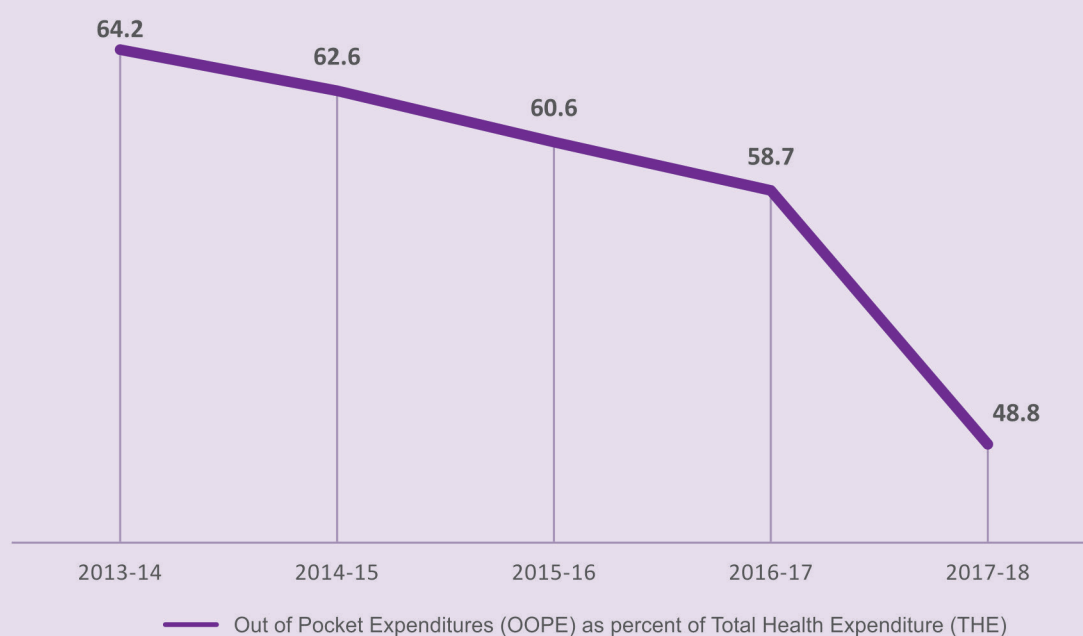




National Health Accounts Estimates for India 2017-18



2021

National Health Accounts Technical Secretariat
National Health Systems Resource Centre
Ministry of Health & Family Welfare, Government of India

National Health Accounts

Estimates for India

FY 2017-18

2021

National Health Accounts Technical Secretariat (NHATS)
National Health Systems Resource Centre (NHSRC)
Ministry of Health and Family Welfare (MoHFW)
Government of India

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मनसुख मांडविया
MANSUKH MANDAVIYA



सत्यमेव जयते



**स्वास्थ्य एवं परिवार कल्याण
व रसायन एवं उर्वरक मंत्री
भारत सरकार**
**Minister for Health & Family Welfare
and Chemicals & Fertilizers
Government of India**

Message

I congratulate and commend the team for coming up with the estimates of National Health Accounts (NHA) for 2017-18. This is the fifth round of estimates since 2013-14, based on the globally accepted framework of 'A System of Health Accounts, 2011' for inter-country comparison and learning. This report provides the systematic description of the financial flows in India's health system by different sources, how the money is spent, how health care is provided, and the nature of services that are used.

NHA estimates for 2017-18 show that Government Health Expenditure (GHE) as a share of Total Health Expenditure (THE) has increased to 40.8% from 28.6% in 2013-14. This increase in government health spending has not only led to higher utilisation of government health facilities but it also has its bearing on out-of-pocket expenditure, which as a share of Total Health Expenditure has declined from 64.2% to 48.8% for the same period. Currently, 54.7% of Government's health expenditure is on primary care. Social Security Expenditure on Health (including government-financed health insurance and reimbursement to employees) as a share of THE increased from 6% to 9% during the same period.

The provision of Universal Health Coverage with government playing a pivotal role is one of the important agendas of the government. Looking at these estimates, with the government expenditure on health exhibiting an increasing trend, I am sure we are moving in the right direction in achieving the goals we envisioned in National Health Policy 2017. I congratulate the team once again and wish them all the best for the next round.



(Mansukh Mandaviya)

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Dr. Bharati Pravin Pawar



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सर्वेसन्तु निरामया



एक कदम स्वच्छता की ओर

स्वास्थ्य एवं परिवार कल्याण राज्य मंत्री
भारत सरकार

MINISTER OF STATE FOR
HEALTH & FAMILY WELFARE
GOVERNMENT OF INDIA



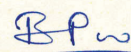
MESSAGE

It gives me immense pleasure to know that National Health Accounts Technical Secretariat (NHATS) has come up with the estimates for National Health Accounts (NHA) 2017-18. These health accounts estimates are fifth in a row since 2013-14 after NHATS was set up in National Health Systems Resource Centre (NHSRC).

NHA allows us to measure the impact of different government interventions through a healthcare financing lens. The NHA estimates act as an important policy tool to measure progress in health sector. The government's health expenditure as a share of GDP has increased from 1.15% to 1.35% between 2013-14 and 2017-18. This increase highlights the commitment of the government to increase investment in the sector and we are marching towards reaching the goal of 2.5 % of GDP by 2025 as prescribed by the National Health Policy of 2017.

The Government of India, under the visionary leadership of Hon'ble Prime Minister Shri Narendra Modi ji, is committed to meet the health needs of the people of India. Availability of NHA Estimates on a regular basis will help monitor progress towards achieving health financing goals and allow evidence-based policy making, both at the national and state level.

I congratulate the officials at the Ministry of Health & Family Welfare, NHATS, and all the experts involved with the National Health Accounts and wish them the best for future endeavours'.



(Dr. Bharati Pravin Pawar)

“दो गज की दूरी, मास्क है जरूरी”

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सत्यमेव जयते



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स्वास्थ्य एवं परिवार कल्याण मंत्रालय
Government of India
Department of Health and Family Welfare
Ministry of Health and Family Welfare



Foreword

National Health Accounts (NHA) 2017-18 Estimates Report is the fifth round of estimates of healthcare expenditure in the Country, based on the globally accepted System of Health Accounts (SHA 2011), generated using the Health Accounts Production Tool (HAPT). This Report provides disaggregated information on overall health expenditure across the country. Findings from this report can be a useful tool in policy making as well as planning for Health Sector. Given the robust framework, the National Health Accounts Estimates can be used as a tool for prioritizing healthcare financing.

To achieve the goal of Universal Health Coverage and targets set by National Health Policy 2017, proper planning and optimal utilization of the available resources is required. The NHA estimates available on a regular interval enable the government to monitor the progress in reaching those goals. The 2017-18 estimates suggest enhanced public expenditure on healthcare which reaffirms the government's continuous effort to improve the quantum as well as quality of healthcare expenditure to ensure Universal Health Coverage with focus on Primary Healthcare.

I am pleased that the National Health Accounts Technical Secretariat (NHATS) team has produced NHA estimates for 2017-18. These estimates will find their use by policy makers, administrators, researchers and other stake holders in analysing and understanding the fund flow in Health Sector for effective policy making and financing of health programmes. I hope that the endeavor to produce regular and robust annual health accounts estimates continues with the same spirit.



(Rajesh Bhushan)

Place : New Delhi
Date : 01.10. 2021



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Vikas Sheel, I.A.S.

अपर सचिव एवं मिशन निदेशक (रा.स्वा.मि.)
Additional Secretary & Mission Director (NHM)



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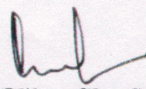


MESSAGE

National Health Accounts estimates are an important instrument to measure healthcare financing in the country to devise a strategy that would ensure equity in health across the nation. As India approaches Universal Health Coverage, the National Health Accounts estimates will play an important role in tracking the progress in healthcare financing, thus enabling the system to act appropriately.

National Health Accounts estimates 2017-18 are the fifth in the series of these annual estimates which provide information on healthcare financing indicators for India. Regular production of these health accounts estimates will ensure proper monitoring of expenditure made in the health sector in the country.

I appreciate and congratulate the National Health Accounts Technical Secretariat (NHATS) team for bringing out the estimates of National Health Accounts and for consistently working towards improving the National Health Accounts estimates over the years. I hope this report will help the policymakers and stakeholders alike to address the health system challenges and will help us to reorient our existing policies for an equitable and efficient health system.


(Vikas Sheel)

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Preface

National Health Accounts estimates provide detailed information on overall health expenditure both by the public and private sector in the country. NHA 2017-18 is a fifth consecutive report based on Systems of Health Accounts 2011, and it presents a comprehensive picture of healthcare financing scenario in India.

This report on National Health Accounts estimates of 2017-18 elaborates the fund flow in the health sector in the country and highlights the key health financing indicators. It also provides an inter-temporal comparison of important health financing indicators based on National Health Accounts estimates.

I applaud the NHATS team for producing these important estimates. I hope these estimates are useful in identifying the priority areas for health care spending in the country. The estimates will also be an important yardstick to monitor health financing indicators for vision as envisaged in National Health Policy, Universal Health Coverage, and Sustainable Development Goals.

I acknowledge and thank the members of the National Health Accounts Steering Committee, Expert Group for their inputs and encouragement; the National Health Accounts core team at NHSRC, and the National Health Accounts Cell at MoHFW for their effort to bring out these annual estimates.

(Vishal Chauhan)



Indrani Kaushal, IES
Economic Adviser



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MINISTRY OF HEALTH & FAMILY WELFARE
NIRMAN BHAVAN, NEW DELHI - 110011

Message

National Health Accounts (NHA) estimates provide granular financing related information related to our Health system which is an imperative tool feeding into evidence-based policy making. The NHA estimates not only are an indicator of Government Health Expenditure in the country, but they also compile information on private expenditure by different sources.

The NHA estimates provide a platform for gaining a proper insight into the existing health system of the country and allow us to improve it further, ultimately guiding us to serve our people better. They are a barometer and important benchmark for monitoring and analysis of the progress made in key health financing indicators and effectively used for planning future investments and policies for the country's health sector.

I take this opportunity to congratulate the NHATS Team and all NHA Expert Group members for providing guidance in bringing out the NHA estimates for 2017-18. I am sure the available estimates will prove to be very useful in planning for an equitable and efficient health system.

Indrani
(Indrani Kaushal)



Maj Gen (Prof) Atul Kotwal, SM, VSM
Executive Director



National Health Systems Resource Centre
Technical Support Institution with
National Health Mission
Ministry of Health and Family Welfare,
Government of India



Message

National Health Accounts Estimates for India 2017-18, prepared by the National Health Systems Resource Centre, provides a picture of overall public and private health expenditures in India. It is the fifth consecutive report of estimates which provides data at the most disaggregate level possible.

We hope the exercise which gives an account of healthcare expenditures for India continues to play an important role in overall healthcare financing policy making. Data from the NHA are widely recognized and cited by the Economic Survey, RBI's State Finances: Study of Budgets, and WHO's Global Health Expenditure Database.

We hope that this report will provide useful insights to policy makers, academicians, public health advocates, and researchers.

We are indebted to senior officials in the Ministry of Health and Family Welfare and the NHATS whose continuous effort and support have made the preparation of these estimates possible.



(Maj Gen (Prof) Atul Kotwal)

Acknowledgement

National Health Accounts estimates for 2017-18 are prepared by the National Health Accounts Technical Secretariat (NHATS) with the guidance from NHA Steering Committee and the NHA Expert Group for India. We acknowledge the inputs received from all Government Ministries/Departments, organisations, individual international/national experts, and every stakeholder who contributed to preparing the health accounts estimates. The report was completed and approved under the guidance of Ms. Vandana Gurnani Additional Secretary and Mission Director (NHM), Ministry of Health and Family Welfare.

We acknowledge Dr. J.N. Srivastava, the ex-officiating ED, NHSRC, for providing the much-needed support. Specifically, we would like to acknowledge the contribution of Shri Arun Kumar, ex- Economic Advisor, MoHFW, and Shri Dharam Prakash, Deputy Director, BoP, DoHFW, for their involvement in the production of these estimates, Dr. Pritam Datta (National Institute of Public Finance and Policy), and Dr. Nimai Das (Manav Rachna International Institute of Research and Studies) for estimates on enterprises and non-profit institutions, Dr. Manu Gautam, Dr. Nousheen Fatima and Pooja Chaajalana for their support in data collection and analysis on this round of NHA estimates. We also acknowledge the support received from RRC North East for helping us in collecting data from North East India. We would like to thank our colleagues in NHSRC, the administrative and the support staff for their continuous support and encouragement.

We gratefully acknowledge continuous guidance from Dr. Indrani Gupta (Institute of Economic Growth), Dr. Mita Chowdhury (National Institute of Public Finance and Policy), Dr. Shaktivel Selvaraj, Public Health Foundation of India, Dr. Montu Bose (TERI School of Advanced Studies), and Dr. Indranil Mukhopadhyay (OP Jindal University). We are thankful to Smt. Soma Roy Burman (Controller General of Accounts) and Mr. V. P Thomas (CGA) for providing expenditure data of all Union Ministries in excel format, K.S.J. Reddy, Head-Health Vertical, Insurance Information Bureau of India for anonymized private health insurance expenditures. We also thank the officers of State Health Accounts Teams and in-charges of insurance schemes for providing details on expenditures.

NHATS-NHSRC

Details related to publication

This report provides healthcare expenditures in India based on National Health Accounts Guidelines for India, 2016 (with refinements where required) that adhere to System of Health Accounts 2011 (SHA 2011), a global standard framework for producing health accounts. NHA estimates for India is a result of an institutionalized process wherein, the boundaries, data sources, classification codes, and estimation methodology have all been standardized in consultation with national and international experts under the guidance of the NHA Expert Group for India.

If readers and stakeholders require clarification or observe that the estimates presented in this report could be further improved, they are welcome to contact the NHA team with relevant information. We are glad to clarify and make amends wherever possible in our future publications. The difference in estimates could arise due to the use of various data sources, non-availability of data at a disaggregated level, timeliness of reporting, and mismatch between definitions/ interpretation used as per SHA 2011

This report does not present the policy implications of healthcare expenditures. Policy makers, academicians, researchers, and program managers are free to draw inferences within the purview of NHA Guidelines for India 2016 and System of Health Accounts 2011 (SHA 2011) including all refinements mentioned in this report.

Readers are advised to refer to the latest online version for the most up-to-date reports to abridge themselves with changes in estimates due to improvements. Reports are available at www.nhsrindia.org or www.mohfw.nic.in.

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Abbreviations

ANM	Auxiliary Nurse Midwife
AYUSH	Ayurveda Yoga and Naturopathy Unani Siddha and Homeopathy
CES	Consumer Expenditure Survey
CGA	Controller General of Accounts
CGHE	Current Government Health Expenditure
CGHS	Central Government Health Scheme
CHE	Current Health Expenditure
CHSS	Contributory Health Service Scheme
CRS	Creditor Reporting System
CSMA	Central Services Medical Attendance
CSO	Central Statistics Office
CSO-NAD	Central Statistics Office-National Accounts Division
DAC	Development Assistance Committee
ECHS	Ex-Servicemen Contributory Health Scheme
ESIC	Employees' State Insurance Corporation
FCRA	Foreign Contributory Regulation Act
FP	Factor of Provision
FS	Financing Schemes
GHE	Government Health Expenditure
GGE	Government General Expenditure
Gol	Government of India
HAPT	Health Accounts Production Tool
HC	Healthcare Functions
HF	Healthcare Financing Schemes
HMO	Health Monitoring Organization
HMIS	Health Management Information System
HP	Healthcare Providers
HS	Health Systems
IEC	Information Education and Communication
IEG	Institute of Economic Growth
IIB	Insurance Information Bureau of India
IMS	Intercontinental Marketing Services
IRDAI	Insurance Regulatory and Development Authority of India
Incl.	Including
MoHFW	Ministry of Health and Family Welfare
MoSPI	Ministry of Statistics and Programme Implementation
N.E.C	Not Elsewhere Classified

NFHS	National Family Health Survey
NGO	Non-Governmental Organization
NHA	National Health Accounts
NHATS	National Health Accounts Technical Secretariat
NHSRC	National Health Systems Resource Centre
NHM	National Health Mission
NPISH	Non-Profit Institutions Serving Households
NSS	National Sample Survey
OECD	Organisation for Economic Co-operation and Development
OOPE	Out of Pocket Expenditure
PHFI	Public Health Foundation of India
PNC	Post-Natal Care
PPP	Public-Private Partnership
PST	Primary, Secondary and Tertiary
RELHS	Retired Employees Liberalized Health Scheme
RLB	Rural Local Body
RMSC	Rajasthan Medical Service Corporation
RSBY	Rashtriya Swasthya Bima Yojana
SHA	System of Health Accounts
TA	Technical Assistance
TCAM	Traditional, Complementary, and Alternative Medicine
THE	Total Health Expenditure
TMC	Tata Memorial Centre
TNMSC	Tamil Nadu Medical Services Corporation Ltd
ULB	Urban Local Body
VHNSC	Village Health Nutrition and Sanitation Committee

National Health Accounts Technical Secretariat (NHATS)

Institutionalizing National Health Accounts for India was envisaged in National Health Policy, 2002, and the National Health Accounts Cell (NHA Cell) was established in the Ministry of Health and Family Welfare, Government of India. NHA Cell produced health accounts estimates for FY 2001-02 and FY 2004-05. National Health Systems Resource Centre (NHSRC) was designated the National Health Accounts Technical Secretariat (NHATS) in August 2014 by the Ministry of Health and Family Welfare with a mandate to institutionalize Health Accounts in India. As set out in the National Health Policy 2017, NHATS works towards regular reporting of health expenditures in India through robust, systematic, and institutionalized health accounts.

The work and plans of NHATS since establishment:

- Established NHA core technical team that collects data from primary and secondary sources conducts data validation, analysis, tabulation using a standardized format of NHA tables and reports health accounts estimates for the country.
- Established NHA Steering Committee for India (represented by high-level Officials of the Union and State Ministries/Departments related to Health Expenditures) and NHA Expert Group for India (Healthcare Financing and NHA experts) to guide the process of institutionalizing NHA and generate periodic reports. The constitution of the Steering Committee and Expert Committee is attached as Annexure D
- Developed the National Health Accounts Guidelines for India in 2016 adapted to the Indian health system context, adhering to SHA 2011 framework and comparable to the global NHA framework. These will be revised in due time to incorporate refinements based on the availability of relevant disaggregated data/ information, estimation methodology or revisions in the system of health accounts methods/ framework and stakeholder feedback.
- Prepared National Health Accounts estimates for India, FY 2013-14, FY 2014-15, FY 2015-16, FY 2016-17, and FY 2017-18. Will continue to produce annual estimates for use of policy makers, researchers, and academicians in India and for reporting to World Health Organization and Organization for Economic Cooperation and Development for standard international comparisons.
- Developed a network of State Health Accounts Teams, institutions, and organizations at the national and State level for periodic Health Accounts and to update health expenditure data and related standard key indicators.
- NHATS has the mandate to support States to institutionalize State Health Accounts and produce regular estimates. State nodal officers have been appointed and workshops have been conducted to train health accounts teams from 33 States on the processes, framework, methods, and tools to produce health accounts at the State level.

Introduction to the Report

This report presents National Health Accounts (NHA) Estimates for India for Financial Year 2017-18.

National Health Accounts is a tool to describe health expenditures and the flow of funds in both Government and private sector in the country. These estimates are derived within the framework of National Health Accounts Guidelines for India, 2016 (with refinements where required) and adhere to System of Health Accounts 2011 (SHA 2011), a global standard framework for producing health accounts.

NHA guidelines/ methodology and estimates are continuously updated, as the Indian health system is dynamic and NHA estimates should reflect the changing policy/programmatic and health system context. Also, there is always a potential for improvement related to the availability of data/ information or estimation methodology or revisions in the system of health accounts methods/framework or stakeholders' feedback. These updates are results of a thorough examination by the NHA team and the NHA Expert Group in consultation with competent authorities in this regard.

NHA estimates 2017-18 report incorporates refinements from NHA estimates 2013-14, and 2014-15, 2015-16, and 2016-17 details which are mentioned in the methodology and relevant sections. Accordingly, wherever necessary the revised estimates for earlier NHA's are presented to ensure comparability.

NHA estimates 2017-18 is the fifth round of estimates for India presented according to the System of Health Accounts 2011 (SHA 2011). NHA team is continuously working towards improving the data availability and methodology used for producing estimates.

Policy implications of healthcare expenditure estimates are not discussed in this report. However, policy makers, academicians, and researchers are free to draw inferences from this report. NHA Guidelines for India 2016 and System of Health Accounts 2011 (SHA 2011) including all refinements are mentioned in the methodology section and elsewhere in this report.

To maintain comparability with earlier NHA rounds, health expenditure estimates for India should be made over time based on this report, rather than on the earlier published reports.

Highlights of National Health Accounts Estimates 2017-18

What are Health Accounts?

Health Accounts describe health expenditures and flow of funds in the country's health system over a financial year of India. It answers important policy questions such as what are the sources of healthcare expenditures, who manages these, who provides health care services, and which services are utilized. It is a practice to describe the health expenditure estimates according to a global standard framework, System of Health Accounts 2011 (SHA 2011), to facilitate comparison of estimates across countries. SHA 2011 framework presents expenditures disaggregated as Current and Capital expenditures. Focus is on describing Current Health Expenditures (CHE) and their details presented according to (1) Revenues of healthcare financing schemes - entities that provide resources to spend for health goods and services in the health system; (2) Healthcare financing schemes - entities receiving and managing funds from financing sources to pay for or to purchase health goods and services; (3) Healthcare providers - entities receiving finances to produce/ provide health goods and services; (4) Healthcare Functions - describe the use of funds across various health care services.

What are the key health expenditure estimates for India?

For the year 2017-18, Total Health Expenditure (THE) for India is estimated to be Rs.5,66,644 crores (3.3% of GDP and Rs. 4,297 per capita). THE constitutes current and capital expenditures incurred by Government and Private Sources including External/Donor funds. Current Health Expenditure (CHE) is Rs. 5,01,760 crores (88.5% of THE) and capital expenditures is Rs. 64,884 crores (11.5% of THE). Capital expenditures are reported for all sources of Government (Union Government is Rs. 32,478 crores; State Government Rs. 32,249 crores; external donors Rs. 157 crores).

Government Health Expenditure (GHE) including capital expenditure is Rs. 2,31,104 crores (40.8 % of THE, 1.35 % GDP, and Rs. 1,753 per capita). This amounts to about 5.1 % of General Government Expenditure in 2017-18. Of the GHE, Union Government's share is 40.8 % and State Governments' share is 59.2%. Union Government's Expenditure on National Health Mission is Rs. 25,465 crores, Defense Medical Services is Rs.32,118 crores, Railway Health Services is Rs 3,508 crores, Central Government Health Scheme (CGHS) is Rs. 3,668 crores, and Ex-Servicemen Contributory Health Scheme (ECHS) is Rs. 3,869 crores. Expenditures by all Government Financed Health Insurance Schemes combined are Rs. 9,446 crores.

Household's Out of Pocket Expenditure on health (OOPE) is Rs. 2,76,532 crores (48.8% of THE, 1.6% of GDP, Rs. 2,097 per capita) Private Health Insurance expenditure is Rs. 33,048 crores (5.8% of THE).

Who contributes to current health expenditures?

Of the Current Health Expenditures (CHE), the Union Government's share is Rs. 60,442 crores (12% of CHE) and the State Governments' share is Rs. 90,872 crores (18.1% of CHE). Local bodies' share is Rs. 4,965 crores (1% of CHE), Households' share (including insurance contributions) is about Rs. 3,08,255 crores (61.4 % of

CHE, OOPE being 55.1 % of CHE). Contribution by enterprises (including insurance contributions) is Rs. 26,335 crores (5.3 % of CHE) and NGOs is Rs. 7,936 crores (1.6 % of CHE). External/donor funding contributes to about Rs. 2,955 crores (0.6 % of CHE).

Who provides health care services?

Current Health Expenditure (CHE) attributed Rs. 85,287 crores to Government Hospitals (17 % of CHE) and Rs. 1,46,265 crores to Private Hospitals (29.2% of CHE). Expenditures incurred by other Government Providers (incl. PHC, Dispensaries, and Family Planning Centers) is Rs. 40,909 crores (8.2 % of CHE), Other Private Providers (incl. private clinics) is Rs.22,299 crores (4.4% of CHE), Providers of Patient Transport and Emergency Rescue is Rs. 18,068 crores (3.6 % of CHE), Medical and Diagnostic laboratories is Rs. 20,324 crores (4.1 % of CHE), Pharmacies is Rs. 1,16,402 crores (23.2 % of CHE), Other Retailers is Rs 737 crores (0.1 % of CHE), Providers of Preventive care is Rs. 21,530 crores (4.3 % of CHE). About Rs. 21,630 crores (4.3% of CHE) are attributed to Providers of Health System Administration and Financing and other healthcare providers (not classified elsewhere) is Rs. 8,309 crores (1.7% of CHE).

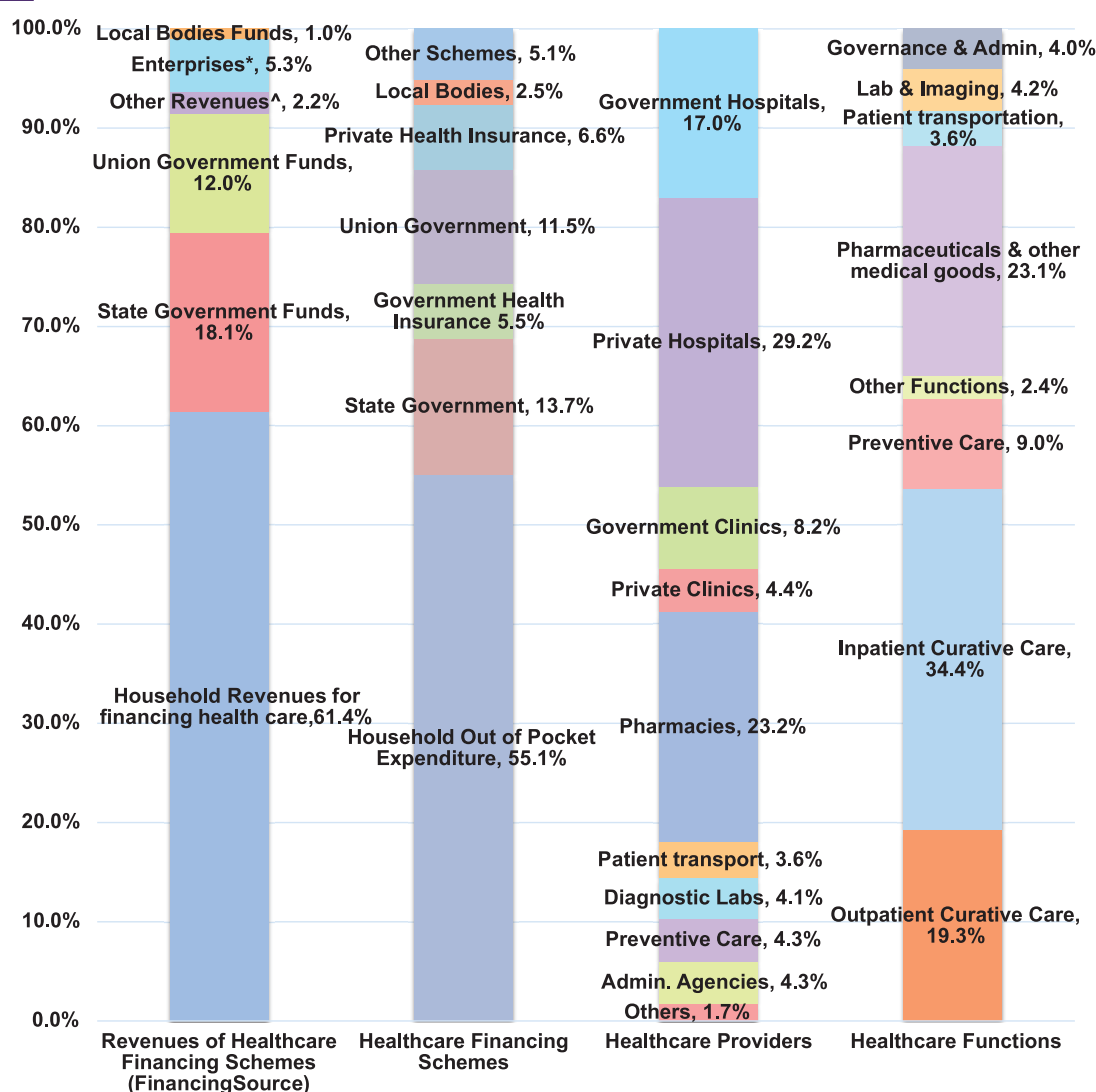
What services are consumed?

Current health expenditure attributed Rs. 1,72,481 crores to Inpatient Curative Care (34.4 % of CHE), Rs.96,653 crores to outpatient curative care (19.3 % of CHE), Rs. 4,479 crores to Day Curative Care (0.9% of CHE) Rs. 18,068 crores for patient transportation (3.6 % of CHE), Rs. 21,096 crores to Laboratory and Imaging services (4.2 % of CHE), Rs. 97,948 crores to Prescribed Medicines (19.5% of CHE), Rs. 17,403 crores to Over the Counter (OTC) Medicines (3.5 % of CHE). Therapeutic Appliances and Medical Goods of about Rs. 737 crores (0.2 % of CHE), Preventive Care of about Rs. 45,126 crores (9 % of CHE), and others of Rs. 7,598 crores (1.5 % of CHE) also constituted current health expenditure. About Rs. 20,170 crores (4 % of CHE) are attributed to Governance and Health System and Financing Administration.

Total Pharmaceutical Expenditure is 33.4 % of CHE (includes prescribed medicines, over-the-counter drugs, and those provided during an inpatient, outpatient, or any other event involving contact with health care providers). Expenditure on Traditional, Complementary, and Alternative Medicine (TCAM) is 4.1 % of CHE.

Current Health Expenditure attributed to Primary Care is of around 47.0 %, Secondary Care of 34.0 %, Tertiary care of 13.7 % and governance and supervision of 4 %. When disaggregated; government's expenditure on Primary Care is 54.7 %, Secondary Care is 31.5 % and Tertiary Care is 6.4 %. Private expenditure on Primary Care is 37.6 %, Secondary Care is 36.3 % and Tertiary Care is 23.3 %.

Figure 1: Distribution of Current Health Expenditure (2017-18) according to healthcare financing schemes, Revenues of healthcare financing schemes, Healthcare providers and Healthcare functions



Note:

1. Other Revenue[^] include Transfers distributed by Union and State Government from foreign origin (0.15% and 0.06%) and NPISH n.e.c. (1.58%) and all direct foreign financial transfers (0.38%); *Enterprises includes Social insurance contributions from employers (1.19%); Voluntary prepayment from employers (0.88%); other revenues from corporation's n.e.c (3.17%).
2. Government Health Insurance Schemes include Social insurance schemes like ESIC, CGHS, ECHS (3.66%) and Government-based voluntary insurance schemes like RSBY, state specific government health insurance schemes etc. (1.88%).
3. Local bodies fund include urban (0.98%) and rural local bodies (0.01%)
4. Other schemes include: Non Profit Institutions Serving Households (NPISH) (1.73%), Resident foreign schemes (0.28%), community based insurance schemes (0.01%) and Enterprises financing schemes (3.13%).
5. Private Clinics includes ambulatory centres like Offices of general medical practitioners (4.4%); Offices of medical specialists (<0.01%);
6. Government Clinics include ambulatory centres like Sub-Centres/ANM, ASHA, Anganwadi Centres & VHNSCs (1.28%); Primary Health Centres (PHC), Govt. dispensaries including AYUSH, CGHS and ESIS, Railway Polyclinics (5%) and Family planning centres (6.88%).
7. Administrative agencies include Govt. health admin (2.97%); Social health insurance (admin) (0.35%); Private health insurance admin (0.75%) and other administration agencies (0.25%)
8. Other providers include Retail sellers and other suppliers of durable medical goods and appliances (0.1%) and other health care providers (1.66%)
9. Pharmaceuticals and other medical goods include prescribed medicines (19.52%), Over-the-counter medicines (3.47%); all therapeutic appliances and other medical goods (0.15%).
10. Preventive care include programmes on Information, education and counselling (IEC) (0.55%) ; Immunization (1.27%) ; Early disease detection (0.07%); Healthy condition monitoring (4.72%); Epidemiological surveillance, risk and disease control (2.42%); Preparing for disaster and emergency response (0.02%).
11. Other functions include All rehabilitative care (0.05%); All long-term care (<0.01%) and other health care services not elsewhere classified (1.1%) and Day Care (0.9%)

1. National Health Accounts Estimates for India: 2017-18

1.1 Key Health Financing indicators

Key health financing indicators enable comparison of health expenditures with other countries and across various rounds of National Health Accounts estimates within the country. Health financing indicators commonly used, and the relevant description is presented here:

Total Health Expenditure (THE) as a percent of GDP and Per Capita: THE constitutes current and capital expenditures incurred by Government and Private Sources including External funds. THE as a percentage of GDP indicates health spending relative to the country's economic development. THE per capita indicates health expenditure per person in the country.

Current Health Expenditures (CHE) as a percent of THE: CHE constitutes only recurrent expenditures for healthcare purposes net all capital expenditures. CHE as a percent of THE indicates the operational expenditures on healthcare that impact the health outcomes of the population in that particular year. System of Health Accounts 2011 (SHA 2011) Framework disaggregates capital and current expenditures.

Government Health Expenditure (GHE) as a percent of THE: GHE constitutes spending under all schemes funded and managed by Union, State, and Local Governments including quasi-Governmental organizations and donors in case funds are channeled through Government organizations. It has an important bearing on the health system as low Government health expenditures may mean high dependence on household out-of-pocket expenditures.

Out of Pocket Expenditures (OOPE) as a percent of THE: Out of Pocket Expenditures are expenditures directly made by households at the point of receiving health care. This indicates the extent of financial protection available for households towards healthcare payments.

Social Security Expenditure on health as percent of THE: Social Security Expenditures include finances allocated by the Government towards payment of premiums for Union and State Government financed health insurance schemes (RSBY and other State-specific health insurance schemes), employee benefit schemes, or any reimbursements made to Government employees for healthcare purposes and Social Health Insurance scheme expenditures. This indicates the extent of pooled funds available for specific categories of the population.

Private Health Insurance Expenditures as a percent of THE: Private health insurance expenditures constitute spending through health insurance companies where households or employers pay a premium to be covered under a specific health plan. This indicates the extent to which there are voluntary prepayments plans to provide financial protection.

External/ Donor Funding for health as percent of THE: This constitutes all funding available to the country by assistance from donors

GHE as % of General Government Expenditure (GGE): This is a proportion of the share of Government expenditures towards healthcare in the General Government Expenditures and indicates Government's priority towards healthcare.

Household Health Expenditure as % of THE: Household health expenditures constitute both direct expenditures (OOPE) and indirect expenditures (prepayments as health insurance contributions or premiums). This indicates the dependence of households on their own income/savings to meet healthcare expenditures.

Union and State Government Health Expenditure as % of GHE: The Union Government Health Expenditures includes the funds allocated by different Ministries and Departments of Union Government towards the healthcare of the general population and its employees (including funds allocated to local bodies). Similarly, the State Government Health Expenditure includes the funds allocated by different Departments under all the State Governments towards the healthcare of the general population and its employees (including funds allocated to Local bodies and also the funds allocated for health by Local Bodies from their own resources). This indicates the share of the Union Government and State Governments in the Government Health Expenditure which is an important indicator in the federal structure of India.

AYUSH as % of THE: AYUSH stands for Ayurveda, Yoga, Naturopathy, Unani, Siddha, and Homeopathy. It includes all the expenditure on non-allopathic care that comprises a range of long-standing and still-evolving practices based on diverse beliefs and theories. This indicates the share of expenditures under the AYUSH system of medicines in the total health expenditure.

Pharmaceutical Expenditures as % of CHE: This includes spending on prescription medicines during a health system contact and self-medication (often referred to as over-the-counter products) and the expenditure on pharmaceuticals as part of inpatient and outpatient care from prescribing physicians. This indicates the share of pharmaceuticals expenditures in the current health Expenditure.

Table 1 Key indicators for India from NHA estimates 2017-18 with the last five NHA rounds¹.

Sl. No	Indicator	NHA 2017-18	NHA 2016-17	NHA 2015-16	NHA 2014-15	NHA 2013-14	NHA 2004-05
1	Total Health Expenditure (THE) as percent of GDP	3.3	3.8	3.8	3.9	4	4.2
2	Total Health Expenditure (THE) Per capita (Rs.) at current prices	4,297	4,381	4,116	3,826	3,638	1,201
3	Total Health Expenditure (THE) Per capita (Rs.) at constant prices ²	3,333	3,503	3,405	3,231	3,174	2,066
4	Current Health Expenditures (CHE) as percent of THE	88.5	92.8	93.7	93.4	93	98.9
5	Government Health Expenditure (GHE) as percent of THE	40.8	32.4	30.6	29	28.6	22.5
6	Out of Pocket Expenditures (OOPE) as percent of THE	48.8	58.7	60.6	62.6	64.2	69.4
7	Social Security Expenditure on health as percent of THE	9	7.3	6.3	5.7	6	4.2
8	Private Health Insurance Expenditures as percent of THE	5.8	4.7	4.2	3.7	3.4	1.6
9	External/ Donor Funding for health as per cent of THE	0.5	0.6	0.7	0.7	0.3	2.3

¹Source: NHA estimates for various years, NHSRC, MoHFW, MoSPI & Registrar General of India

²GDP deflators are used to make the constant series. GDP deflators were calculated from GDP series available at MoSPI.nic.in accessed on 21.03.2021

Table 2: Key health financing indicators for India as percentage of Current Health Expenditure for NHA estimates 2017-18

Sl.No	Indicator	NHA 2017-18
1	Current Health Expenditure (CHE) Per capita (Rs.) *	3,805
2	Government Health Expenditure (GHE) percent of CHE	33.2
3	Out of Pocket Expenditures (OOPE) as percent of CHE	55.1
4	Social Security Expenditure on health as percent of CHE	10.1
5	Private Health Insurance Expenditures as a percent of CHE	6.6
6	Household Health Expenditure (incl. insurance contributions) as % of CHE	61.4
7	External/ Donor Funding for health as percent of CHE	0.6

*At current prices

Table 3: Key health financing indicators for India: NHA Estimates 2017-18

Sl.No	Indicator	NHA 2017-18
	Total Health Expenditure (THE)	
1	Total Health Expenditure (THE) as % GDP ³	3.31
2	THE per capita (Rs.) ⁴	4,297
3	Current Health Expenditure (CHE) as % of THE	88.5
4	Capital Health Expenditure as % of THE	11.5
	Government Health Expenditures (GHE)	
5	Government Health Expenditures (GHE) as % of THE	40.8
6	GHE as % of GDP	1.35
7	GHE as % of General Government Expenditure (GGE) ⁵	5.12
8	Per capita Government Health Expenditure (Rs.)	1,753
9	Current Government Health Expenditure (CGHE) as % of GHE	71.9
10	Union Government Health Expenditure as % of GHE	40.8
11	State Government Health Expenditure as % of GHE	59.2
12	Government based Voluntary Health Insurance as % of GHE	4.1
	Out of Pocket Expenditure (OOPE)	
13	Household Health Expenditure (incl. insurance contributions) as % of THE	54.3
14	OOPE as % of THE	48.8
15	OOPE as % of GDP	1.62
16	Per capita OOPE (Rs.)	2,097
17	External/ Donor Funding as % of THE	0.5
18	AYUSH as % of THE	3.6
19	Pharmaceutical expenditures as % of CHE	33.4

³GDP value for FY 2017-18 (Rs. 1,70,98,304 crores) from 2019-20; Second advance Estimates of National Income, 2018-19 and Quarterly estimates of Gross Domestic Product for the third quarter (Oct-Dec), 2019-20. Press Information Bureau, Government of India Ministry of Statistics & Programme Implementation; 28-February-2020

⁴The population for 2017-18. Population projections for India and states, 2011-2036: Report of the technical group on population projections constituted by the National Commission on Population, November 2019. (2019), Population for 2017-18 is 13,18,678('000)

⁵GGE value for FY 2017-18 (Rs 45,15,946 Crores) Receipts and Disbursements of Central and State Governments, Page no. 180, Handbook of Statistics on Indian Economy, 2020, Reserve Bank of India

1.2 Expenditure Estimates by National Health Accounts Classifications

This section describes the distribution of current health care expenditures by National Health Accounts classification categories. Prescribed by the System of Health Accounts 2011 (SHA 2011) these have been adapted to suit the Indian health system context. The description of each of the classifications is provided under each Section of this report and the “National Health Accounts Guidelines for India” 2016. Given below is the distribution of current health care expenditures for 2017-18, (Rs. 501760crores) into healthcare financing schemes, revenues of health care financing schemes (source of financing), healthcare providers, and healthcare functions.

1.2.1 Expenditure Estimates by Healthcare Financing Schemes

Healthcare financing schemes are the structural components of the healthcare financing systems. They are financing arrangements through which funds flow from the source for the provision of healthcare services to the population. **Table 4** shows the distribution of expenditures by healthcare financing schemes, followed by the description of all financing schemes relevant in the Indian context. A detailed description of these schemes is provided in the “National Health Accounts Guidelines for India”, 2016

Figure 2: Current Health Expenditures (2017-18) by Financing Schemes (%)

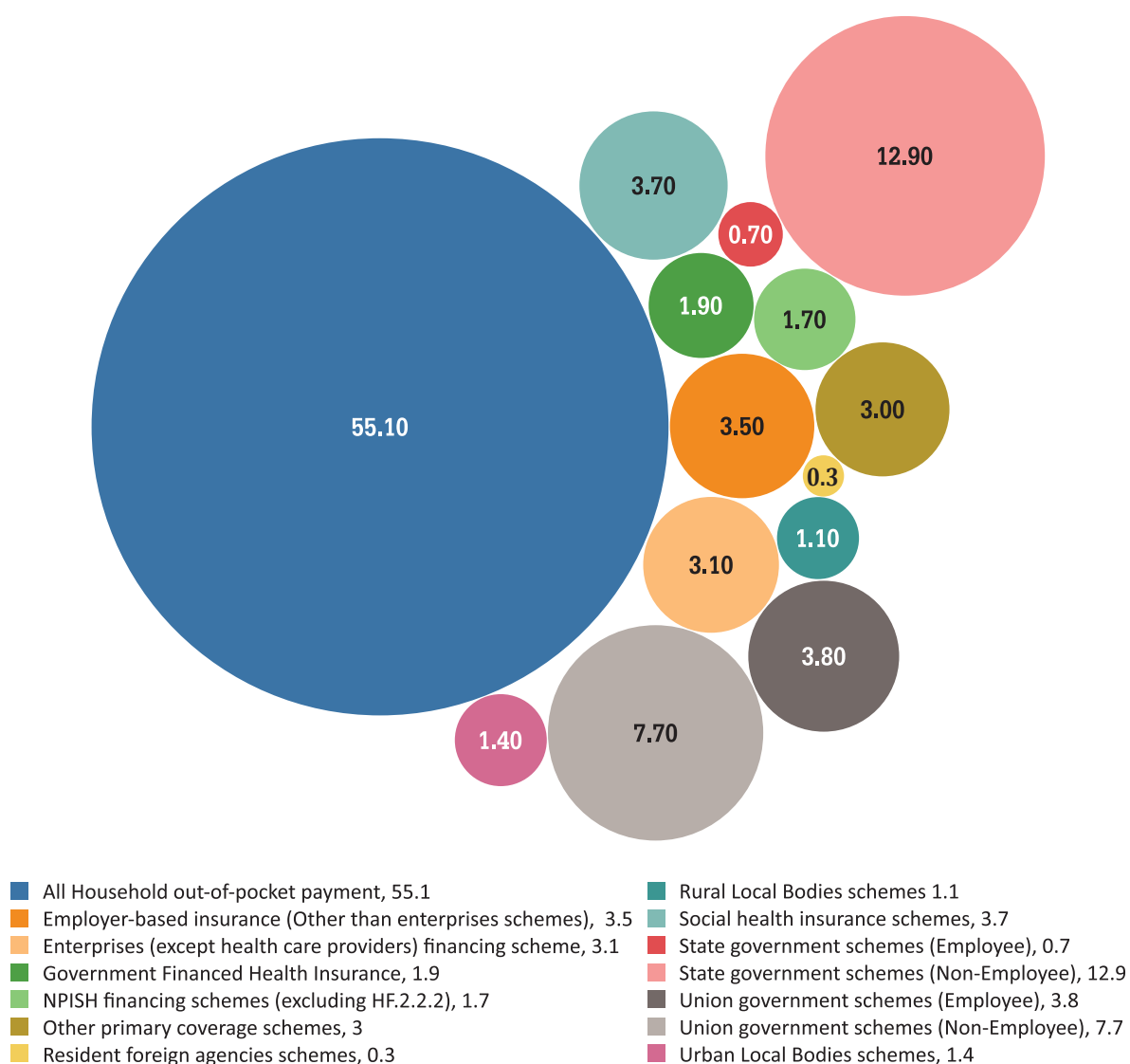


Table 4: Current Health Expenditures (2017-18) by Healthcare Financing Schemes*

NHA Code	Financing schemes	Rs. Crores*	%
HF.1.1.1.1	Union Government (Non-Employee)	38,402	7.65
HF.1.1.1.2	Union Government (Employee) ⁶	19,273	3.84
HF.1.1.2.1.1	State Government (Non-Employee)	64,530	12.86
HF.1.1.2.1.2	State Government (Employee) ⁷	3,676	0.73
HF.1.1.2.2.1	Urban Local Bodies	7,226	1.44
HF.1.1.2.2.2	Rural Local Bodies	5,455	1.09
HF.1.2.1	Social health insurance schemes (not incl. 1.2.1.4) ⁸	18,369	3.66
HF.1.2.1.4	Government Financed Health Insurance ⁹	9,446	1.88
HF.2.1.1.1	Employer-Based Insurance (Private Group Health Insurance)	17,757	3.54
HF.2.1.1.3	Other Primary Coverage Schemes (Private Individual Health insurance)	15,291	3.05
HF.2.1.2.1	Community-Based Insurance	39	0.01
HF.2.2.1	Non Profit Institutions Serving Households (NPISH)	8,671	1.73
HF.2.2.2	Resident Foreign Agencies Schemes	1,404	0.28
HF.2.3.1.2	Enterprises	15,688	3.13
HF.3.3	All Household Out-Of-Pocket Payment	2,76,532	55.11
	Total	5,01,760	100

*Figures are rounded off

HF.1. Government Schemes and Compulsory contributory healthcare financing schemes

All expenditures through the Government (Union, State & Local Governments) and Social Health Insurance agencies for providing healthcare services to the general population as well as to Government employees are classified under this broad category which is divided into two sub categories HF.1.1 Government Schemes and HF.1.2 Compulsory Contributory Insurance Schemes.

Government Schemes are further divided into HF.1.1.1 Union Government schemes and HF.1.1.2 State/ regional/ local Government schemes (further divided into HF.1.1.2.1 State Government Schemes and HF.1.1.2.2 Local Government Schemes). HF.1.2.1 Social Health Insurance Schemes falls under HF.1.2 Compulsory Contributory Insurance Scheme. Brief descriptions of all lowest level classification categories under these are given below:

HF.1.1.1.1 Union Government Schemes (Non-Employee)

Expenditure through the Ministry of Health and Family Welfare, other Union Ministries & Departments for providing healthcare services to the general population are classified here. Includes expenditures under National Health Mission, National Family Welfare Programs, National AIDS Control Program IEC programs, partnership with NGOs, etc. It also includes expenditures through other Union Ministries and Departments under the Labor Welfare Scheme, Maulana Azad Medical Aid Scheme, National Institute of Sports Science and Sports Medicine, etc. (Refer to NHA Guidelines for India, 2016 for details).

⁶Current expenditures on Defense Medical Services (Rs. 15,438.83 Crores), Railway Health Services (Rs. 3,508 Crores) and the rest is any reimbursements made by Union Government Departments through CSMA.

⁷Incl. expenditures on employees through Medical allowance/reimbursements by State Government Departments

⁸Incl. Central Government Health Scheme (CGHS), Ex-servicemen Contributory Health Scheme (ECHS) and Employee State Insurance Scheme (ESIS)

⁹Incl. expenditures on Rashtriya Swasthya Bima Yojana and State specific health insurance schemes

HF.1.1.1.2 Union Government Schemes (Employee)

Expenditure by the Ministry of Health and Family Welfare and other Union Ministries and Departments for providing healthcare services to their employees and their dependents are classified here. It includes expenditures by the Ministry of Defence, Ministry of Railways, Department of Posts and Department of Atomic Energy, etc. for providing healthcare services to their employees and reimbursements under Central Services Medical Attendance (CSMA) Rules.

HF.1.1.2.1 State Government Schemes (Non-Employee)

Expenditure by the Department of Health and Family Welfare and other Departments of the various State Governments for providing healthcare services to the general population are classified here. This includes expenditures under Urban and Rural Health services- Allopathy and Other Systems of Medicine, Public Health, Family Welfare, Health Statistics & Evaluation, etc. It also includes healthcare-related programs by other departments like by department of Labor, Art, and Culture, Social Security, Welfare and Nutrition, Welfare Of SC/ST and OBC, etc. (Refer to NHA Guidelines for India, 2016 for details)

HF.1.1.2.1.2 State Government Schemes (Employee)

Expenditure by the Department of Health and Family Welfare and other Departments of the various State Governments for providing healthcare services to their own employees are classified under this scheme. This includes medical reimbursements to State Government Employees and their dependents by all State departments.

HF.1.1.2.2.1 and HF.1.1.2.2.2 Local Bodies Scheme

Expenditure by Urban Local Bodies on healthcare services to the general population and Rural Local Bodies on healthcare services to the general population, through the programs and/facilities run by the local bodies.

HF.1.2.1 Social Health Insurance

Expenditure of Central Government Health Scheme (CGHS), Employees' State Insurance Scheme (ESIS), Ex-servicemen Contributory Health Scheme (ECHS) are classified here. Even though the Contributory Health Services Scheme (CHSS) of the Department of Atomic Energy and Retired Employees' Liberalized Health Scheme (RELHS) of the Ministry of Railways are Social Health Insurance, due to the non-availability of disaggregated financial data their expenditures have been included under Union Government Employee Schemes. Social Health Insurance is financed by the contributions of employees (household's prepayments), employers (enterprises), Union and State Government grants/ contributions.

HF.1.2.1.4 Government Financed Health Insurance schemes

This includes expenditure under all health insurance schemes implemented by Union and State Governments in 2017-18. These are Rastriya Swasthya Bima Yojana and other State-specific Government health insurance schemes that are enumerated under the section on health insurance expenditures of this report. These schemes are financed by Union and State Government through specific grants or contributions to a private or public insurance company. Some schemes also have a component of token contributions from households.

HF.2 Voluntary Healthcare Payment Schemes

Expenditure through all the voluntary healthcare payment schemes is classified here. This is divided into three subcategories – HF.2.1 Voluntary Health Insurance Schemes, HF.2.2 Non- Profit Institutions Serving Households (NPISH) Schemes, and HF.2.3 Enterprise Financing Schemes. Brief descriptions of all the lowest level classification categories under these are given below:

HF.2.1.1.1 Employer-Based Insurance Schemes (Private Group Health Insurance)

This includes expenditure under the Group Health Insurance (Non-Government) category defined by the Insurance Regulatory and Development Authority of India (IRDAI) net of the Micro Health Insurance. Micro Health Insurance is considered as Community based insurance with maximum annual coverage of Rs. 30,000 per annum. Group Health Insurance is financed by the contributions of employees (households' prepayments), employers (enterprises) in the form of premiums paid to public/ private insurance companies.

HF.2.1.1.3 Other Primary Coverage Schemes (Private Individual Health insurance)

This includes expenditures under the Individual insurance category defined by the Insurance Regulatory and Development Authority of India (IRDAI) net of the Micro Health Insurance. These are financed by household prepayments.

HF.2.1.2.1 Community based Health Insurance Schemes

Expenditure of insurance schemes operated/organized purely by communities themselves/ NGOs/ cooperative societies/ workers unions etc. Many community schemes since 2006 use private/ public insurers for risk pooling and these products are registered as Micro Health Insurance Products under the IRDAI. Expenditures from both these categories are included. These are financed by household prepayments.

HF.2.2.1 Non- Profit Institutions Serving Households (NPISH) Schemes

These are institutions established and operated purely on philanthropic funding or by receiving foreign aid. They may have a network of their own healthcare facilities and/ or deliver healthcare services through a single hospital or clinic. Healthcare services are generally provided free or at a subsidized cost. Revenue is from the donations of the public, aid through Government budgets, contributions from philanthropists, corporations, foreign aid, user fees, etc.

HF.2.2.2 Resident Foreign Agencies Schemes are NPISH schemes directly run through resident foreign Government Development agencies.

HF.2.3.1.2 Enterprises

Expenditure of large firms/corporations both in the public and private sector with their own network of health facilities that provide healthcare services to the employees and their dependents are classified under this. These healthcare facilities are financed through the enterprises themselves. In case they do not have their own facility, the enterprise may reimburse the medical bills of the employee or pay a lump sum payment towards healthcare expenditures.

HF.3.3 All Household Out-Of-Pocket Payment

This is a sub-category under HF.3 Household out-of-pocket payment. The expenditure in this category is paid by the household/ individuals at the point of receiving healthcare services. These are net of reimbursements of any nature (insurance/philanthropic donations etc.) and include all expenditures on inpatient care, outpatient care, child birth, antenatal care (ANC), postnatal care (PNC), family planning devices, therapeutic appliances, expenditure on patient's transportation, immunization, over the counter drugs and other medical expenditures (e.g., blood, oxygen, etc.).

1.2.2 Expenditure Estimates by Revenues of Healthcare Financing Schemes

Revenues of Healthcare Financing Schemes are sources of financing from where the schemes draw their revenues. **Table 5** presents the distribution of expenditures about revenues of health care financing schemes (sources of financing) followed by the description of all revenues of healthcare financing schemes relevant in the Indian context. A detailed description of these schemes is provided in the "National Health Accounts Guidelines for India", 2016.

Figure 3: Current Health Expenditures (2017-18) by Revenues of Healthcare Financing Schemes (%)

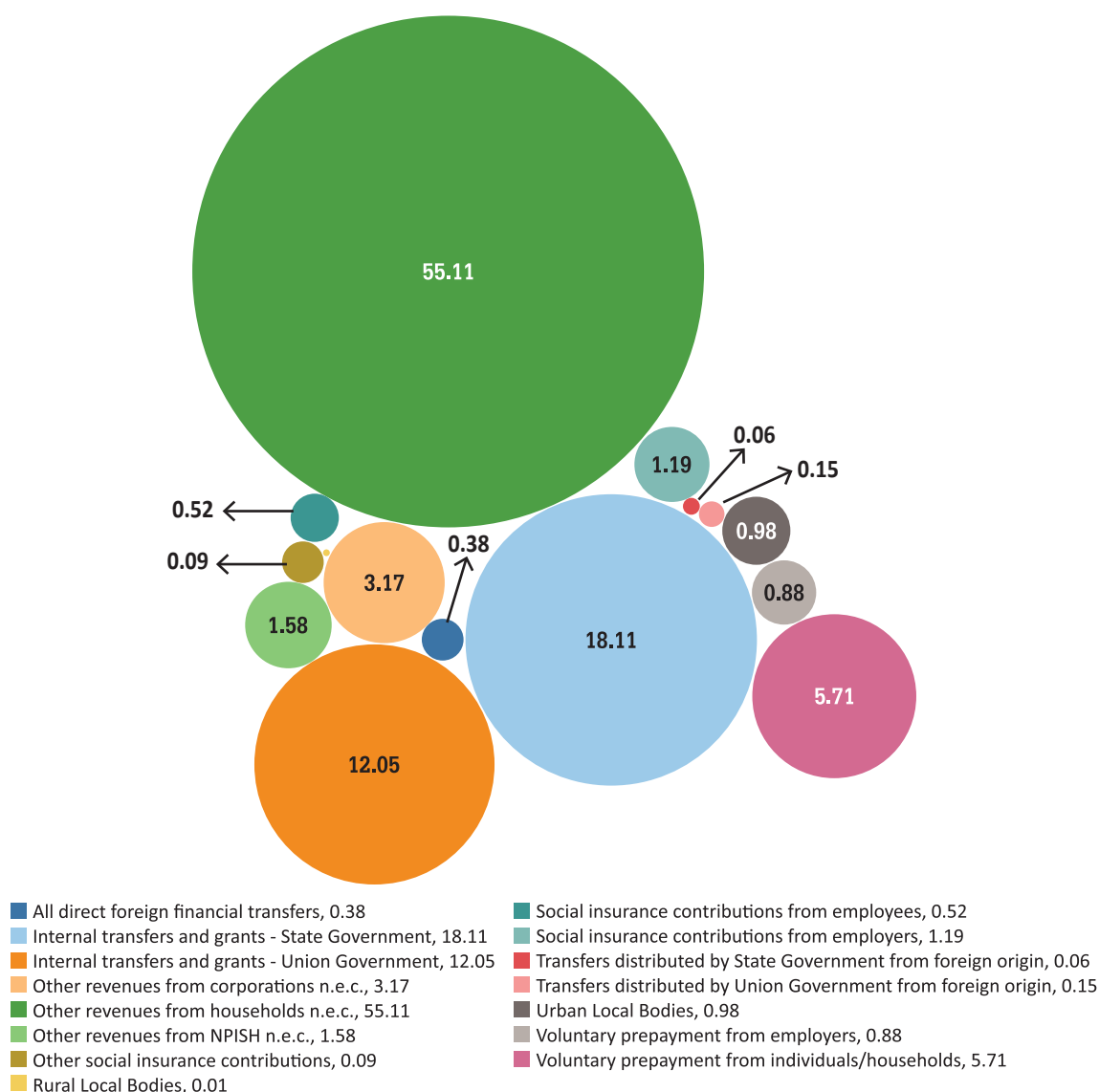


Table 5: Current Health Expenditures (2017-18) by Revenues of Healthcare Financing Schemes

NHA Code	Revenues of Financing Schemes	Rs. Crores*	%
FS.1.1.1	Internal transfers and grants - Union Government	60,442	12.05
FS.1.1.2	Internal transfers and grants - State Government	90872	18.11
FS.1.1.3.1	Urban Local Bodies	4,930	0.98
FS.1.1.3.2	Rural Local Bodies	35	0.01
FS.2.1	Transfers Distributed by Union Government from foreign origin	756	0.15
FS.2.2	Transfers distributed by State Government from foreign origin	302	0.06
FS.3.1	Social Insurance Contributions from Employees	2,634	0.52
FS.3.2	Social Insurance Contributions from Employers	5,966	1.19
FS.3.4	Other Social Insurance Contributions	441	0.09
FS.5.1	Voluntary Prepayment from Individuals/ Households	28,648	5.71
FS.5.2	Voluntary Prepayment from Employers	4,439	0.89
FS.6.1	Other Revenues from Households n.e.c	2,76,532	55.11
FS.6.2	Other Revenues from Corporations n.e.c.	15,930	3.17
FS.6.3	Other Revenues from NPISH n.e.c.	7,936	1.58
FS.7.1.4	All Direct Foreign Financial Transfers	1,897	0.38
	Total	5,01,760	100.00

*All values are rounded off

FS.1 Transfers and grants from Government domestic revenue (allocated to health purposes)

These are funds allocated from Government domestic revenues (raised at different levels of the Government) for health purposes. The sub category FS.1.1 Internal Transfers and Grants is further divided into three broad categories based on the level of Government: FS.1.1.1 Internal Transfers and Grants - Union Government, FS.1.1.2 Internal Transfers and Grants - State Government and FS.1.1.3 Internal Transfers and Grants - Local Government (further divided into FS.1.1.3.1 Urban Local Bodies and FS.1.1.3.2 Rural Local Bodies).

FS.2 Transfers distributed by Government from foreign origin

Transfers originating abroad (bilateral, multilateral, or other types of foreign funding) that are distributed through the general Government are classified under this. According to the level of Government receiving these, it is categorized into FS.2.1 Transfers Distributed by Union Government from foreign origin and FS.2.2 Transfers Distributed by State Government from foreign origin.

FS.3 Social insurance contributions

Social Health Insurance contributions are regular compulsory payments from employers or from employees that mandate entitlement to social health insurance benefits. Sub-categories of social insurance contributions are FS.3.1 Social Insurance Contributions from Employees and FS.3.2 Social Insurance Contributions from Employers and FS.3.4 Other Social Health Insurance Contributions. It is important to note that Government contributions towards any type of employee/ specific population groups are excluded here and are accounted under Government internal transfers). For example, under the Employee State Insurance Scheme, only the contributions by employees and employers are considered as Social Insurance Contributions, whereas

the contributions by State Governments are considered under Government internal transfers. FS.3.4 is introduced in NHA 2015-16 to attribute expenditures made by individuals/ households for enrolment into the Government Health Financed Insurance Schemes.

FS.5 Voluntary prepayment

This category refers to voluntary health insurance premiums received from the insured (individual or household) or employer on behalf of the insured that secure entitlement to benefits of the voluntary health insurance schemes. It is further divided into FS.5.1 Voluntary Prepayment from Individuals/Households and FS.5.2 Voluntary Prepayment from Employers.

FS.6 Other domestic revenues n.e.c

This category refers to expenditures by households, corporations, and NPISH from their own revenues used for health purposes. It is further divided into FS.6.1 Other Revenues from Households n.e.c (which are households' out-of-pocket payments), FS.6.2 Other Revenues from Corporations n.e.c and FS.6.3 Other Revenues from NPISH n.e.c.

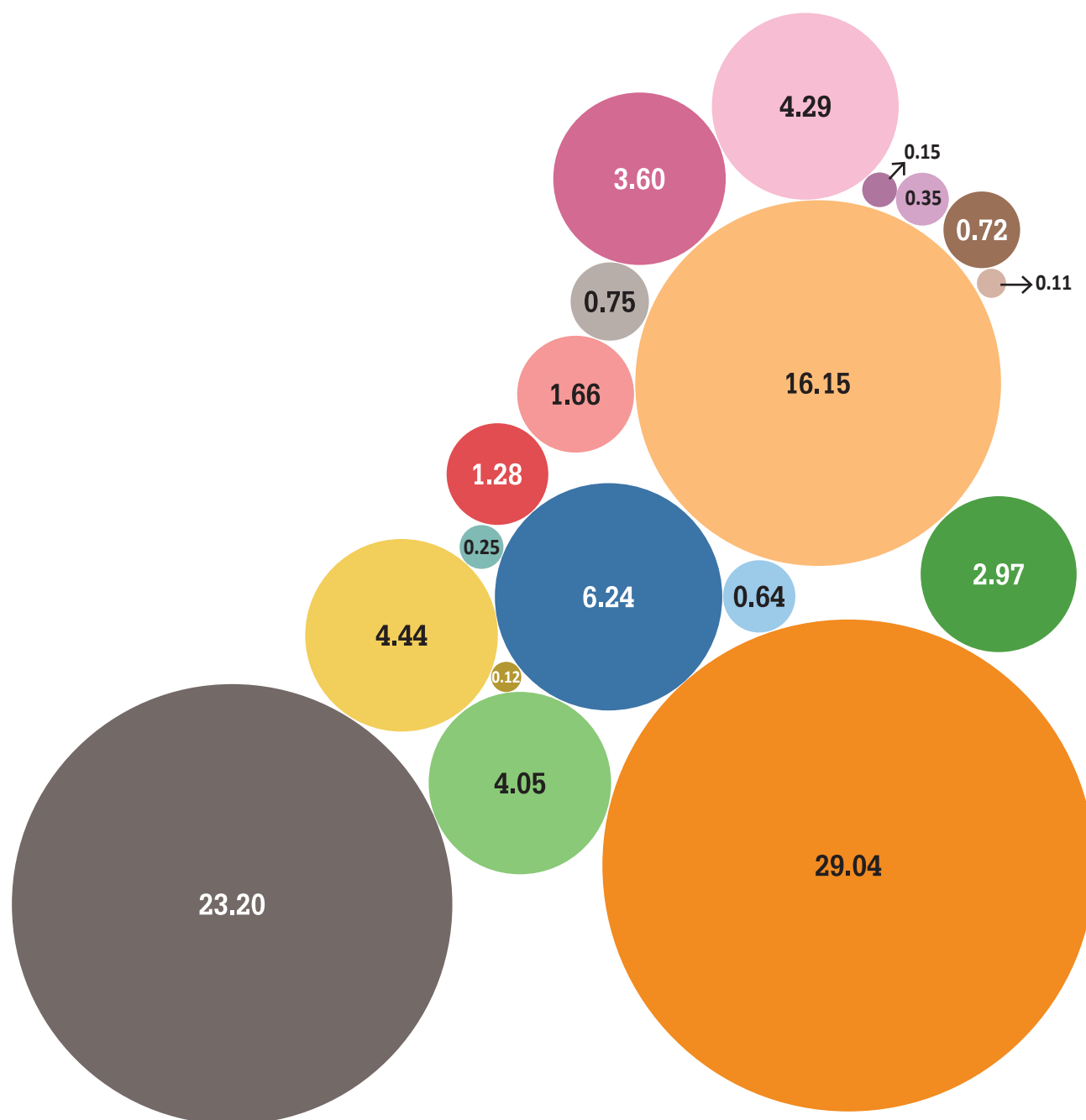
FS.7 Direct foreign transfers

This category refers to transfers where revenues from foreign entities directly received by health financing schemes as - Direct foreign financial revenues or goods/services earmarked for health. These revenues are usually granted by international agencies or foreign Governments, or voluntary transfers (donations) by foreign NGOs or individuals that contribute directly to the funding of domestic healthcare financing schemes; and Direct foreign aid in kind (health care goods and services). These funds are classified under the sub category FS.7.1.4 All Direct Foreign Financial Transfers.

1.2.3 Expenditure Estimates by Healthcare Providers

Health care providers are the organizations or actors that provide healthcare services or goods as their primary activity or as one among others. **Table 6** presents the distribution of current health care expenditures by providers of healthcare, followed by the description of all healthcare providers relevant in the Indian context. A detailed description of these schemes is provided in the "National Health Accounts Guidelines for India", 2016.

Figure 4: Current Health Expenditures (2017-18) by Healthcare Providers (%)



- All Other ambulatory centres, 6.24
- Family planning centres, 0.64
- General hospitals – Private, 29.04
- General hospitals – Government, 16.15
- Government health administration agencies, 2.97
- Medical and diagnostic laboratories, 4.05
- Mental Health hospitals – Government, 0.12
- Offices of general medical practitioners, 4.44
- Other administration agencies, 0.25
- Other health care practitioners, 1.28
- Other health care providers not elsewhere classified (n.e.c.), 1.66
- Pharmacies, 23.2
- Private health insurance administration agencies, 0.75
- Providers of patient transportation and emergency rescue, 3.6
- Providers of preventive care, 4.29
- Retail sellers and Other suppliers of durable medical goods and medical appliances, 0.15
- Social health insurance agencies, 0.35
- Specialized hospitals (Other than mental health hospitals) Government, 0.72
- Specialized hospitals (Other than mental health hospitals) Private, 0.11

Table 6: Current Health Expenditures (2017-18) by Healthcare Providers

NHA Codes	Healthcare Providers	Rs. Crores*	%
HP.1.1.1	General Hospitals – Government	81,045	16.15
HP.1.1.2	General Hospitals – Private	1,45,701	29.04
HP.1.2.1	Mental Health Hospitals – Government	605	0.12
HP.1.3.1	Specialized Hospitals – Government	3,637	0.72
HP.1.3.2	Specialized Hospitals – Private	564	0.11
HP.3.1.1	Offices of General Medical Practitioners (Private clinics)	22,297	4.44
HP.3.1.3	Offices of Medical Specialists (Private Specialty clinics)	2	0.00
HP.3.3	Other Healthcare Practitioners ¹⁰ - Government	6,401	1.28
HP.3.4.1	Family Planning Centers- Government	3,191	0.64
HP.3.4.9	All Other ambulatory centres ¹¹ - Government	31,317	6.24
HP.4.1	Providers of Patient Transportation and Emergency Rescue	18,068	3.60
HP.4.2	Medical and Diagnostic Laboratories	20,324	4.05
HP.5.1	Pharmacies	1,16,402	23.20
HP.5.2	Retail sellers and other suppliers of durable medical goods and medical appliances	737	0.15
HP.6	Providers of Preventive care	21,530	4.29
HP.7.1	Government Health Administration Agencies	14,881	2.97
HP.7.2	Social Health Insurance Agencies	1,751	0.35
HP.7.3	Private Health Insurance Administration Agencies	3,760	0.75
HP.7.9	Other Administration Agencies	1,238	0.25
HP.10	Other Health Care Providers not elsewhere classified (n.e.c)	8,309	1.66
	Total	5,01,760	100

*All values are rounded off

HP.1 Hospitals

Hospitals are licensed establishments that are primarily engaged in providing inpatient and outpatient health services that include physicians, nursing, diagnostic, and other allied health services. Though outpatient and day care services are provided, the majority of procedures require admission and are delivered only by using specialized facilities, professional knowledge, advanced medical technology, and equipment, which form a significant and integral part of the provisioning process. A brief description of all the lowest level classification categories under these is given below:

HP.1.1.1 General Hospitals – Government

This category Includes establishments like Government General Hospitals, Government medical college hospitals, District Hospitals, Sub District/Sub-divisional Hospitals, and Community Health Centers (CHC).

HP.1.1.2 General Hospitals – Private

This includes all establishments like private general hospitals, private nursing homes, etc.

¹⁰Expenditures on Sub Centers/ANM , ASHA, Anganwadi Centers etc

¹¹Expenditures on Primary Health Centers and Dispensaries incl. of AYUSH, CGHS, ESIS, and Railway Polyclinics

HP.1.2.1 Mental Health Hospitals – Government

This category comprises Government Mental Hospitals that are primarily engaged in providing medical treatment and diagnostic services to inpatients/outpatients suffering from severe mental illness or substance abuse disorders.

HP.1.3 Specialized hospital (other than mental hospitals)

A specialized hospital is primarily engaged in providing services for a specific type of disease or medical condition or a specific group of people. These include specialty hospitals for cancer, TB and lung diseases, cardiology, neurology, etc. AYUSH hospitals and other hospitals exclusively providing maternal and child health are also included in this category. This is further divided into HP.1.3.1 Specialized Hospital - Government and HP.1.3.2 Specialized Hospitals - Private.

HP.3 Providers of Ambulatory Healthcare

Providers of ambulatory care (outpatient care) are categorized into HP.3.1 Medical Practices, HP.3.3 Other Healthcare Practitioners and HP.3.4 Ambulatory Healthcare Centers. Brief descriptions of all the lowest level classification categories under these are given below:

HP.3.1 Medical practices

This includes private healthcare facilities. It is further divided into HP.3.1.1 Office of General Medical Practitioners (Private Clinics) and HP.3.1.3 Offices of Medical Specialists (Private Specialty Clinics).

HP.3.3 Other Healthcare practitioners

This includes Sub-centers/ANM, ASHA, Village Health and Nutrition Sanitation Committees (VHNSC).

HP.3.4 Ambulatory health care centers

These centers are classified into HP.3.4.1 Family Planning Centers and HP.3.4.9 All Other Ambulatory Centers [Government run - Primary Health Centers, Dispensaries (CGHS, AYUSH, and General) and Polyclinics (ECHS and Railways)].

HP.4 Providers of ancillary services

Providers of ancillary services are classified into HP.4.1 Providers of Patient Transportation and Emergency Rescue (which includes expenditure on patient's transportation) and HP.4.2 Medical and Diagnostic Laboratories (a brief description is given below)

HP.4.2 Medical and Diagnostic Laboratories

Establishments primarily engaged in providing analytic or diagnostic services, including body fluid analysis or genetic testing, directly to outpatients with or without a referral from health care practitioners. These include diagnostic imaging centers; pathology laboratories; Medical forensic laboratories; etc. It is important to note that expenditures incurred at any provider of diagnostic services situated/integrated within a hospital as part of care/ treatment during hospitalization for that particular health system contact are considered part of that hospital (HP.1).

HP.5 Retailers and other providers of medical goods

This category includes HP.5.1 Pharmacies and HP.5.2 Retail sellers and other suppliers of durable medical goods and medical appliances.

HP.5.1 Pharmacies

This subcategory comprises establishments that are primarily engaged in the retail sale of pharmaceuticals (including both manufactured products and those sold by online pharmacists) to the population for prescribed and non-prescribed medicines. Pharmacies operate under strict jurisdiction/licenses of national pharmaceutical supervision. Usually, either the owner of a pharmacy or its employees are registered pharmacists, chemists, or pharmacy doctors. These include dispensing chemists; Community pharmacies; Independent pharmacies in supermarkets; and Pharmacies in hospitals that mainly serve outpatients.

It is important to note that expenditures in pharmacies integrated with hospitals that mainly serve inpatients are part of establishments classified under HP.1 General Hospitals. Also, expenditures in specialized dispensaries where the continuous monitoring of compliance and treatment plays an important role are classified under HP.3.4 Ambulatory health care centers. Dispensed medicines in doctors' offices that require supervision are under HP.3.1 Medical practices.

HP.5.2 Retail sellers and other suppliers of durable medical goods and medical appliances

This item comprises establishments that are primarily engaged in the retail sale of durable medical goods and medical appliances such as family planning devices and therapeutic appliances.

HP.6 Providers of Preventive Care

This category includes healthcare providers primarily providing care under collective preventive programs/public health programs either at a healthcare facility or under campaigns for specific groups of individuals or the population at large.

HP.7 Providers of Health Care Administration and Financing

This category includes HP.7.1 Government Health Administration Agencies, H.P.7.2 Social Health Insurance Agencies, HP.7.3 Private Health Insurance Administration Agencies, and HP.7.9 Other Administration Agencies. Brief descriptions of all the lowest level classification categories under these are given below.

HP.7.1 Government Health Administration Agencies

Government administration agencies are primarily engaged in formulation and administration of Government health policy, health financing, setting and enforcement of standards for medical and paramedical personnel and hospitals, clinics, etc., and regulation and licensing of providers of health services.

HP.7.2 Social Health Insurance Agencies

Agencies handling the administration of social health insurance schemes Examples are Directorate of Central Government Health Scheme, Employees' State Insurance Corporation, etc.

HP.7.3 Private Health Insurance Administration Agencies

Insurance corporations that manage health insurance plans and related finances.

HP.7.9 Other Administration Agencies

This category comprises the agencies that manage Government financed health insurance schemes (Government trust and societies), agencies managing NPISH/Enterprise schemes, and others that are not covered by the other health provider categories given above.

HP. 10 Other Healthcare Providers not elsewhere classified (n.e.c)

This category includes providers that could not be classified in the above-mentioned categories due to the non-availability of information to identify healthcare providers for a particular expenditure line item.

1.2.4 Expenditure Estimates by Healthcare Functions

Healthcare functions refer to health care goods and services consumed by final users with a specific health purpose. **Table 7** presents the distribution of current health expenditures by health care functions, followed by the description of all healthcare functions relevant in the Indian context. A detailed description of these schemes is provided in the “National Health Accounts Guidelines for India”, 2016.

Figure 5: Current Health Expenditures (2017-18) by Healthcare Functions (%)

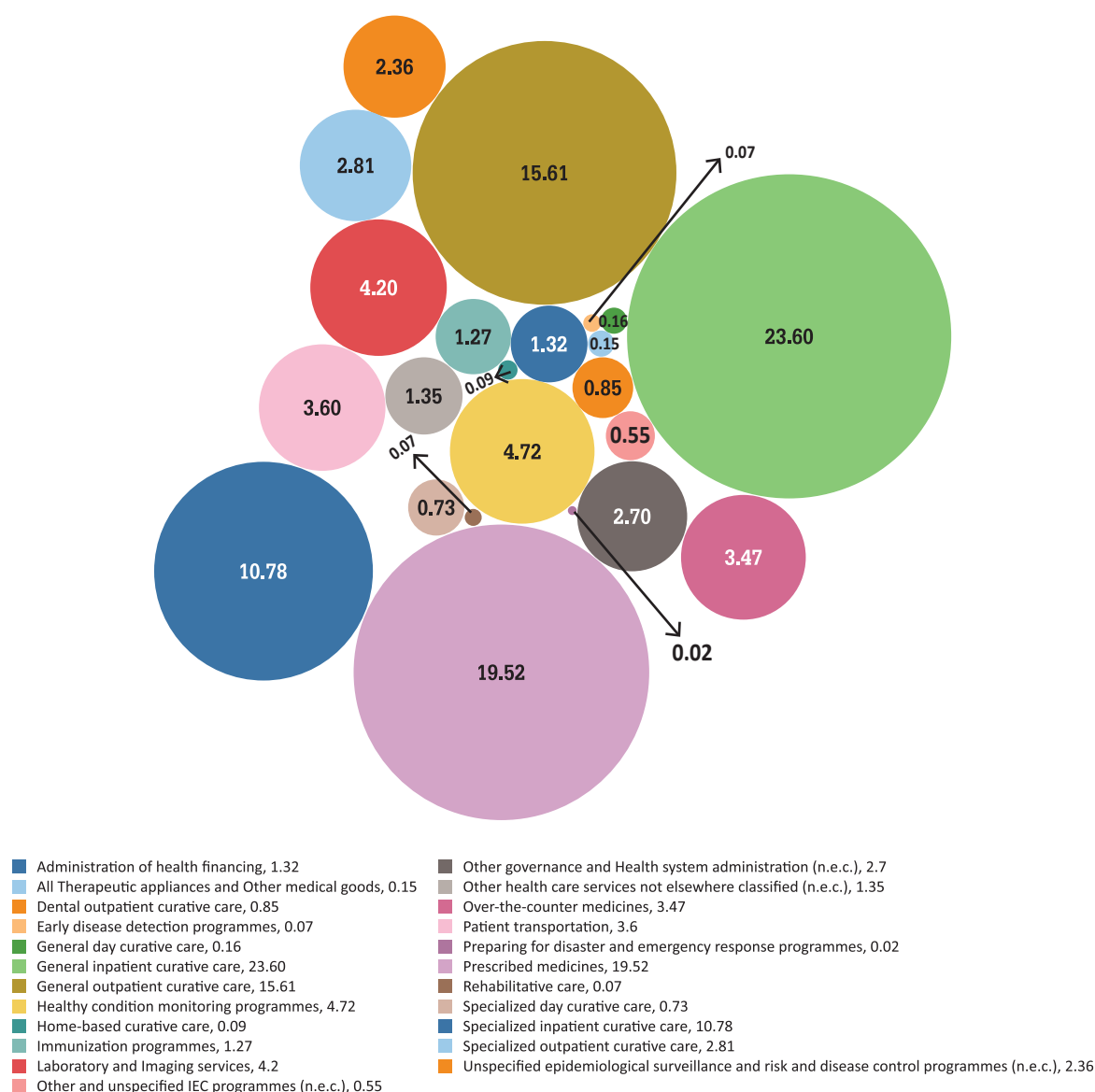


Figure 6: Distribution of Healthcare Functions according to SHA classification (%)

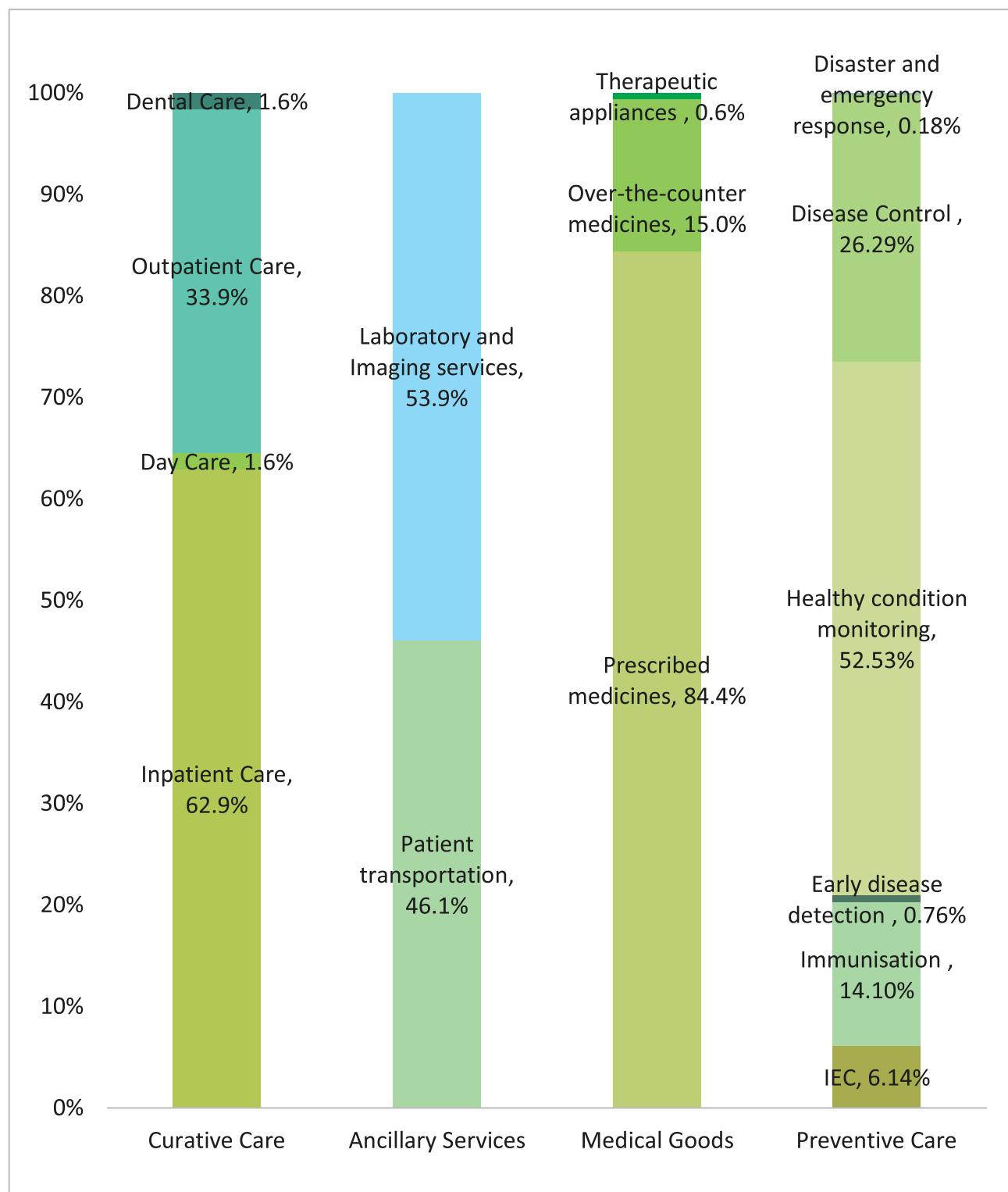


Table 7: Current Health Expenditures (2017-18) by Healthcare Functions

NHA Codes	Healthcare Functions	Rs. Crores*	%
HC.1.1.1	General inpatient curative care	1,18,405	23.60
HC.1.1.2	Specialized inpatient curative care	54,076	10.78
HC.1.2.1	General day curative care	796	0.16
HC.1.2.2	Specialized day curative care	3,683	0.73
HC.1.3.1	General outpatient curative care	78,300	15.61
HC.1.3.2	Dental outpatient curative care	4,267	0.85
HC.1.3.3	Specialized outpatient curative care	14,086	2.81
HC.1.4	Home-based curative care	472	0.09
HC.2	All rehabilitative care	338	0.07
HC.3	All long-term care	13	0.00
HC.4.3	Patient transportation	18,068	3.60
HC.4.4	Laboratory and Imaging services	21,096	4.20
HC.5.1.1	Prescribed medicines	97,948	19.52
HC.5.1.2	Over-the-counter medicines	17,403	3.47
HC.5.2.4	All Therapeutic appliances and Other medical goods	737	0.15
HC.6.1	Information, education, and counselling (IEC) programs	2,770	0.55
HC.6.2	Immunization programs	6,362	1.27
HC.6.3	Early disease detection programs	342	0.07
HC.6.4	Healthy condition monitoring programs	23,704	4.72
HC.6.5	Epidemiological surveillance, risk, and disease control programs	11,865	2.36
HC.6.6	Preparing for disaster and emergency response programs	83	0.02
HC.7.1	Governance and Health system administration	13,528	2.70
HC.7.2	Administration of health financing	6,642	1.32
HC.9	Other health care services not elsewhere classified	6,775	1.35
	Total	5,01,760	100
HC.RI.1	Total Pharmaceuticals Expenditure (TPE)	1,67,653	33.41
HC.RI.2	Traditional, Complementary and Alternative Medicines (TCAM)	20,385	4.06

*All values are rounded off

HC.1 Curative Care

Curative care comprises healthcare contacts during which the principal intent is to relieve symptoms of illness or injury, to reduce the severity of an illness or injury, or to protect against exacerbation and/or complication of an illness and/or injury that could threaten life or normal body function. Based on the mode of provision, curative care is divided into inpatient and outpatient curative care. In all cases, the main purpose of curative care remains the same, but the technology and place of provision change: in the case of an overnight stay in a health care facility the mode of provision is inpatient. When a patient is admitted for planned care or treatment involving specific organizational arrangements but does not involve an overnight stay then this is a day care, otherwise, it is an outpatient contact. The subcategories under this are HC.1.1.1 General Inpatient curative care, HC.1.1.2 Specialized inpatient curative care, HC.1.2.1 General day care, HC.1.2.2 Specialized day care, HC.1.3.1 General Outpatient curative care, HC.1.3.2 Dental outpatient curative care, and HC.1.3.3 Specialized outpatient curative care.

HC.2 All rehabilitative care

Expenditure incurred on providing/ availing rehabilitative care is aimed at reaching, restoring, and/ or maintaining optimal physical, sensory, intellectual, psychological, and social functional levels, e.g., Physiotherapy, Occupational Therapy, Speech therapy, etc.

HC.3 All long-term care

Expenditure incurred on palliative care (mainly found from the budget documents of a few States) is classified here.

HC.4 Ancillary Services (non-specified by function)

Ancillary services are frequently an integral part of a package of services whose purpose is related to diagnosis and monitoring. Ancillary services do not, therefore, have a purpose in themselves. Therefore, only a part of the total consumption of ancillary services is made explicit by reporting the consumption of such services in the “non-specified by function” category, such as when the patient consumes the service directly, in particular during an independent contact with the health system. Ancillary services related to patient transportation and emergency rescue are HC.4.3 (i.e., ambulance service) provided by both Government and private sector. HC.4.4 Laboratory and imaging services are reported collectively and refer to those that are not a part of the treatment package and services that are availed from stand-alone diagnostic centers and laboratories.

HC.5.1 Pharmaceuticals and other non-durable goods

This is categorized under HC.5 Medical Goods (non-specified by function) and includes all consumption of medical goods where the function and mode of provision are not specified, i.e., medical goods acquired by the beneficiary either as a result of prescription following a health system contact or as a result of self-prescription. This excludes medical goods consumed or delivered during a health care contact that are prescribed by a health professional. This class is further divided into the following sub-classes: HC.5.1.1 prescribed medicine comprises all pharmaceuticals, including branded and generic pharmaceutical products, which are provided in response to a prescription issued by a licensed medical practitioner or pharmacist. HC.5.1.2 Over-the-counter drugs (OTC): comprises all pharmaceuticals, including branded and generic pharmaceutical products which may or may not be available without prescription but have been purchased independently. Inclusions in this category should be linked to the health purpose.

Important: Adhering to the descriptions of HC.4.4 and HC.5.1 given above for purposes of National Health Accounts for India, only diagnostic services and medicines as part of an outpatient contact or over the counter are categorized under HC.4.4 and HC.5.1 respectively. Medicines and diagnostic services provided as part of inpatient care are classified as part of Inpatient Curative Care HC.1.1 and respective provider classification under HP.1. Because in the Indian context, the majority of health expenditures are out-of-pocket expenditures (OOPE) and this data on OOPE is sourced from the Health and Morbidity Survey conducted by National Sample Survey Office (NSSO). The NSSO survey reports expenditures on healthcare in a disaggregate manner on consultation/ service fees, drugs, diagnostics, patient transportation, and others according to the facility where treatment was undertaken for both hospitalization and non-hospitalization contact separately. However, it is not clear from the survey if the expenditures reported for diagnostic services and medicines especially during a hospitalization episode were delivered/consumed as part of the treatment package or purchased/acquired from a pharmacy or diagnostic center within the same facility/establishment or outside the establishment from retail pharmacies or standalone diagnostic centers. Thus, the expenditures related to these are assumed

to be delivered/ consumed with directions of the health professional and provided by the health facility as part of the treatment package allowing them to be classified as part of inpatient care provided and the respective provider.

Expenditures on all pharmaceuticals within the health system (both private and Government sector) in a given year is reported under Total Pharmaceutical Expenditures (TPE) (HC.RI.1), a reporting item that includes all pharmaceutical expenditures reported under HC.5.1.1 Prescribed medicines, HC.5.1.2 Over-the-counter drugs (OTC), pharmaceuticals consumed as part of the interaction within the contact for all Curative Care (HC.1).

HC.5.2.4 All Therapeutic appliances and other medical goods

Under the broad category HC.5.2 Therapeutic appliances and other medical goods under HC.5 Medical Goods (non-specified by function), this comprises a wide range of medical durable goods, such as Orthotic devices, corrective eyeglasses, and contact lenses, hearing aids, orthopedic appliances, family planning devices and all other medical durables including medical-technical devices.

HC.6 Preventive Care

Preventive care is based on a health promotion strategy that involves a process to enable people to improve their health through the control over some of its immediate determinants. This includes all the Government-funded national health programs such as National Disease Control Programs, etc. The subcategories under this are HC.6.1 Information, Education and Counselling (IEC) programs, HC.6.2 Immunization programs, HC.6.3 Early disease detection programs, HC.6.4: Healthy condition monitoring programs, HC.6.5 Epidemiological surveillance, risk and disease control programs, HC.6.6 Preparing for disaster and emergency response programs. Expenditures not classified under any of the above are categorized under HC.6.nec Unspecified preventive care (N.E.C.) (majority of it is non-specified on the job training to health-workers).

HC.7 Governance and Health System and Financing Administration

Expenditure to direct and support health system functioning and to maintain and increase its effectiveness and efficiency are categorized here. It excludes the administration and management at the provider's level like any overhead expenses to be included in the expenditures by service consumed. This is further categorized into HC.7.1 Governance and Health system administration and HC.7.2 Administration of health financing (includes specific expenditure on administration of insurance companies and establishments managing health insurance schemes).

HC.9 Other health care services not elsewhere classified (n.e.c.)

The expenditure that could not be classified to any other services or functions as per the System of Health Accounts (SHA) 2011 guidelines and "National Health Accounts Guidelines for India" are included here.

HC.RI.1 Total Pharmaceuticals Expenditure (TPE): includes spending on prescription medicines during a health system contact and self-medication (often referred to as over-the-counter products) and the expenditure on pharmaceuticals as part of inpatient and outpatient care from prescribing physicians.

HC.RI.2 Traditional, Complementary and Alternative Medicines (TCAM)

This category is a reporting item and provides expenditure related to TCAM due to its emerging policy relevance and a long-standing tradition of using AYUSH in the Indian health system. It includes all the

expenditure on non-allopathic care (AYUSH - Ayurveda, Yoga, Naturopathy, Unani, Siddha, and Homeopathy) from both the private and public sectors. Expenditures are sourced from health and morbidity surveys, detailed demand for grants of the Ministry of AYUSH/ other Union and State departments.

1.3 Expenditure on Capital formation

Gross fixed capital formation in the health care system is measured by the total value of the fixed assets that health providers have acquired during the accounting period (less the value of the disposals of assets) and that are used repeatedly or continuously for more than one year in the production of health services. In the Indian context, it includes expenditure on infrastructure, buildings, machinery as well as expenditure on medical education, research, and training. As the non-availability of detailed expenditure, the capital expenditure is classified as HK.nec only. The following table provides information about the capital formation by different actors in India.

Table 8: Capital formation by the Funding agency

Funding Agency	Amount (in Rs. Cr.)	%
UNION	32,477.7	50.06
STATE	31,846.9	49.08
ULB	402.2	0.62
Rest of the world	156.8	0.24
Total	64,883.6	100.00

1.4 Expenditure Estimates by Primary, Secondary and Tertiary Care

It is important to present the NHA estimates according to primary, secondary, and tertiary care for policy relevance in India. An attempt is made to arrive at these expenditure categories using the healthcare functions vs. healthcare provider matrix (HC X HP). The categorization of health care expenditures into Primary, Secondary and Tertiary care from NHA India 2017-18 is presented for Government, private, and combined allocations in **Table 9**. Expenditures regarded as Governance and Supervision and those not elsewhere classified are also mentioned. Note that these expenditures are comparable only to NHA Estimates 2013-14, 2014-15, 2015-16, and 2016-17 not NHA Estimates 2004-05. The reason for the same and particular differences could be explored in NHA Estimates for India 2013-14 report (page. No 27). Similar classification in the case of Out-of-pocket expenditure for the share of primary, secondary, and tertiary care is 40.5%, 31.5 %, and 28.0%.

Table 9: Current Health Expenditures (2017-18) by Primary, Secondary and Tertiary Care (%)

Category	Description of Expenditures Included	Govt.	Pvt.	Combined
Primary	<ul style="list-style-type: none"> Expenditures under preventive care under all healthcare providers. All expenditures at sub-centres, Family planning centres, PHC, dispensaries (CGHS, ESIS, etc., private clinics) except for those incurred for specialized outpatient care and dental care. Expenditures for general outpatient curative care at all healthcare providers including related diagnostic and pharmaceutical expenditures apportioned from wherever relevant. Expenditures under all pharmaceuticals and other medical non-durable goods, therapeutic appliances, and other medical goods purchased directly by the households Expenditures for inpatient curative care at all ambulatory centres including expenditures related to childbirth at sub-centres. Expenditures under rehabilitative care at offices of general medical practitioners. Expenditures under all long-term care and Expenditures under patient transportation 	54.7	37.6	47.0
Secondary	<ul style="list-style-type: none"> Expenditures under general inpatient curative care at hospitals including related diagnostic and pharmaceutical expenditures apportioned from wherever relevant. Expenditures under dental outpatient curative care at all healthcare providers including related diagnostic and pharmaceutical expenditures. Expenditures under specialized outpatient curative care at all providers of ambulatory healthcare Expenditures under all laboratory and imaging services and pharmaceutical expenditures under specialized outpatient curative care as apportioned from wherever relevant. 	31.5	36.3	34.0
Tertiary	<ul style="list-style-type: none"> Expenditures under specialized inpatient curative care at all providers including related diagnostic and pharmaceutical expenditures. Expenditures under specialized outpatient curative care at hospitals Expenditures under rehabilitative care at specialized hospitals other than mental health hospitals 	6.4	23.3	13.7
Governance and supervision	<ul style="list-style-type: none"> All expenditures where both providers and functions are healthcare systems governance and administration of finances 	5.8	1.7	4.0
Not Classified elsewhere	<ul style="list-style-type: none"> Expenditures that could not be classified under any of the above categories 	1.6	1.1	1.3

1.5 Health Insurance Expenditures

Health Insurance constitutes health-financing schemes financed by contributions/premiums collected from individuals or Governments and pooled to actively purchase services from healthcare providers either by Government (health department or Government governed Corporation/ Trust/ Society) and/or insurance company. For the purpose of National Health Accounts for India, expenditures of the following five types of health financing schemes are considered health insurance expenditures¹². Definitions of these schemes are given on pages no. 22 and 23 of this report. The expenditures under these for the year 2017-18 are presented in Table 8:

1. Social health Insurance (Central Government Health Scheme, Employees' State Insurance Scheme, and Ex-Servicemen Contributory Health Scheme)
2. Government Financed Health Insurance Schemes (of both Union and State Governments)
3. Employer-based insurance - other than enterprises schemes (Private Group Health Insurance)
4. Other primary coverage schemes (Private Individual Health Insurance)
5. Community-based health insurance

It is important to note, insurance expenditures do not include (1) medical reimbursements to union Government employees reported under Central Services Medical Attendance (CSMA), expenditures on healthcare services provided by Defence and Railways (2) State Government reimbursement of medical bills to its employees (3) union and State Governments' medical relief or medical emergency funds released on specific individual requests to below poverty line and vulnerable population for secondary and tertiary care. As per SHA 2011 and NHA Guidelines for India 2016, expenditures under (1) & (2) are included under Union and State Government employee schemes, and expenditures under (3) are included under Union and State Government non-employee schemes.

Health insurance estimates reflect only current health expenditure. Capital expenditure has been mentioned separately only for Social Health Insurance Schemes in Table 8. Cash benefits for sickness, maternity, disablement, and death due to injury at work to workers and dependents to cover for wage loss or other means are not included within the boundary of NHA for India. Interest paid on revenues, dividends, reserves of the insurer (after claims are paid including administrative overheads) are also outside the health insurance expenditures boundary and are not accounted for here. For more details on boundaries for health insurance expenditures, NHA guidelines for India, 2016 may be referred.

¹²Expenditures of all the insurance schemes might not be presented here due to discontinuation of the scheme, nascent stage of the scheme or delays in implementation or expenditures might not fall under the financial year for which NHA estimates are being produced. At times expenditures for a particular scheme are unavailable or it might not be possible to disaggregate them from a particular data source.

Table 10: Health Insurance Expenditure (2017-18) under different schemes

Sl. No	Health Insurance Scheme	Rs. Crore
1	Social Health Insurance Schemes	18,621
1.1	Central Government Health Scheme (CGHS) (Incl. Capital Expenditure)	3,668
1.2	Employee State Insurance Scheme (ESIS) (Incl. Capital Expenditure)	11,084
1.3	Ex-Serviceman Contributory Health Scheme (incl. Capital Expenditure)	3,869
2	Government Financed Health Insurance	9,446
2.1	Rashtriya Swasthya Bima Yojana (RSBY) (All States Not Specified Else Where)	3,134
2.2	Comprehensive Health Insurance, Arunachal Pradesh	2
2.3	Yeshasvini Health Insurance, Karnataka	353
2.4	Aarogyasri Health Insurance, Telangana	584
2.5	Handloom Weaver Health Insurance	12
2.6	Insurance for Information and Broadcasting Workers, West Bengal	459
2.7	NTR Vaidyaseva, Andhra Pradesh	1,050
2.8	Chief Minister's Health Insurance Scheme, Chhattisgarh	130
2.9	Goa Mediclaim and Swarnjayanti Aarogya BimaYojna, Goa	76
2.10	Mukhyamantri Amrutam Yojna, Gujarat	505
2.11	Mukhya Mantri Health Insurance, Himachal Pradesh	12
2.12	Suvarna Arogya Suraksha Trust, Karnataka ¹³	469
2.13	Mahatma Jyotiba Phule Jan Arogya Yojana, Maharashtra	0
2.14	Megha Health Insurance, Meghalaya (Incl. RSBY)	22
2.15	Public Health Insurance, Mizoram	17
2.16	Bhagat Puran Singh Health Insurance Punjab	34
2.17	Chief Minister's Health Insurance Tamil Nadu	2,096
2.18	Chief Minister Swasthya Bima Yojna Uttarakhand	26
2.19	Pradhan Mantri Swasthya Suraksha Yojna Puducherry (Incl. Assistance for Poor through Medical Relief Society)	2
2.20	Biju Krushak Yojana, Odisha	66
2.21	Comprehensive Health Insurance Scheme, Kerala	183
2.22	Other Government Financed Health Insurance ¹⁴	214
3	Private Health Insurance	33,048
3.1	Employer-based insurance (Other than enterprises schemes)	17,757
3.2	Other primary coverage schemes	15,291
3.3	Community-based insurance	39

All values in the above table are rounded off

¹³Suvarna Arogya Suraksha Trust is an institution that manages several schemes that provide cashless healthcare services to entitled households and the police forces. This reimburse directly to healthcare providers wherein all expenditures are largely financed by the State Government of Karnataka.

¹⁴There are some small insurance schemes reported by Union Ministries, Urban Local bodies or State Governments which are specific to certain occupation group or poor/ vulnerable populations. Such schemes have no specific name and have small expenditures. Also, these may be one with no promise to continue in the future. Thus, are not presented independently and summed up under this head.

2. National Health Accounts Methodology

2.1 System of Health Accounts 2011 Framework (SHA 2011)

National Health Accounts estimates for India are based on SHA 2011 framework and NHA Guidelines for India, 2016 including refinements that adhere to basic principles from SHA 2011 manual. States may also adhere to this while preparing State Health Accounts to ensure consistency and reliable estimates of health accounts at the national and sub-national levels.

SHA 2011 defines health accounts as a systematic description of the financial flows related to consumption of healthcare goods and services and a standard for classifying health expenditures according to the three axes - consumption, provision, and financing. All health expenditures are included regardless of how or by whom the service or goods is funded or purchased, or how and by whom it has been provided. It provides standard classification and codes for health financing schemes (HF), revenues of health financing schemes (FS), healthcare providers (HP), and healthcare functions (HC). These codes are used to measure the financial flows and also to report health expenditure estimates for cross-country comparisons.

A major change in the classification of health expenditures from SHA 1.0 to SHA 2011 is that the SHA 1.0 used the Total Health Expenditures (THE) to estimate health accounts while the SHA 2011 disaggregates expenditures into Current Health Expenditures (CHE) and Capital Formation for health (HK). Total Health Expenditures include both recurrent and capital expenditures for health. SHA 2011 defines Current Health Expenditures as the final consumption expenditure of resident units on healthcare goods and services. Gross capital formation in the healthcare system is measured by the total value of assets that providers of health services have acquired during the accounting period (less the value of disposals of assets of the same type) and that are used repeatedly or for more than one year in the provision of health services.

2.2 Health Accounts Production Tool

NHA estimates for India are derived from output tables in the form of two-way matrices generated from the Health Accounts Production Tool (HAPT). It is a standardized tool that helps to arrive at NHA estimates with well-defined procedures and methodology for streamlining data and simplifying the estimation process. It enhances the data quality by checking for double counting and errors in classification codes; provides consistent estimates as it gives provisions for customizing the NHA codes and store past estimations; easy to manage large data sets thereby reducing the burden of editing, sharing, and keeping track of multiple files of expenditure data; reduces the time to generate output tables and gives multiple options to import and export health expenditure data sets. Using HAPT helps not only arrive at but present the flow of funds in the health system in pictorials. The following steps are involved in producing estimates: (i) Setting up the HAPT to use India specific time and space boundary and classification codes (ii) Define the NHA classification codes and classify health expenditures in the data sources (iii) Process raw data into HAPT ready formats (iv) Import data into the HAPT (v) Mapping the data with classification codes in HAPT and (vi) Generating Health Accounts Matrices.

2.3 Defining Healthcare Expenditures Boundaries for India

System of Health Accounts 2011 framework (SHA 2011) sets the boundary for health expenditures. There is time, spatial and functional boundaries.

Health expenditures incurred for consumption of health care goods and services during a given fiscal year (for India) are included. NHA 2017-18 estimates for India considers the 'actual expenditures made during the Financial Year from 1st April 2017 to March 31st, 2018. Health expenditures made by residents of the country and those incurred by Indian residents who live abroad temporarily or who travel abroad to seek treatment are included. Health care goods and services consumed by foreign nationals in India are considered out of the boundary of health accounts.

Under the functional dimension, expenditures on all activities are included whose primary purpose is to restore, improve, maintain, and prevent the deterioration of health status of the population and mitigating the consequences of ill-health through the application of qualified health knowledge - medical, paramedical, and nursing knowledge, including technology and traditional, complementary and alternative medicine (TCAM). While the basis for the inclusion of health expenditures is based on the above-mentioned activities, there is a distinction between current and capital expenditures. Current health expenditures include activities for the current consumption of services to promote, develop and maintain health status and are included in the boundary of NHA. Capital expenditures include capital formation that is created for future health care provision such as the construction of buildings, purchase of equipment, research and development, medical education, and training of health personnel are accounted separately in SHA 2011 and do not come into the boundary of current health expenditures. Therefore, for estimation of NHA, current health expenditures on the following activities fall under the purview of NHA include expenditures for:

- Health promotion and prevention
- Diagnosis, treatment, cure, and rehabilitation of illness
- Care for persons affected by chronic illness
- Care for persons with health-related impairment and disability
- Palliative care
- Provision of community health programs
- Governance and administration of the health system
- Medicines/ Ancillary services that are purchased/ availed independently without prescription from a health professional like self-prescriptions/self-diagnosis which involves over-the-counter medicines are also included as health expenditures.

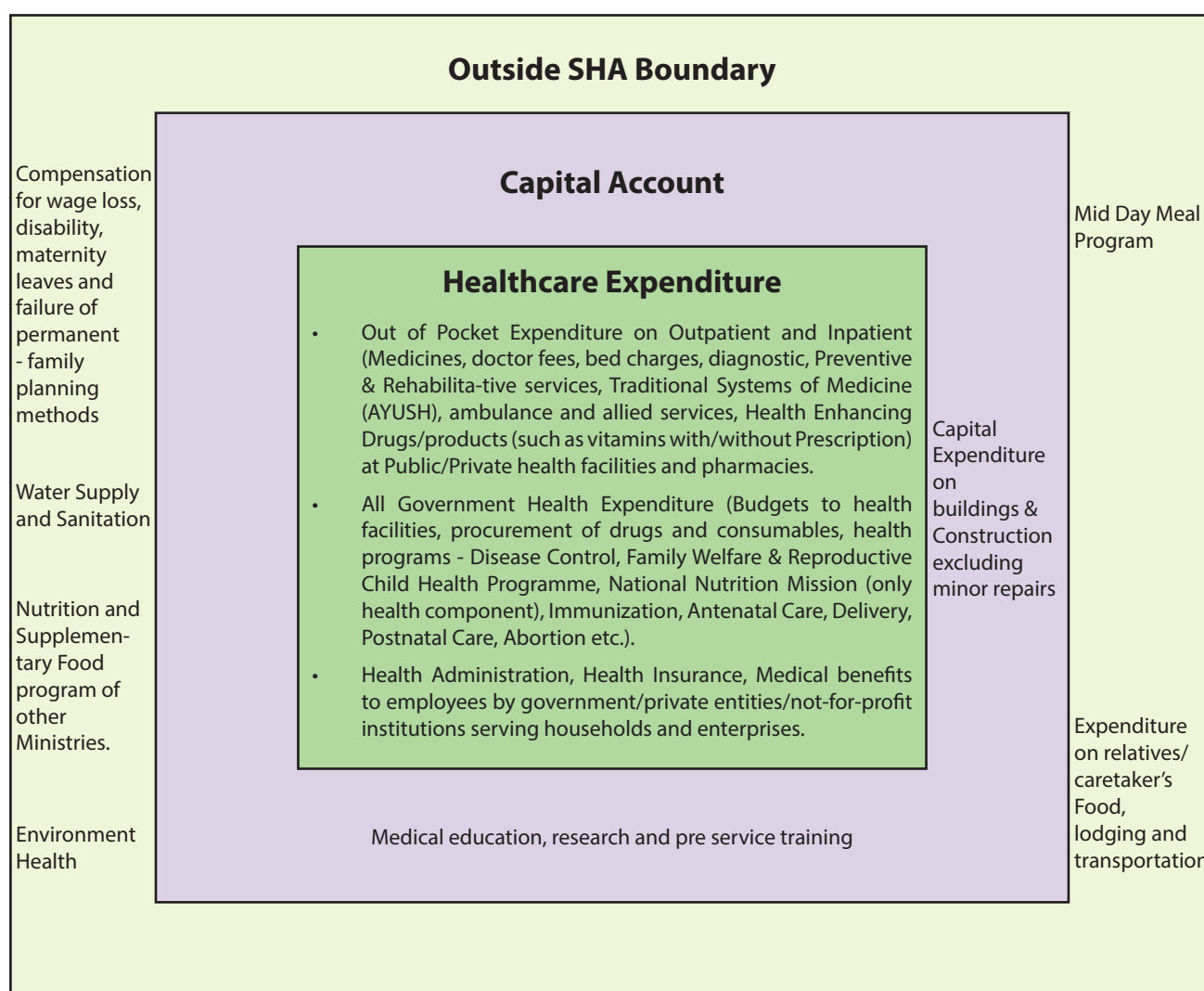
Certain health-related activities are provided by various Government departments other than the Department of Health and Family Welfare. These activities include the provision of long-term social care, enhancing integration of disabled persons, enforcement of standards of food hygiene, provision of drinking water, environmental protection, sanitation, and other multi-sector promotion of healthy lifestyles. Though these activities have a health-enhancing component in them, the primary purpose of implementing these programs is either for the provision of social services or to improve the overall status of the population and hence these expenditures are excluded from the boundary of NHA. However, care should be taken

while excluding these expenditures. For instance, if a department allocates money to provide targeted supplementary nutrition to prevent anaemia, then it should be within the boundary, whereas a supplementary nutrition program whose aim is to provide nutrition education and counselling should be excluded from the boundary of NHA.

The NHA estimates for India do not include the following activities:

- Compensation/ benefits for wage loss, for the failure of sterilization, maternity benefits (salaries of staff on maternity leave), loss of household income due to sickness, disablement, and death due to employment injury to workers and dependents.
- Expenditures related to purification, testing, and supply of potable water, sanitation services, cremation and animal care, disposal of wastes, nutrition programs like mid-day meal, any other programs that complement but directly do not impact health.
- Other miscellaneous expenditures incurred by the relatives or friends who accompany the patient like transport costs, food expenditures, lodging charges, and loss of wage/labour.
- Interest paid on revenues, dividends, reserves of the insurer (after claims are paid including administrative overheads) are not accounted for.

Figure 7: Description of Healthcare Expenditure Boundaries for India



2.4 Data Sources

To capture healthcare expenditures in both public and private sectors, the following data sources have been used. Data is obtained from more than one source, triangulated to validate and adequate measures are taken to avoid double counting.

- Detailed Demand for Grants - Ministry of Health and Family Welfare and all Union Ministries/Departments including Ministry of Railways and Ministry of Defence, 2019-20 for actual expenditures of FY 2017-18.
- State-wise expenditures under National Health Mission (NHM) - Financial Monitoring Reports (FMR) for 2017-18 – Financial Management Group (FMG), National Health Mission, MoHFW.
- Detailed Demand for Grants - State Department of Health and Family Welfare and all Other State Departments, 2019-20, for actual expenditures of FY 2017-18.
- Office of Controller General of Accounts (CGA) - medical reimbursements to Union Government employees and contributions towards social health insurance for 2017-18.
- Expenditure Statements/ Annual Reports of Municipal Corporations and Office of Municipal Administration at State level for FY 2018-19 or the respective years that present actual expenditures for FY 2017-18.
- Study of Expenditures of Rural Local Bodies using 14th Finance Commission data, National Institute of Public Finance and Policy.
- Annual Reports of Central Government Health Scheme (CGHS) for FY 2017-18
- Annual Reports of Employees' State Insurance Corporation (ESIC) for FY 2017-18
- Official Communication(s) from Government Financed Health Insurance Schemes and Scheme Websites for details of reimbursements made for FY 2017-18.
- National Sample Survey Office 75th Round Survey Data - Social Consumption: Health, 2017-18, (July 2017- June 2018), Ministry of Statistics and Program Implementation.
- National Sample Survey Office 68th Round: Consumer Expenditure Survey, 2011-12, Ministry of Statistics and Program Implementation.
- National Family Health Survey 4th round, IIPS, Mumbai
- Annual report of Insurance Regulatory Development Authority of India (IRDAI) for 2017-18
- Anonymized health insurance claims from Insurance Information Bureau (IIB), IRDAI for FY 2017-18
- Study on Health Expenditures by Indian Enterprises and Non-Government Organizations, for 2013-14, Public Health Foundation of India
- Sales data by IQVIA.
- Health expenditures by Development partners (external funding) - OECD Creditor Reporting System (CRS) Development Assistance Committee database (DAC) for FY 2017-18.
- Advance Estimates of National Income and Expenditures by CSO for FY 2017-18
- Handbook of Statistics on Indian Economy 2019, RBI
- The population for 2017-18. Population projections for India and states, 2011-2036: Report of the technical group on population projections constituted by the National Commission on Population, November 2019. (2019).
- Health Management Information System (HMIS), National Health Mission, MoHFW - utilization data for 2017-18.

2.5 Refinements over earlier National Health Accounts Estimates

There is a constant effort to use better information/data sources and improved estimation methods year on year to produce robust health expenditure estimates. NHA guidelines/ methodology and estimates are updated also to incorporate experts and stakeholder feedback and reflect changes in the Indian health system. Refinements incorporated in NHA estimates over previous NHA estimates are presented in sections (2.5.1 & 2.5.2).

2.5.1 Refinements over NHA Estimates 2004-05 and 2013-14

NHA 2004-05 was based on the System of Health Accounts 2001 (SHA 1.0) framework and the World Health Organization Guide to Producing National Health Accounts. NHA 2017-18, NHA 2016-17, NHA 2015-16, NHA 2014-15, and NHA 2013-14 estimates are based on the System of Health Accounts (SHA 2011) framework. The basic difference in NHA estimates 2004-05 and the latest NHA estimates is the disaggregated presentation of current health expenditure (CHE) and capital formation (HK); treating medical education, research, and development, training as capital formation; and introduction of new expenditure classification by Healthcare Financing Schemes (HF).

Refinements made in the process of transition from SHA 1.0 to SHA 2011 are incorporated in the NHA estimates including improved interpretations of methodology/ descriptions given in SHA 2011 Manual (Revised Edition) Published in 2017¹⁵ within the preview of Indian Health System context and NHA Guidelines for India 2016. A detailed description of all refinements in NHA 2013-14 over NHA 2004-05 can be referred to in the Reports - NHA Estimates for India (2013-14).

Refinements made in NHA estimates methodology for FY 2013-14 and FY 2014-15 are strictly adhered to derive estimates for NHA 2015-16. Refinements given in 2.5.2 are specific to reflect improvements in NHA 2015-16 over NHA 2014-15.

2.5.2 Refinements in NHA Estimates 2015-16 over NHA Estimates 2014-15

Refinements NHA estimates 2015-16 over NHA estimates 2014-15 are based on improved classification of expenditure items due to availability of better information/data including improved interpretations of methodology/ descriptions given in SHA 2011 Manual (Revised Edition) Published in 2017 in discussion with NHA experts. These and are presented below:

1. A new classification code under Healthcare Financing Schemes HF.1.2.1.4 Government Financed Health Insurance schemes have been introduced instead of HF 2.1.1.2 Government Based Voluntary Insurance. This reflects only changes in the code and title of the code. The expenditures previously included under HF 2.1.1.2 are now included under HF1.2.1.4. These include expenditure under all health insurance schemes implemented by union and State Governments in 2015-16. These are Rashtriya Swasthya Bima Yojana and other State-specific Government health insurance schemes that are enumerated under the section on health insurance expenditures of this report. These expenditures in NHA 2013-14 and 2014-15 were classified under the code HF.2.1.1.2 Government Based Voluntary Insurance. However, these expenditures were always considered part of the Total Government Expenditures for all analysis and reporting purposes. For NHA 2015-16 the expenditures of these schemes were classified as HF 1.2.1.4 considering other country experiences of classifying such similar schemes as Government Schemes

¹⁵OECD, Eurostat and World Health Organization (2017), A system of Health Accounts 2011: Revised Edition, OECD publishing, Paris.<http://dx.doi.org/10.1787/9789264270985-en>

under appropriate codes of HF.1 and discussions with experts to maintain global comparability. To reinterpret the classification, SHA 2011 definitions under Table 7.2 Main Criteria of health care financing schemes and Chart 7.2 Criteria tree for healthcare financing schemes was considered (page 163 and 164). These fit the code HF 1.2.1 as the payments for some of these schemes (like RSBY) are contributory and entitlements are based on enrolment requiring actions to be taken by the eligible persons. Contributions are non-risk related and a share of the total contributions can be made by the Government from budgetary allocations. Thus, a separate sub code HF 1.2.1.4 was created so that these are presented separately for policy purposes but are part of HF 1.2.1 code definitions.

2. Due to the above change, a new code FS.3.4 was also introduced. The contributions by eligible households paid for enrolment are considered as other social contributions FS.3.4 instead of FS.5.1 Voluntary Prepayment from individuals/ households as in NHA 2013-14 and NHA 2014-15.

2.5.3 Refinements in NHA Estimates 2017-18 over NHA Estimates 2016-17

The present NHA round includes some new additions to further refine the classification as well as to improve the estimates. The new additions are presented below.

In the present NHA, the estimates on Out-of-Pocket Expenditure are based on National Sample Survey (NSS) 75th round (2017-18) on health¹⁶. Till NHA 2016-17 the estimates were based on NSS 71st round (2014). The classification of expenditure has been done as per the NHA guideline, 2016¹⁷ although there are few new additions in the recent round in terms of health care providers. Unlike NSS 71st round the 75th round includes information on health care provided by NGOs which has been clubbed under Private Health care provider. The latest round also gives information on expenditure on immunization for the age group 0 to 5 years for the selected vaccines. To avoid underestimation in vaccination expenditure the NSS data has been supplemented with the vaccine sales data from IQVIA. Since the NSS survey also provides the source of health care providers for vaccination the same information is used in Provider classification. The vaccination expenses coming from sales data have been classified under pharmacy. The latest round also has a new category called informal health care provider which has been classified as HP.10 in the present classification. For the classification of Providers – Childbirth in the government sector, the apportioning key has been developed using the NFHS-4 unit-level data. The out-of pocket expenditure on sterilization has been estimated using the National Family Health Survey (NFHS)- 4 data. This report also used the actual sales data from IQVIA for Vitamins, Minerals, and Supplements.

To classify the CSR data the information given in the CSR portal of the Ministry of Corporate Affairs has been used. This portal provides detailed information on health functions as well as provider for money allocated under CSR.

¹⁶NSS 75th round (2017-18) on Health is a latest round dealing with the subject. NSS under Ministry of Statistics and Programme Implementation collects Primarily data through nation-wide household surveys. For detail on survey design and sampling methodology please visit <http://www.mospi.nic.in>

¹⁷National Health Account Guideline for India, 2016, National Health System Resource Centre, Ministry of Health and Family Welfare, Government of India.

2.6 Limitations

- The list of health care providers and related capital expenditures especially in the private sector is not exhaustive due to the non-availability of disaggregated data. Further, expenditures on health care by Universities/ Academic Institutions/ autonomous bodies on the welfare of students and their own employees; health expenditures through Members of Parliament Local Area Development Scheme (MPLADS); expenditures related to import/export of health services and goods are inadequately captured. NHA team is working towards capturing this information in the future by conducting primary Surveys or obtaining information from relevant Government departments/ private institutions or agencies.
- Expenditure information on dental care, long-term care, and rehabilitative care in the Government/ private sector has improved since 2013-14 but is still limited due to the inability of existing data sources to capture this information in a disaggregate manner; therefore, the estimates could be an underestimate.
- Due to the dynamic nature of the Indian health system, especially the evolving medical assistance and Government health insurance schemes, some of these do not exactly adhere to existing SHA 2011 classifications and codes for health financing schemes. The exact descriptions for the Indian context for the same have been defined in this report and NHA guidelines for India 2016. However, they have been updated wherever possible according to the SHA 2011 Manual Revised Edition, 2017.
- NHA estimates 2017-18 for Rural Local Bodies, Non-Government Institutions Serving Households (NPISH), Enterprises/ Firms are extrapolated from NHA estimates 2013-14. These were obtained through independent surveys for each of the categories in 2013-14.

Note

The main source of estimates for out-of-pocket expenditure for NHA 2017-18 is the NSS 75th round of 2017-18. The source of estimates for out-of-pocket expenditure in previous NHA estimates including the 2016-17 was the extrapolated figure from NSS 71st round of 2014. It is to be noted that reference period for 71st round was 6 months (January- June 2014) and for 75th round it was one year (July 2017- June 2018). Sample size of 71st round was 65932 households, in 75th round it was 1,13,823 households. The observed change in out-of-pocket expenditure may be attributed to several factors including changes in utilisation pattern between these two rounds¹⁸.

¹⁸NSS Report of 71st and 75th round.

Annexure A

National Health Accounts 2017-18 Matrices

Expenditure incurred by different entities in the health system is captured through two-dimensional tables that track the financial flows from financing sources to financing schemes, financing schemes to health care providers and health care functions, and from health care providers to health care functions. The NHA estimates presented in this report are derived from the following matrices. The flow of health expenditures for India in 2017-18 is quantified through two-way tables in the form of matrices that present the expenditure distribution from sources to schemes (FS X HF), schemes to providers (HF X HP), schemes to functions (HF X HC) and providers to functions (HP X HC).

- Table A.1: Current health expenditure (2017-18) by Healthcare Financing Schemes and Revenues of Healthcare Financing Schemes (HFxFS matrix)
- Table A.2: Current health expenditure (2017-18) by Providers and Healthcare Financing Schemes (HPxHF matrix)
- Table A.3: Current health expenditure (2017-18) by Healthcare Functions and Healthcare Financing Schemes (HCxHF matrix)
- Table A.4: Current health expenditure (2017-18) by Healthcare Functions and Healthcare Providers (HCxHP matrix)
- Table A.5: Current health expenditure (2017-18) by Primary, Secondary, and Tertiary healthcare Categorization (HCxHP matrix).

Table A.1: Current health expenditure (2017-18) by Financing Schemes and revenues of healthcare financing Schemes(HFxFS matrix)

Indian Rupee (INR), Crore	Financing schemes	Revenues of health care financing schemes	FS.1 Transfers from government domestic revenue (allocated to health purposes)				FS.2 Transfers distributed by government from foreign origin		FS.3 Social insurance contributions				FS.5 Voluntary prepayment			FS.6 Other domestic revenues n.e.c.				FS.7 Direct foreign transfers	All FS TOTAL
			FS.1.1.1 Internal transfers and grants - Union Government	FS.1.1.2 Internal transfers and grants - State Government	FS.1.1.3.1 Urban Local Bodies	FS.1.1.3.2 Rural Local Bodies	FS.2.1 Transfers distributed by Union Government from foreign origin	FS.2.2 Transfers distributed by State Government from foreign origin	FS.3.1 Social insurance contributions from employees	FS.3.2 Social insurance contributions from employers	FS.3.4 Other social insurance contributions	FS.5.1 Voluntary prepayment from individuals/households	FS.5.2 Voluntary prepayment from employers	FS.6.1 Other revenues from households n.e.c.	FS.6.2 Other revenues from corporations n.e.c.	FS.6.3 Other revenues from NPISH n.e.c.	All direct foreign financial transfers				
HF.1 Government health care financing schemes and compulsory contributory health care financing schemes	HF.1.1.1.1	Union government schemes (Non-Employee)	28,354	9,293			756														38,402
	HF.1.1.1.2	Union government schemes (Employee)	19,273																		19,273
	HF.1.1.2.1.1	State government schemes (Non-Employee)	4,537	59,700				294													64,530
	HF.1.1.2.1.2	State government schemes (Employee)	16	3,659																	3,676
	HF.1.1.2.2.1	Urban Local Bodies schemes	495	1,801	4,930																7,226
	HF.1.1.2.2.2	Rural Local Bodies schemes	306	5,114		35															5,455
HF.2 Voluntary health care payment schemes	HF.1.2.1	Social health insurance schemes	7,461	11,304				8	2,634	5,966	441										27,815
	HF.2.1.1.1	Employer-based insurance (Other than enterprises schemes)										13,318	4,439								17,757
	HF.2.1.1.3	Other primary coverage schemes										15,291									15,291
	HF.2.1.2.1	Community-based insurance										39									39
	HF.2.2.1	NPISH financing schemes (excluding HF.2.2.2)														242	7,936	493			8,671
	HF.2.2.2	Resident foreign agencies schemes																1,404			1,404
HF.3 Household OOP	HF.2.3.1.2	Private enterprises (except health care providers) financing schemes													15,670						15,670
	HF.2.3.1.nec	Other Enterprises (except health care providers) financing schemes														18					18
	HF.3.3	All Household out-of-pocket payment															2,76,532				2,76,532
Total		All HF	60,442	90,871	4,930	35	756	302	2,634	5,966	441	28,648	4,439	2,76,532	15,930	7,936	1,897				5,01,760

Table A.2: Current health expenditure (2017-18) by provider and source of funding (HPxHF matrix)

Indian Rupee (INR), Crores	Financing schemes	HF.1 Government schemes and compulsory contributory health care financing schemes										HF.2 Voluntary health care payment schemes										HF.3 Household OOP	
		HF.1.1.1.1 Union government schemes (Employee)	HF.1.1.1.2 Union government schemes (Non-Employee)	HF.1.1.2 State government schemes (Employee)	HF.1.1.2.1 State government schemes (Non-Employee)	HF.1.1.2.2 State government schemes (Employee)	HF.1.1.2.2.1 Urban Local Bodies schemes	HF.1.1.2.2.2 Rural Local Bodies schemes	HF.1.2.1 Social health insurance schemes	HF.1.2.1.1 Employer-based insurance (Other than enterprises schemes)	HF.1.2.1.2 Other primary coverage schemes	HF.1.2.1.3 Community-based insurance	HF.2.1.1 NPISH financing schemes (excluding HF.2.2)	HF.2.2.1 Resident foreign agencies schemes	HF.2.2.2 Private enterprises (except health care providers) financing schemes	HF.2.3.1.2 Other Enterprises (except health care providers) financing schemes	HF.2.3.1.nec All Household out-of-pocket payment					HF.3.3	All HF
HP.1 Hospitals	HP.1.1.1 General hospitals – Government	10,322	15,493	33,206	183	3,986	270		6,310	15,981	13,762	38	7	9			11,223					81,045	
	HP.1.1.2 General hospitals - Private	3		323	37				11,055				3,626		5,233		95,681					145,701	
	HP.1.2.1 Mental Health hospitals – Government	108		496																		605	
	HP.1.3.1 Specialised hospitals (Other than mental health hospitals)	544		2,847		245	1															3,637	
	HP.1.3.2 Specialised hospitals (Other than mental health hospitals) Private			60																		564	
	HP.3.1.1 Offices of general medical practitioners								327				498		7,350		13,580					22,297	
	HP.3.1.3 Offices of medical specialists (Other than mental medical specialists)														2							2	
	HP.3.3 Other health care practitioners	3,933		1,728	1		510										230					6,401	
	HP.3.4.1 Family planning centres	608		2,580	2																	3,191	
	HP.3.4.9 All Other ambulatory centres	5,796	1,072	12,469	21	492	3,692		6,971				3	1			802					31,317	
HP.4 Providers of ancillary services	HP.4.1 Providers of patient transportation and emergency rescue	1,981	2	280	5				1							2	15,796					18,068	
	HP.4.2 Medical and diagnostic laboratories	7		29									479		406		19,385					20,324	
HP.5 Retailers of medical goods and Other providers of	HP.5.1 Pharmacies				4												116,398					116,402	
	HP.5.2 Retail sellers and Other suppliers of durable medical goods and medical appliances																737					737	
HP.6 Providers of preventive care	HP.6 Providers of preventive care	10,038	15	3,858		1,843	307										1,166					21,530	
	HP.7.1 Government health administration agencies	5,043	1,875	6,621		541	677	124					2,584	1,171	549							14,881	
HP.7 Providers of health care system administration and financing	HP.7.2 Social health insurance agencies								1,751													1,751	
	HP.7.3 Private health insurance administration agencies								455	1,776	1,529	1										3,760	
HP.7.9 Other health care providers not elsewhere classified (n.e.c)	HP.7.9 Other administration agencies								822				192	223								1,238	
	HP.10 Other health care providers not elsewhere classified (n.e.c)	21	817	31	3,429	112							242		2,123		1,534					8,309	
All HP	Total	38,402	19,273	64,530	3,675	7,226	5,455	27,815		17,757	15,291	39	8,671	1,404	15,670	18	276,532					501,760	

Table A.3: Current health expenditure (2017-18) by healthcare function and source of funding (HCxHF matrix)

Indian Rupee (INR), Crores		Financing schemes		HF.1 Government schemes and compulsory contributory health care financing schemes												HF.2 Voluntary health care payment schemes										HF.3 Household OOP		Total						
Health care functions				Union government schemes (Non-Employee)		Union government schemes (Employee)		State government schemes (Non-Employee)		State government schemes (Employee)		Urban Local Bodies schemes		Rural Local Bodies schemes		Social health insurance schemes		Employer-based insurance (Other than enterprises schemes)		Other primary coverage schemes		Community-based insurance		NPISH financing schemes (excluding HF.2.2)		Resident foreign agencies schemes		Private enterprises (except health care providers) financing schemes		Other Enterprises (except health care providers) financing schemes		All Household out-of-pocket payment		All HF
				4,808	9,729	15,081	4,462	112	60	71	809	3,516	7,622	10,435	13,744	5,780	18	3,697	5	5,234	1	186	2	1	18	2,077	1	7,352	18,046	3,346	3,683	796	46,392	118,405
HC.1 Curative care	HC.1.1.1	General inpatient curative care		1,999	914	2,942	35	170																										
	HC.1.1.2	Specialised inpatient curative care		514																														
	HC.1.2.1	General day curative care		277																														
	HC.1.2.2	Specialised day curative care		5,657	5,465	23,495	71	60																										
	HC.1.3.1	General outpatient curative care		150																														
HC.2 Rehabilitative care	HC.1.3.2	Dental outpatient curative care		85	457	1,996																												
	HC.1.3.3	Specialised outpatient curative care		319																														
	HC.1.4	Home-based curative care		40																														
	HC.2.nec	Unspecified rehabilitative care (n.e.c.)																																
	HC.3	Long-term care (health)		4			6																											
HC.4 Ancillary services specified by function)	HC.4.3	Patient transportation		1,981	2	277																												
	HC.4.4	Laboratory and Imaging services		780		28																												
	HC.5.1.1	Prescribed medicines																																
	HC.5.1.2	Over-the-counter medicines																																
	HC.5.2.4	All Therapeutic appliances and Other medical goods																																
HC.5 Medical goods (non-specified by function)	HC.6.1.nec	Other and unspecified IEC programmes (n.e.c.)		1,910	7	68																												
	HC.6.2	Immunisation programmes		2,422		764																												
	HC.6.3	Early disease detection programmes		21		24																												
	HC.6.4	Healthy condition monitoring programmes		7,079	7	5,023																												
	HC.6.5.nec	Unspecified epidemiological surveillance and risk and disease control programmes (n.e.c.)		6,677	1	2,997																												
HC.7 Governance, health system and financing administration	HC.6.6	Preparing for disaster and emergency response programmes		69																														
	HC.7.1.nec	Other governance and Health system administration (n.e.c.)		3,589	1,875	6,621																												
	HC.7.2	Administration of health financing																																
	HC.9	Other health care services not elsewhere classified (n.e.c.)		21	817	31																												
	All HP	Total		38,402	19,273	64,530																												

Table A.4: Current health expenditure (2017-18) by healthcare function and healthcare provider (HCxHP matrix)

Indian Rupee (INR), Crores	Health care providers	HP.1 Hospitals																				HP.3 Providers of ambulatory health care										HP.4 Providers of ancillary services				HP.5 Retailers and Other providers of medical goods				HP.6 Providers of preventive care				HP.7 Providers of health care system administration and financing				HP.10 Other health care providers not elsewhere classified (n.e.c)	Total																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
		HP.1.1.1	HP.1.1.2	HP.1.2.1	HP.1.3.1	HP.1.3.2	HP.3.1.1	HP.3.1.2	HP.3.1.3	HP.3.3	HP.3.4.1	HP.3.4.2	HP.3.4.9	HP.4.1	HP.4.2	HP.5.1	HP.5.2	HP.6	HP.7.1	HP.7.2	HP.7.3	HP.7.9	HP.10	HP																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
Health care functions		General hospitals - Government		General hospitals - Private		Mental Health hospitals - Government		Specialised hospitals (Other than mental health hospitals) Government		Specialised hospitals (Other than mental health hospitals) Private		Offices of general medical practitioners		Offices of medical specialists (Other than mental medical specialists)		Other health care practitioners		Family planning centres		All Other ambulatory centres		Providers of patient transport and emergency rescue		Medical and diagnostic laboratories		Pharmacies		Retail sellers and Other suppliers of durable medical appliances		Providers of preventive care		Government health administration agencies		Social health insurance agencies		Private health insurance agencies		Other administration agencies		Other health care providers not elsewhere classified (n.e.c)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
		38,658	76,061	12,285	40,555	423	568	245	1,915	285	2	1,484																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									

Table A.5: Current health expenditure (2017-18) by Primary, Secondary and Tertiary healthcare Categorization (HCxHP matrix)

	Health care providers	HP.1.1.1	HP.1.1.2	HP.1.2.1	HP.1.3.1	HP.1.3.2	HP.3.1.1	HP.3.1.3	HP.3.3	HP.3.4.1	HP.3.4.9	HP.4.1	HP.4.2	HP.5.1	HP.5.2	HP.5	HP.7.1	HP.7.2	HP.7.3	HP.7.9	HP.10	All HP
		General hospitals - Government	General hospitals - Private	Mental Health hospitals - Government	Specialised hospitals (Other than mental health hospitals) - Government	Specialised hospitals (Other than mental health hospitals) - Private	Offices of general medical practitioners	Offices of medical specialists (Other than mental medical specialists)	Other health care practitioners	Family planning centres	All Other ambulatory centres	Providers of patient transport and emergency rescue	Medical and diagnostic laboratories	Pharmacies	Retail sellers and Other suppliers of durable medical appliances	Providers of preventive care	Government health administration agencies	Social health insurance agencies	Private health insurance agencies	Other administration agencies	Other health care providers not elsewhere classified (n.e.c.)	
HC.1.1.1	General inpatient curative care	38,598	76,081		1,915	283			2		1,484											1,16,405
HC.1.1.2	Specialised inpatient curative care	12,265	40,553	423	568	245																54,076
HC.1.2.1	General day curative care	784			13																	796
HC.1.2.2	Specialised day curative care	319	3,346		17																	3,663
HC.1.3.1	General outpatient curative care	18,750	12,372		935	17	16,556	1	174		27,221					977	6				1,291	76,300
HC.1.3.2	Dental outpatient curative care	3,437	201		38		461				132											4,267
HC.1.3.3	Specialised outpatient curative care	2,772	7,279	167	118	17	3,569	1	58		78										26	14,086
HC.1.4	Home-based curative care															59	260				153	472
HC.2	Rehabilitative care	114		15	34		174				1											338
HC.3	Unspecified long-term care (n.e.c.)	319	3,346		17						1											13
HC.4.3	Patient transportation											18,088										18,068
HC.4.4	Laboratory and imaging services	773											20,329									21,096
HC.5.1.1	Prescribed medicines													97,946								97,946
HC.5.1.2	Over-the-counter medicines													17,403								17,403
HC.5.2.4	All Therapeutic appliances and Other medical goods																					737
HC.6.1.nec	Other and unspecified IEC programmes (n.e.c.)	1							47		10					2,702	11					2,770
HC.6.2	Immunisation programmes	143	788				204		2,402	3					1,652	1,512						6,362
HC.6.3	Early disease detection programmes	1							4							337						342
HC.6.4	Healthy condition monitoring programmes	2,792	5,097				1,333		3,374	3,182	1,797					4,881	1,184				64	23,704
HC.6.5.nec	Unspecified epidemiological surveillance and risk and disease control programmes (n.e.c.)	206							338	6	335		1			10,979						11,865
HC.6.6	Preparing for disaster and emergency response programmes															83						83
HC.7.1.nec	Other governance and Health system administration (n.e.c.)																13,299			229		13,528
HC.7.2	Administration of health financing																122	1,751	3,760	1,009		6,642
HC.9	Other health care services not elsewhere classified (n.e.c.)																				6,775	6,775
All HC		81,045	1,45,701	605	3,637	564	22,297	2	6,401	3,191	31,317	18,088	20,324	1,16,402	737	21,530	14,881	1,751	3,760	1,238	8,309	5,01,760

Primary care	Secondary Care	Tertiary Care	Administration	Apportioned PST	Not Classified
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A.2 A2: Key Health Financing Indicators for the Select States

Table A.6: Key Health Financing Indicators for select States: NHA Estimates 2017-18¹⁹

S. No	State	Total Health Expenditure (THE)			Government Health Expenditure (GHE)							Out of Pocket Expenditure (OOPE)						Population	GSDP	GGE
		In crores	% of GSDP	Per Capita in Rs.	% of THE	% of GSDP	% of GGE	Per Capita in Rs.	In crores	In crores	% of THE	% of GSDP	% of GGE	Per Capita in Rs.						
1	Assam	8,366	2.9	2461	56.6	1.6	7.5	1392	4,733	3,002	35.9	1	4.8	883	3.4	288691	63174			
2	Andhra Pradesh	24,068	3	4628	29.8	0.9	5.3	1381	7,182	16,130	67	2	12	3102	5.2	793186	134704			
3	Bihar	16,388	3.4	1389	40	1.4	5	556	6,561	9,535	58.2	2	7.2	808	11.8	484740	131531			
4	Chhattisgarh	8,572	3	3061	49.5	1.5	6.4	1516	4,244	3,322	38.8	1.2	5	1186	2.8	284194	66231			
5	Gujarat	23,681	1.8	3534	42.5	0.8	7	1502	10,064	10,390	43.9	0.8	7.2	1551	6.7	1328068	144373			
6	Haryana	12,121	1.9	4329	33	0.6	4.6	1428	3,997	6,108	50.4	0.9	7	2181	2.8	649592	86795			
7	Jammu and Kashmir	4,042	2.9	3109	54	1.6	4.3	1679	2,183	1,731	42.8	1.3	3.4	1332	1.3	137427	51269			
8	Jharkhand	10,085	3.7	2726	29.4	1.1	4.7	801	2,963	6,853	68	2.5	10.9	1852	3.7	276243	62903			
9	Karnataka	29,465	2.2	4533	32.6	0.7	5.5	1476	9,594	10,068	34.2	0.7	5.8	1549	6.5	1357579	173149			
10	Kerala	32,424	4.6	9264	24.5	1.1	7.3	2272	7,951	22,271	68.7	3.2	20.5	6363	3.5	701577	108697			
11	Madhya Pradesh	19,619	2.7	2422	40.5	1.1	4.9	980	7,941	11,049	56.3	1.5	6.9	1364	8.1	724729	161159			
12	Maharashtra	63,350	2.6	5236	25.9	0.7	6.1	1356	16,406	31,092	49.1	1.3	11.6	2570	12.1	2411600	268413			
13	Odisha	13,771	3.2	3130	38.6	1.2	5.7	1207	5,312	7,698	55.9	1.8	8.3	1750	4.4	434769	92946			
14	Punjab	12,692	2.7	4231	25.7	0.7	5	1086	3,258	8,805	69.4	1.8	13.6	2935	3	478636	64817			
15	Rajasthan	25,888	3.1	3406	40.2	1.2	6.3	1369	10,407	12,831	49.6	1.5	7.7	1688	7.6	835170	166465			
16	Tamil Nadu	29,664	2	3955	41	0.8	6.5	1621	12,155	13,627	45.9	0.9	7.2	1817	7.5	1461841	188077			
17	Uttar Pradesh	73,171	5	3296	24.3	1.2	5.8	801	17,773	53,127	72.6	3.6	17.4	2393	22.2	1460443	305311			
18	Uttarakhand	3,259	1.5	2963	54.9	0.8	5.1	1625	1,788	1,361	41.7	0.6	3.9	1237	1.1	222836	34997			
19	West Bengal ²⁰	42,820	4.3	4460	24.4	1	6.5	1088	10,442	29,902	69.8	3	18.6	3115	9.6	999585	160445			
20	Telangana	15,789	2.1	4267	39.8	0.8	5.7	1698	6,281	7,844	49.7	1	7.2	2120	3.7	753127	109267			
21	Himachal Pradesh	4,579	3.3	6541	48.6	1.6	7.2	3177	2224	2254	49.2	1.6	7.3	3220	0.7	138351	30809			

Table A.6 presents key health financing indicators for select States for NHA estimates 2017-18. The indicators for States are important to understand the financing of health systems in the different States. This supports policymakers to identify States where funding can be augmented through alternate sources of financing or advocate for improved resource allocations for specific health schemes.

In table A.6 above, Indicators are given only for select States as the expenditure data for some expenditure components of health accounts is collected through sample surveys. The survey used in the estimates includes the 75th round Health and Morbidity Survey by the National Sample Survey Office (July 2017- June 2018) for computing out of pocket expenditures (OOPE) and the survey on Health expenditure (2013-14) by Enterprises and Not for Profit Institutions Serving Households (NPISH/NGO) by Public Health Foundation of India. Expenditures computed from these surveys are used for arriving at health accounts estimates at the National level. However, when computing health accounts estimates/ Indicators at the sub-national level especially for Union Territories, Small States, and the North-Eastern States, the values are not significant due to the small sample size adopted in the survey for these regions.

¹⁹**Gross Domestic State Product (GSDP):** GSDP at current prices is sourced from Directorate of Economics & Statistics of respective State Governments, and for All-India -- Central Statistics Office which presents estimates with base year 2011-12. **General Government Expenditure (GGE):** State wise GGE is sourced from RBI State Finances: a Study of budgets (2020); appendix II: revenue expenditure of States and union Territories with legislature and appendix IV: Capital expenditure of States and union Territories with legislature accessed on 12.03.2021

Total Health Expenditure (THE) of a state/ UT includes health expenditure by all government agencies (Union/State/Local Bodies) including quasi-governmental organizations and donors in case funds are channeled through government organizations), all household health expenditures, all expenditures by Enterprises, Not for Profit Institutions Serving Households (NPISH/NGO) and external donors.

Government Health Expenditure (GHE) of a state/ UT includes health expenditure by all government agencies (Union/State (including State Other Departments)/Local Bodies) including quasi-governmental organizations and donors in case funds are channeled through government organizations.

Out of Pocket Expenditure (OOPE) Out of Pocket Expenditures are expenditures directly made by households at the point of receiving health care.

For a particular State, **Per capita value for THE** is arrived by dividing total health expenditure by the population for respective state, **Per capita value for GHE** is arrived by dividing total government health expenditure by the population for respective state and **Per capita value for OOPE** is arrived by dividing total OOPE by the population for respective state.

All values in this table are rounded off.

²⁰For the FY 2016-17 the corresponding values for West Bengal are as follows THE is 41909 crores, THE as of GSDP is 28.9%, THE per capita is 4366. The GHE is 9547 crores, GHE as % of THE is 22.8%, GHE as % of GSDP is 1.1 %, GHE as % of GGE is 6.6 % and Per capita GHE is 994.OOPE as % of THE is 72.6 %.

Table A-7: Government Health Financing indicators for all the states and UTs with Legislature (2017-18)²¹

Sl. No.	State	GHE as % of GSDP	GHE as % of GGE	Per Capita TGHE	GHE in Rs.	Population	GSDP in Rs.	GGE in Rs.
		%	%	in Rs.	in Crores			
1	Assam	1.6	7.5	1392	4,733	3.4	288691	63174
2	Arunachal Pradesh	4.2	6.7	9450	945	0.1	22432	14089
3	Andhra Pradesh	0.9	5.3	1381	7,182	5.2	793186	134704
4	Bihar	1.4	5.0	556	6,561	11.8	484740	131531
5	Chhattisgarh	1.5	6.4	1516	4,244	2.8	284194	66231
6	Delhi	1.0	18.5	3599	6,839	1.9	686824	36997
7	Goa	1.4	7.7	4855	971	0.2	70494	12637
8	Gujarat	0.8	7.0	1502	10,064	6.7	1328068	144373
9	Haryana	0.6	4.6	1428	3,997	2.8	649592	86795
10	Himachal Pradesh	1.6	7.2	3177	2,224	0.7	138351	30809
11	Jammu and Kashmir	1.6	4.3	1679	2,183	1.3	137427	51269
12	Jharkhand	1.1	4.7	801	2,963	3.7	276243	62903
13	Karnataka	0.7	5.5	1476	9,594	6.5	1357579	173149
14	Kerala	1.1	7.3	2272	7,951	3.5	701577	108697
15	Madhya Pradesh	1.1	4.9	980	7,941	8.1	724729	161159
16	Maharashtra	0.7	6.1	1356	16,406	12.1	2411600	268413
17	Manipur	2.5	5.6	2007	602	0.3	23835	10702
18	Meghalaya	4.8	15.8	4943	1,483	0.3	30790	9406
19	Mizoram	3.6	7.6	6770	677	0.1	18737	8877
20	Nagaland	2.5	5.4	3075	615	0.2	24492	11466
21	Odisha	1.2	5.7	1207	5,312	4.4	434769	92946
22	Puducherry	1.6	8.5	5250	525	0.1	32962	6201
23	Punjab	0.7	5.0	1086	3,258	3	478636	64817
24	Rajasthan	1.2	6.3	1369	10,407	7.6	835170	166465
25	Sikkim	2.0	8.2	4660	466	0.1	23495	5659
26	Tamil Nadu	0.8	6.5	1621	12,155	7.5	1461841	188077
27	Tripura	1.8	6.6	1993	797	0.4	44219	12134
28	Uttar Pradesh	1.2	5.8	801	17,773	22.2	1460443	305311
29	Uttarakhand	0.8	5.1	1625	1,788	1.1	222836	34997
30	West Bengal	1.0	6.5	1088	10,442	9.6	999585	160445
31	Telangana	0.8	5.7	1698	6,281	3.7	753127	109267

²¹**Gross Domestic State Product (GSDP):** GSDP at current prices is sourced from Directorate of Economics & Statistics of respective State Governments, and for All-India -- Central Statistics Office which presents estimates with base year 2011-12. **General Government Expenditure (GGE):** State wise GGE is sourced from RBI State Finances: a Study of budgets (2020); appendix II: revenue expenditure of States and union Territories with legislature and appendix IV: Capital expenditure of States and union Territories with legislature accessed on 12.03.2021

For a particular State, **Per capita value for GHE** is arrived by dividing total government health expenditure by the population for respective state

Government Health Expenditure (GHE) of a state/ UT includes health expenditure by all government agencies (Union/State (including State Other Departments)/Local Bodies) including quasi-governmental organizations and donors in case funds are channeled through government organizations.

All values in this table are rounded off.

Table A-8: Government Health Financing indicators for all the UTs without legislature (2017-18)

S.No	UT ²²	Per Capita GHE ²³	GHE	Population
		in Rs.	in Rs. '000	in '000
1	Andaman & Nicobar Islands	8215	32,44,980	395
2	Chandigarh	4050	47,21,982	1166
3	Dadar & Nagar Haveli	2373	12,29,260	518
4	Daman & Diu	1509	5,83,802	387
5	Lakshadweep	9819	6,57,867	67

²² the GSDP and GGE figures for the UTs without legislature are not available.

²³ For a particular UT, **Per capita value for GHE** is arrived by dividing total government health expenditure by the population for respective UT. **Government Health Expenditure (GHE)** of a state/ UT includes health expenditure by all government agencies (Union/States (including State Other Departments)/Local Bodies) including quasi-governmental organizations and donors in case funds are channeled through government organizations.

All values in this table are rounded off.

Annexure B:

Classification as per NHA Guidelines 2016

Annexe B1: Classification of Financing Schemes (HF) for NHA India²⁴

Description	SHA Codes
Government schemes and compulsory contributory health care financing schemes	HF.1
Government schemes	HF.1.1
Union government schemes	HF.1.1.1
Union government schemes (non-Employee)	HF.1.1.1.1
Union government schemes (Employee)	HF.1.1.1.2
State/regional/local government schemes	HF.1.1.2
State government schemes	HF.1.1.2.1
State government schemes (non-Employee)	HF.1.1.2.1.1
State government schemes (Employee)	HF.1.1.2.1.2
Local government schemes	HF.1.1.2.2
Urban Local Bodies schemes	HF.1.1.2.2.1
Rural Local Bodies schemes	HF.1.1.2.2.2
Compulsory contributory health insurance schemes	HF.1.2
Social health insurance schemes	HF.1.2.1
Government Financed Health Insurance schemes	HF.1.2.1.4
Voluntary health care payment schemes	HF.2
Voluntary health insurance schemes	HF.2.1
Primary/substitute Voluntary health insurance schemes	HF.2.1.1
Employer-based insurance (Other than enterprises schemes)	HF.2.1.1.1
Other primary coverage schemes	HF.2.1.1.3
Complementary/supplementary insurance schemes	HF.2.1.2
Community-based insurance	HF.2.1.2.1
NPISH financing schemes	HF.2.2
NPISH financing schemes (excluding HF.2.2.2)	HF.2.2.1
Resident foreign government development agencies schemes	HF.2.2.2
Enterprise financing schemes	HF.2.3
Enterprises (except health care providers) financing schemes	HF.2.3.1
Public enterprises (except health care providers) financing schemes	HF.2.3.1.1
Private enterprises (except health care providers) financing schemes	HF.2.3.1.2
Household out-of-pocket payment	HF.3
All Household out-of-pocket payment	HF.3.3

²⁴Table 1 includes all those classification codes for healthcare financing schemes that are relevant in the Indian context. To refer to the entire list of classification codes for healthcare financing schemes kindly refer to page number 165 of SHA 2011 manual.

AnnexeB2: Classification of Revenues of Financing Schemes (FS) for NHA India²⁵

Description	Code
Transfers from government domestic revenue (allocated to health purposes)	FS.1
Internal transfers and grants	FS.1.1
Internal transfers and grants - Union Government	FS.1.1.1
Internal transfers and grants - State Government	FS.1.1.2
Internal transfers and grants - Local government	FS.1.1.3
Urban Local Bodies	FS.1.1.3.1
Rural Local Bodies	FS.1.1.3.2
Transfers distributed by the government from foreign origin	FS.2
Transfers distributed by Union Government from foreign origin	FS.2.1
Transfers distributed by State Government from foreign origin	FS.2.2
Social insurance contributions	FS.3
Social insurance contributions from employees	FS.3.1
Social insurance contributions from employers	FS.3.2
Voluntary prepayment	FS.5
Voluntary prepayment from individuals/households	FS.5.1
Voluntary prepayment from employers	FS.5.2
Other domestic revenues n.e.c.	FS.6
Other revenues from households n.e.c.	FS.6.1
Other revenues from corporations n.e.c.	FS.6.2
Other revenues from NPISH n.e.c.	FS.6.3
Direct foreign transfers	FS.7
Direct foreign financial transfers	FS.7.1
All direct foreign financial transfers	FS.7.1.4
Direct foreign aid in kind	FS.7.2
Direct foreign aid in goods	FS.7.2.1
All direct foreign aid in goods*	FS.7.2.1.4
Direct foreign aid in kind: services (including TA ²⁶)	FS.7.2.2

²⁵Table 2 includes only those classification codes for sources of healthcare financing schemes that are relevant in the Indian context. To refer to the entire list of classification codes for sources of healthcare financing schemes kindly refer to page number 199 of SHA 2011 manual.

²⁶TA= Technical Assistance

AnnexeB3: Classification for Healthcare provision (HP) in India²⁷

Description	Code
Description	Code
Hospitals	HP.1
General hospitals	HP.1.1
General hospitals – Government	HP.1.1.1
General hospitals – Private	HP.1.1.2
Mental Health Hospital	HP.1.2
Mental Health hospitals – Government	HP.1.2.1
Mental Health hospitals – Private	HP.1.2.2
Specialized hospitals (Other than mental health hospitals)	HP.1.3
Specialized hospitals (Other than mental health hospitals) Government	HP.1.3.1
Specialized hospitals (Other than mental health hospitals) Private	HP.1.3.2
Providers of ambulatory health care	HP.3
Medical practices	HP.3.1
Offices of general medical practitioners (Private)	HP.3.1.1
Offices of mental medical specialists (Private)	HP.3.1.2
Offices of medical specialists (Other than mental medical specialists) (Private)	HP.3.1.3
Other health care practitioners (Government)	HP.3.3
Ambulatory health care centres	HP.3.4
Family planning centres (Government)	HP.3.4.1
Ambulatory mental health and substance abuse centres (Government)	HP.3.4.2
All other ambulatory centres (Government)	HP.3.4.9
Providers of ancillary services	HP.4
Providers of patient transportation and emergency rescue	HP.4.1
Medical and diagnostic laboratories	HP.4.2
Other providers of ancillary services	HP.4.9
Retailers and Other providers of medical goods	HP.5
Pharmacies	HP.5.1
Retail sellers and other suppliers of durable medical goods and medical appliances	HP.5.2
All Other miscellaneous sellers and other suppliers of pharmaceuticals and medical goods	HP.5.9
Providers of preventive care	HP.6
Providers of health care system administration and financing	HP.7
Government health administration agencies	HP.7.1
Social health insurance agencies	HP.7.2
Private health insurance administration agencies	HP.7.3
Other administration agencies	HP.7.9
Other healthcare providers not elsewhere classified (n.e.c)	HP.10.nec

²⁷Table 3 includes all those classification codes for healthcare providers that are relevant in the Indian context. To refer to the entire list of classification codes for healthcare providers kindly refer to page number 130 of SHA 2011 manual.

AnnexeB4: Classification for functions of health care (HC) in India²⁸

Description	Code
Curative care	HC.1
Inpatient curative care	HC.1.1
General inpatient curative care	HC.1.1.1
Specialized inpatient curative care	HC.1.1.2
Day care	HC.1.2
General day care	HC.1.2.1
Specialized day-care	HC.1.2.2
Outpatient curative care	HC.1.3
General outpatient curative care	HC.1.3.1
Dental outpatient curative care	HC.1.3.2
Specialized outpatient curative care	HC.1.3.3
Unspecified outpatient curative care (n.e.c.)	HC.1.3.nec
Home-based curative care	HC.1.4
Rehabilitative care	HC.2
All rehabilitative care	HC.2.nec
Long-term care (health)	HC.3
All long-term care	HC.3.nec
Ancillary services (non-specified by function)	HC.4
Patient transportation	HC.4.3
Laboratory and Imaging services	HC.4.4
Medical goods (non-specified by function)	HC.5
Pharmaceuticals and Other medical non-durable goods	HC.5.1
All Pharmaceuticals and Other medical non-durable goods	HC.5.1.4
Therapeutic appliances and Other medical goods	HC.5.2
All Therapeutic appliances and Other medical goods	HC.5.2.4
Preventive care	HC.6
Information, education, and counselling (IEC) programs	HC.6.1
Information, education, and counselling (IEC) programs not elsewhere classified (n.e.c.)	HC.6.1.nec
Immunisation programmes	HC.6.2
Early disease detection programs	HC.6.3
Healthy condition monitoring programs	HC.6.4
Epidemiological surveillance and risk and disease control programs	HC.6.5
Epidemiological surveillance and risk and disease control programs not elsewhere classified (n.e.c.)	HC.6.5.nec
Preparing for disaster and emergency response programs	HC.6.6
Governance, and health system and financing administration	HC.7
Governance and Health system administration	HC.7.1
Governance and Health system administration not elsewhere classified (n.e.c.)	HC.7.1.nec
Administration of health financing	HC.7.2
Unspecified governance, and health system and financing administration not elsewhere classified (n.e.c.)	HC.7.nec
Other health care services not elsewhere classified (n.e.c.)	HC.9
Total Pharmaceutical expenditure	HC.RI.1
Traditional Complementary and Alternative Medicine (TCAM)	HC.RI.2

²⁸Table 4 includes all those classification codes for healthcare functions that are relevant in the Indian context. To refer to the entire list of classification codes for healthcare functions kindly refer to page number 83 of SHA 2011 manual.

Annexure C

Glossary

Ambulatory Healthcare Centers: It comprises establishments that are engaged in providing a wide range of outpatient services by a team of medical and paramedical staff, often along with support staff, that usually bring together several specialties and/or serve specific functions of primary and secondary care. E.g., PHCs, Dispensaries, etc.

Capital Expenditure: Capital expenditures include expenditure on building capital assets, renovations and expansions of buildings, purchasing of vehicles, machines, equipment, medical/ AYUSH/ paramedical education, research and development, training (except on-the-job training), major repair work, etc.

Current Health Expenditure: It is defined as the final consumption expenditure of resident units on healthcare goods and services net capital expenditures. ²⁹Current Government Health Expenditure is Government health expenditure net of capital expenditure.

Enterprises: Enterprises are defined as those who usually finance and provide healthcare services to their employees and their dependents. They do this either by reimbursing the medical bills of the employees and dependents; they directly provide healthcare services through their own clinics and hospitals; purchase group insurance on behalf of the employees through an insurance company, or just pay an annual lump-sum monetary benefit to employees as part of their salary package regarded as a medical benefit.

External Funds for Health: It includes transfers originating abroad (bilateral, multilateral, or other types of foreign funding) that are distributed through the general Government and transfers where revenues from foreign entities directly received by health financing schemes as - Direct foreign financial revenues or goods/ services earmarked for health.

Government Health Expenditure: It includes expenditures from Union Government, State Governments, Rural and Urban Local Bodies including quasi-governmental organizations and donors in case funds are channeled through Government organizations.

Government Transfers: It includes funds allocated from Government domestic revenues for health purposes. The fund is allocated through internal transfers and grants.

Gross Domestic Product: The total money value of all final goods and services produced in an economy over one year.

²⁹A System of Health Accounts 2011 Edition

General Government Hospital: It includes medical college hospitals, district hospitals, sub-district hospitals, and community health centers.

Household Health Expenditure: Household health expenditures are either direct expenditures (out-of-pocket payments) or indirect expenditures (prepayments as health insurance contributions or premiums).

Non-Profit Institutions Serving Households (NPISH): NPISH are a special type of non-profit organization. NPISH consist of non-profit institutions that provide financial assistance, goods, or services to households free or at prices that are not economically significant.

Out-of-Pocket Spending: Out-of-pocket spending (OOP) show the direct burden of medical costs that households bear at the time of availing healthcare service.

Preventive Care: It is defined as having the primary purpose of risk avoidance, of acquiring diseases or suffering injuries, which can frequently involve a direct and active interaction of the consumer with the healthcare system.

Retailers and other providers of medical goods - Pharmacies: This comprises expenditures at the establishments that are primarily engaged in the retail sale of pharmaceuticals (including both manufactured products and those prepared by on-site pharmacists) to the population for prescribed and non-prescribed medicines including vitamins and minerals. Pharmacies operate under strict jurisdiction/licenses of national pharmaceutical supervision. Illustrative examples include dispensing chemists, community pharmacies, independent pharmacies in supermarkets, pharmacies in hospitals that mainly serve outpatients, and sometimes also in patients not getting medicines as part of the package treatment component.

Total Health Expenditure (THE): Total health expenditure is the sum of current health expenditure and capital health expenditure during the same year.

Total Pharmaceuticals Expenditure (TPE): includes spending on prescription medicines during a health system contact and self-medication (often referred to as over-the-counter products) and the expenditure on pharmaceuticals as part of inpatient and outpatient care from prescribing physicians.

Traditional, Complementary, and Alternative Medicines (TCAM): TCAM has been internationally identified as policy-relevant in many countries due to its cultural importance or its high growth rate. Due to the mix of purposes and practices and financing profiles, TCAM systems, therapies, and disciplines (including the related medical goods) are a de facto sub-class of hospitals, ambulatory care services, and retailers. As defined by WHO, "Traditional medicine" is an amorphous concept that comprises a range of long-standing and still-evolving practices based on diverse beliefs and theories. These services involve medical knowledge systems, developed over centuries within various societies before or during the development of modern medicine. "Complementary and alternative" services are those that are used together with or instead of allopathic health care, but which are not yet incorporated into the established international medical system, even when at the national level they are extensively used. In the Indian context, this relates to the AYUSH system – Ayurveda Yoga Naturopathy Unani Siddha and Homeopathy, in both the private and public sector.

Annexure D

Office Memorandum for constitution of Steering Committee on NHA

F. No. Z-18041/02/2014-BP
Government of India
Department of Health and Family Welfare
(Bureau of Planning)

Room No. 502 A, Nirman Bhavan,
Dated: 08th August, 2014

(OFFICE MEMORANDUM)

Subject: Constitution of Steering Committee on National Health Accounts - Reg.

In the context of institutionalising the system of National Health Accounts (NHA), it has been decided to constitute the Steering Committee under the Chairmanship of Secretary (Health & Family Welfare) to advise on issues concerning National Health Accounts.

The Terms of Reference of the Committee are as under:

1. The Steering Committee would guide, advise and provide strategic direction in the preparation of National Health Accounts.
2. To oversee and Coordinate with the Ministries/Departments, State Governments, Research Institutions and other professional bodies, for aiding in collection, collation and validation of the National Health Accounts Estimates.
3. Any other matter related to the Estimation of the National Health Accounts.
4. The Steering Committee would be a Permanent Committee.


The composition of the committee is as follows:-

1.	Secretary Department of Health and Family Welfare, Ministry of Health and Family Welfare, Nirman Bhawan, New Delhi- 110 011.	Chairman
2.	Secretary Department of AIDS Control, Ministry of Health and Family Welfare Chanderlok Building 36, Janpath, New Delhi- 110 001.	Member
3.	Secretary Department of AYUSH, Ministry of Health and Family Welfare, IRCS Building Annexe, 1, Red Cross Road, New Delhi-110 001	Member
4.	Secretary Department of Health Research, Ministry of Health and Family Welfare V. Ramalingaswami Bhawan, Ansari Nagar, New Delhi - 110 029.	Member

5.	Director General of Health Services Ministry of Health and Family Welfare Nirman Bhawan, New Delhi- 110 011	Member
6.	Additional Secretary & Mission Director (NHM) Ministry of Health and Family Welfare Nirman Bhawan, New Delhi- 110 011	Member
7.	Additional Secretary & Financial Adviser Ministry of Health and Family Welfare Nirman Bhawan, New Delhi- 110 011	Member
8.	Additional Secretary(Health) Ministry of Health and Family Welfare Nirman Bhawan, New Delhi- 110 011	Member
9.	Additional Director General, Central Statistical Organisation Sardar Patel Bhawan, Parliament Street, New Delhi- 110 001	Member
10.	Adviser (Health) Planning Commission, Government of India Yojana Bhawan, Sansad Marg, New Delhi - 110 001	Member
11.	Director General Employees' State Insurance Corporation Comrade Inderjeet Gupta (CIG) Marg, New Delhi-110 002	Member
12.	Director General & CEO National Sample Survey Organisation, Ministry of Statistics and Programme Implementation, Sardar Patel Bhawan, Parliament Street, New Delhi- 110 001	Member
13.	Chairman Insurance Regulatory and Development Authority 3rd Floor, Parisrama Bhavan, Basheer Bagh, Hyderabad- 500 004, Andhra Pradesh	Member
14.	Economic Adviser Ministry of Health and Family Welfare Nirman Bhawan, New Delhi- 110 011	Member
15.	Joint Secretary (Fund Bank) Department of Economic Affairs, Ministry of Finance North Block, New Delhi-110 001	Member
16.	WHO Representative to India Nirman Bhawan, Maulana Azad Road New Delhi - 110 011	Member
17.	Joint Secretary/ Director General (Labour Welfare) Ministry of Labour and Employment Shram Shakti Bhawan, Rafi Marg, New Delhi-110001	Member
18.	Joint Secretary (Foreigners Division) Ministry of Home Affairs NDCC Building, New Delhi-110 001	Member

19.	Controller of Aid Accounts & Audit Department of Economic Affairs Janpath Bhawan, B Wing, 5th Floor, Janpath, New Delhi - 110 001	Member
20.	Controller General of Accounts Department of Expenditure, Ministry of Finance Lok Nayak Bhawan, New Delhi	Member
21.	Principal Secretary(Health) Government of Karnataka	Member
22.	Principal Secretary(Health) Government of Tamilnadu	Member
23.	Principal Secretary (Health) Government of Gujarat	Member
24.	Executive Director National Health Systems Resource Centre NIHFW Campus, Baba Ganganath Marg, Munirka, New Delhi - 110 067	Member Secretary

- The Chairman, if deemed necessary, may form sub-committees and co-opt official and non-official members as needed.
- The Chairman may designate work across members according to their area of expertise, so that NHA Technical Secretariat can obtain their views in the interim, if necessary.
- The members are expected to maintain confidentiality of the data, discussed in Steering Committee meetings till the final approval and dissemination of NHA estimates.
- The Expenditure on TA/DA in connection with the meetings of the Steering Committee in respect of the official members will be borne by the parent Department/Ministry to which the official belongs as per the Rules of the entitlement applicable to them. The non-official members of the Steering Committee will be entitled to TA/DA as permissible to Grade I officers of the Government of India under SR 190(a) and Appendix-2 to SR 190 and this expenditure will be borne by the Department of Health & Family Welfare.
- The Committee would be serviced by NHSRC NHA Technical Secretariat.
- This issues with the approval of the Secretary (H&FW).



(J. Rajesh Kumar)
Director (BOP)
Telefax: 011-23063688

To :

The Chairman, all Members, Member Secretary of the Steering Group

Copy for information to:

- Deputy Secretary (Administration), Dept. of H&FW
- Pay & Accounts Officer, Dept. of H&FW
- Protocol Officer, Dept. of H&FW


(J. Rajesh Kumar)
Director (BOP)

List of Members of NHA Expert Group

1	Economic Adviser Department of Health and Family Welfare	Chairperson
2	Deputy Director-General National Accounts Division, Central Statistical Office	Member
3	Deputy Director-General National Sample Survey Office (In charge of 71 st round of Socio-Economic Survey on health and education)	Member
4	Director (NAD), CSO Ministry of Statistics & Programme Implementation	Member
5	Dr. Mita Choudhary Representative of National Institute of Public Finance & Policy (NIPFP, New Delhi)	Member
6	Prof. Indrani Gupta Health Policy Research Unit, Institute of Economic Growth, New Delhi	Member
7	Representative of Health Division NITI Aayog	Member
8	Director Bureau of Planning, DoHFW	Member
9	Dr. Sakthivel Selvaraj Senior Public Health Specialist (Health Economics), PHFI, New Delhi	Member
10	Representative Institute of Health Management Research, Jaipur	Member
11	Representative Ministry of Drinking Water Supply and Sanitation, New Delhi – 110003	Member
12	Representative National Council of Applied Economic Research (NCAER) New Delhi	Member
13	Representative Foreigners Division, Ministry of Home Affairs, NDCC Building, New Delhi – 110001	Member
14	Representative WHO, New Delhi	Member
15	Representative National Health Accounts Technical Secretariat (NHATS) NHSRC	Member Secretary



Notes

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[illegible]



National Health Accounts Technical Secretariat
National Health Systems Resource Center
Ministry of Health and Family Welfare, Government of India