



Jan Swasthya Abhiyan

(Peoples' Health Movement – India)

Health for All - Now!

Health is a Basic Human Right!

Health Budget 2025-26:

Despite Tall Claims, Health Sector Faces Neglect Yet Again!

A Statement by Jan Swasthya Abhiyan (JSA)

In her budget speech, the Finance Minister emphasised “access to high-quality, affordable, and comprehensive healthcare” as a major component of *Viksit Bharat*. Although the statement rightly emphasises the role of health in overall development, the Union government’s financial allocations do not reflect a similar level of priority accorded to health.

The Union government’s attitude towards the health sector continues to be one of big statements with very few substantive financial commitments. There remains a continuity of the segmented and targeted approach to healthcare and against the comprehensive primary healthcare approach to achieve universal access to healthcare for all.

In nominal terms there is some increase in the total allocation of the Ministry of Health and AYUSH taken together compared to the previous budget. Allocation has increased from 94671 crores (2024-25 BE) to INR103851 crores (2025-26 Budget Estimate). Although this looks like a significant increase of INR 9180 crores in nominal terms, if we adjust for the effect of inflation this means an increase of 3.04% in real terms.

Moreover, in real terms, this is 4.7% less than what was actually spent in 2020-21. This means, the care that could be provided in 2020-21 cannot be ensured now, given that allocations have declined while prices have skyrocketed.

This also means that as a percent of GDP, Union government allocation to health has declined from 0.37% to 0.29% between 2020-21 Actual Expenditure and 2025-26 BE. It seems priority accorded to the health sector in the Union Budget has also declined over this period. Share of health in the total Union Government budget has declined from 2.26% to 2.05% in this period.

But if we dissect the budget a bit and try to identify which schemes and programs have received cuts and which have seen considerable increase, health sector priorities of the Union Government. Schemes which contribute to strengthening the public system and protecting the health of most vulnerable sections of the society, like the National Health Mission, Pradhan Mantri Swasthya Suraksha Yojana (PMSSY), schemes on nutrition received cuts despite doing good work during hard times.

In contrast, schemes to promote commercial interests- like the Pradhan Mantri Jan Arogya Yojana (PMJAY), the Digital Health Mission, are being rewarded with higher allocations- despite failures.

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National Health Mission continues to face neglect!

National Health Mission (NHM) is the key program through which the Union Government intervenes in improving primary and secondary care on maternal and child health, disease control programs and non-communicable diseases. Many of these services have suffered during the lockdown. However, since 2019-20, NHM allocations have been declining in real terms. This means that essential services like safe deliveries, vaccination for children, and treatment of TB provided earlier can no longer be provided with limited resources.

NHM money also goes into paying remunerations for frontline health workers like ASHAs, mostly women- who received global recognition for their stellar role during the pandemic. Cuts in the NHM budget mean a reduced budget for paying these workers, who have been demanding minimum wages for a long time. It is important to note that some of the most critical programs related to Non-communicable diseases, climate change, and human health are being delivered through NHM, and paltry allocations under these schemes are major causes of concern.

We need to expand the network of Health and Wellness Centers (HWCs) to ensure quality comprehensive primary care. HWCs are part of the NHM budget. In the context of considerable budget cuts for NHM, the plight of HWCs also remains unclear! We have also been demanding that the new name – Arogya Mandir - given to HWCs should be withdrawn.

PMJAY: The underperforming Apple of the Eye

PMJAY seems like the favourite scheme of the current government- even though it fails to deliver continuously, known to largely benefit the private sector and exclude the most marginalized, it is rewarded with higher allocations. In the 2023-24 budget INR7200 crores was allocated and only INR 6670 could be spent! Allocation has been further increased by 24% compared to previous year to INR 9406 crores! PMJAY eating up a larger share of the allocated budget remains a cause of concern while it fails to deliver.

This should be seen in conjunction with the announcement of 100% Foreign Direct Investment in health insurance, further opening the market to global health insurance companies, a clear sign of increasing privatisation of the health sector. It is also being noticed that since the announcement of inclusion of elderly under PMJAY, the premiums for health insurance products have increased significantly.

Similarly, allocation towards Ayushman Digital Health Mission has increased a whopping 61% in real terms, even though the scheme has not succeeded in getting the private sector to join and share details adequately.

Blind obsessions to promote commercial interest needs serious introspection. A large part of the Dalits, Adivasis and other marginalised sections hardly receive care from the private sector under Government Funded Insurance Schemes like PMJAY. It is common knowledge that people do not receive free care under PMJAY; they only get partial relief and, in this process, end up paying a lot from their pocket.



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Cuts in international cooperation: WHO budget being cut?

While we claim to play a major role in global politics and international health, it is quite a surprise that the Union Government has cut its allocation for international agencies like WHO, UNICEF from INR179 crores to a mere INR96 crores. At a time when the US had withdrawn support from the WHO, India should have stepped up its spending rather than cut down!

Removing Customs Duty Does not Make Drugs Affordable!

The Finance Minister announced the exemption of some lifesaving drugs from Basic Customs Duty (BCD), especially for patients suffering from cancer, rare diseases and other severe chronic diseases.

However, the reduction of customs duty makes no dent on the prices of drugs. For instance, Risdiplam, a drug to treat the rare disease Spinal Muscular Atrophy, costs INR 6 lakh (approx..) for a month or about INR 72 lakh annually. With a 15% reduction in customs duty, the price comes to about INR 61 lakh annually. Risdiplam is produced by Swiss pharma Roche, which has a patent on the drug until 2035. It still remains out of reach for most people in the country. The estimated cost-based price of the generic version of Risdiplam is as low as INR 3024.

What is required in order to make drugs affordable is to encourage generic manufacture of these drugs in the country and using TRIPS flexibilities such as compulsory license for the production of such patented drugs.

Announcement of Day Care Cancer Centres in all district hospitals is a welcome step. However, the extent to which this is implemented will have to be seen. Earlier, the announcement of health and wellness centres only led to a change in the sign boards with no real enhancement in services offered.

Allocations for Women and Child Development declines as the FM remains busy in making tall claims!

The FM announced enhancement of cost norms for nutritional support under Saksham Anganwadi and Poshan 2.0 programme. However, the allocations for this component declined by 2.7% in real terms over the last year's budget allocation. For the Ministry of Women and Child Development (MWCD), there is a decline of about 3% in real terms over last year's budget allocation. Allocations for other programmes in MWCD, such as SAMARTHYA, SAMBAL stagnate which in real terms means a decline.

Dwindling Health Research Budget!

As a proportion of total health expenditure, health research remains a meagre 3.8%, miniscule increase from 3.5%. With the COVID-19 experience just behind us, it was expected that the government would invest heavily in health research, an aspiration that remains unfulfilled.

Infrastructure Mission (PM-ABHIM)

Under the programme Ayushman Bharat Health Infrastructure Mission (PM-ABHIM), which was touted as the largest pan-India scheme for strengthening healthcare infrastructure across the country, every year the utilisation rate is below 50%.



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The scheme focuses on developing capacities of health systems and institutions across the continuum of care at all levels, primary, secondary and tertiary, to prepare health systems in responding effectively to current and future pandemics/disasters, intends to work on Bio Security Preparedness and strengthening Pandemic Research and Multi Sector and National Institutions and Platform for One Health,

Mental Health and Disability Continues to be neglected!

Given the growing mental health crisis, paltry public spending on the existing National Mental Health Programs (NMHP) remains a major concern. Furthermore, even these allotted funds remain largely underspent. The various Union Government funded mental health institutions continue to face neglect.

For instance, the National Institute of Mental Health and Neuro-Sciences, Bengaluru, has received a 4.44% cut in its budget in real terms. In the absence of adequate support for the Mental health programme on the ground, telemental health initiatives remain limited to better-off sections of society. Even after many years of its inception of NMHP, there remain huge gaps in human resources.

Though a 4 % increase is seen in the total allocation made to the Department of Empowerment of Persons with Disabilities, it falls far short of addressing the rights of people living with disability. The total allocated to the DEPwD as a percentage of the overall budget is a mere 0.025 %.

The Jan Swasthya Abhiyan (JSA) condemns the Union Budget of 2025-26 for its poor prioritisation of the health sector! JSA calls upon people of this country as well as Parliament, to oppose this neglect and demand essential, much higher allocations for public health which are required to ensure adequate healthcare for all of us.

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