368	-	-	2,053,864
Gujarat	23,692,864	13,276,983	1,678,884	314,586	572,518	1,713	227,487	-	841,314	40,606,349
Haryana	12,595,594	5,585,647	704,333	151,691	204,125	1,155	95,636	158,990	369,325	19,866,496
Himachal Pradesh	3,477,394	1,746,203	150,054	38,773	69,176	277	24,343	39,748	52,508	5,598,475
Jammu & Kashmir	3,671,659	1,205,475	156,385	36,041	62,401	304	34,613	6,919	64,705	5,238,503
Jharkhand	5,886,475	2,472,679	852,884	124,969	312,065	1,109	129,044	7,470	115,646	9,902,340
Karnataka	20,176,987	9,822,819	1,193,362	279,642	579,090	1,903	207,657	24,454	755,848	33,041,762
Kerala	55,661,930	28,860,269	836,412	219,729	432,137	1,442	125,448	249,965	1,157,501	87,544,835
Madhya Pradesh	26,174,765	11,072,520	2,212,146	340,928	837,868	2,592	331,567	14,547	707,271	41,694,204
Maharashtra	68,147,143	28,170,174	2,662,128	581,395	1,096,306	4,037	417,674	321,716	2,002,367	103,402,939
Manipur	395,314	336,177	53,432	11,594	21,339	70	7,204	-	33,861	858,993
Meghalaya	781,648	178,605	96,031	16,468	20,537	270	14,255	-	16,948	1,124,762
Mizoram	90,823	139,102	7,404	3,740	3,200	45	2,383	-	523	247,220
Nagaland	269,126	83,587	11,960	5,055	3,711	70	2,019	-	-	375,528
Orissa	18,011,541	7,514,173	934,183	182,488	396,287	1,162	182,012	-	331,901	27,553,747
Pondicherry	1,171,480	490,126	23,322	4,845	5,156	39	4,367	-	-	1,699,336
Punjab	20,610,735	6,345,279	612,675	94,117	211,650	580	97,910	45,645	437,380	28,455,970
Rajasthan	21,350,065	8,606,615	1,846,205	329,108	667,147	2,157	305,276	395,982	1,366,417	34,868,972

Table 1.3A: (Continued)

States	OP Care	IP Care	Delivery	ANC	PNC	Abortion and Still Births	Immunization	At Death-OP	At Death-IP	Total Health Expenditure
Sikkim	154,586	65,126	11,922	1,118	1,730	5	1,752	-	4,288	240,527
Tamil Nadu	40,979,045	20,721,971	1,689,074	392,638	795,678	1,934	257,360	32,199	1,692,141	66,562,041
Tripura	2,612,622	1,142,559	48,304	11,904	15,729	106	9,562	-	37,139	3,877,926
Uttar Pradesh	116,147,413	21,203,616	7,285,993	1,051,093	2,849,327	10,024	973,123	250,044	1,235,616	151,006,248
Uttaranchal	3,094,332	1,324,778	305,717	40,630	42,951	260	44,128	-	-	4,852,797
West Bengal	67,374,510	18,314,494	2,570,469	538,563	1,044,303	2,400	356,600	263,411	637,803	91,102,552
UTs										
A & N Islands	124,337	172,476	7,589	2,700	3,890	24	1,556	-	15,915	328,487
Lakshwadeep	47,280	32,947	1,724	409	1,061	3	246	-	3,064	86,734
Chandigarh	351,469	160,874	17,904	3,558	6,788	34	2,017	-	18,421	561,066
Daman & Diu	22,437	34,854	1,964	454	153	5	490	-	-	60,357
Dadra & Nagar Haveli	29,122	111,686	5,532	2,551	3,214	30	1,349	-	-	153,484
All India	614,774,538	218,333,022	31,925,528	5,808,715	12,543,534	40,220	4,851,318	1,839,240	13,607,679	903,723,794

Note: State wise data do not include expenditure on family planning services

Source: Health care and the condition of the aged, NSSO 60th round, (2006), Ministry of Statistic and Programme Implementation, Government of India

Table 1.4A: Health Expenditure by Central and State Governments (in Rs. 000)				
A- States	2005–06	2006–07	2007–08	2008–09
Andhra Pradesh	16,961,995	18,698,116	26,722,700	33,975,500
Arunachal Pradesh	883,980	1,368,105	1,464,700	930,200
Assam	4,262,076	5,854,546	1,961,600	13,976,800
Bihar	12,038,484	14,140,300	13,315,700	16,346,400
Chhattisgarh	3,500,590	4,273,863	6,466,800	8,869,800
Delhi	9,083,487	10,999,977	13,940,500	14,477,600
Goa	1,395,715	1,458,231	1,697,600	1,871,500
Gujarat	11,231,151	11,828,515	13,218,200	15,446,300
Haryana	5,065,184	5,271,233	5,908,900	6,840,300
Himachal Pradesh	4,356,468	4,896,338	4,504,400	5,863,800
Jammu & Kashmir	6,279,676	7,675,808	9,112,200	9,595,900
Jharkhand	9,482,574	10,216,766	9,212,200	9,970,800
Karnataka	11,802,962	13,854,569	19,024,600	24,250,300
Kerala	9,992,807	11,378,442	14,545,600	15,421,300
Madhya Pradesh	10,192,518	11,753,876	13,197,400	16,289,200
Maharashtra	23,186,981	23,488,011	29,979,800	30,269,600
Manipur	882,650	979,233	1,718,500	1,654,100
Meghalaya	1,120,151	1,179,827	1,601,200	1,758,700
Mizoram	771,114	831,173	1,035,600	1,572,600
Nagaland	1,213,109	1,342,390	1,459,100	1,735,500
Orissa	4,872,703	6,305,623	8,740,700	10,488,500
Pondicherry	1,190,142	1,812,342	2,054,000	1,651,800
Punjab	7,394,722	7,662,695	8,578,400	9,684,900
Rajasthan	12,472,121	13,614,385	15,897,300	18,734,900
Sikkim	604,940	580,547	806,300	860,500
Tamil Nadu	17,834,161	20,241,381	21,019,400	27,214,600
Tripura	1,613,728	1,901,809	2,690,600	2,600,600
Uttaranchal	3,517,200	4,115,200	6,241,900	6,050,700
Uttar Pradesh	30,972,638	43,336,500	46,364,500	56,258,700
West Bengal	17,196,248	17,231,337	18,620,400	22,901,000
A Total	241,372,275	278,291,138	321,100,800	387,562,400
B-UTs				
Andaman & Nicobar Islands	556,236	566,462	598,100.00	617,100.00
Chandigarh	916,983	841,763	974,600.00	1,011,300.00
Dadra & Nagar Haveli	95,582	96,020	160,400.00	133,300.00
Daman & Diu	95,093	88,550	111,200.00	98,900.00
Lakshadweep	92,054	81,346	86,700.00	98,600.00
B Total	1,755,948	1,674,141	1,931,000	1,959,200
C-MoHFW	66,843,300	83,396,200	114,578,000	136,624,900
D-Other Central Ministries	35,238,270	38,104,738	41,497,140	54,116,289
Grand Total (A+B+C+D)	345,209,793	401,466,217	479,106,940	580,262,789

Notes:

1. 2007–08 and 2008–09 are Revised Estimate (RE) & Budget Estimates (BE) respectively and all others are actual figures
2. Grants in aids from centre to states have been included in state governments not in Ministry of Health & Family Welfare
3. For 2007–08 & 2008–09 state government figures are from the *State Finances: A Study of Budgets 2008–09*, Reserve Bank of India

Sources:

1. Demand for Grants of Ministry of Health & Family Welfare (2007–08, 2008–09 & 2009–10), Government of India
2. Demand for Grants of Ministry of Railways, Post & Telecommunication, Home Affairs, Labour and other Central Ministries (2007–08, 2008–09 & 2009–10), Government of India
3. Demand for Grants of Health & Family Welfare (2007–08, 2008–09), State Governments
4. Demand for Grants of other State Departments (2007–08, 2008–09), State Governments
5. *State Finances: A Study of Budgets (2008–09)*, Reserve Bank of India

Annexure II

List of Participants of Expert Group Meeting of National Health Accounts 2004–05 held on 15th May 2009

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Annexure III

List of Participants of Steering Committee Meeting on National Health Accounts 2004–05 held on 14th September 2009

- | | |
|---|--|
| <p>1. Shri Naresh Dayal
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11. Shri Janardhan Yadav
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ERRATA
National Health Accounts, India 2004-05

1. In Table 5.7, page no 43, ICHA function has to be added in the first column. "State Government Medical benefits" has to be in column 10 of the same table in stead of medical benefits only.
2. In Appendix II (b), page no 50, Expenditure on Social insurance by firms has to be added under H.F 2.1 in stead of General Insurance Corporation (GIC) and GIC will be included in H.F 2.2.

