

Press Note

JSA Demands Doubling of Union Health Budget

New Delhi, 28 January: As the Union Budget 2026–27 approaches, Jan Swasthya Abhiyan (JSA) notes with deep concern that the commitments made in the National Health Policy (NHP) 2017 are not being met. The NHP promised public health spending of 2.5% of GDP by 2025, but it remains alarmingly low at 1.15%. In this context, JSA is releasing a demand letter endorsed by 350 organisations and individuals, outlining urgent budget priorities to ensure better, equitable and just health and healthcare for everyone across India.

Following are the demands of the signatories of the letter:

- Union Government allocations towards health in the 2026-27 Budget should be doubled from the current 0.3% of GDP to meet in two years the goal of 1% of the GDP (roughly around 5% of Union Budget) set for 2025 by the National Health Policy – 2017. Overall public spending on health should be further increased to 3.5% of GDP by 2030.
- Allocations to NHM should be doubled, to support strengthening and expansion of health services, improvement of Health and Wellness Centres, ensuring justice to health staff including ASHAs and contractual workers.
- At least two third of the Union Health Budget should be transferred to states, given that the states bear two third of total burden of public health expenditure. There should be greater proportion of untied or flexible funding for states to enable them to plan and execute their priorities on health.
- Collection of Health Cess amount should be used to complement resources devoted to health, rather than substituting the main budgetary allocations.
- Phase out PMJAY, give primacy to strengthening and expanding publicly provided healthcare, and allocate more resources for public services.
- Allocate resources for immediately revamping Central government pharmaceutical production (IDPL, Hindustan Antibiotics) and Vaccine factories.
- The Central government should allocate higher scale of resources for Research & Development, while expanding and strengthening institutions of academic and clinical excellence, and effectively regulating prices of drugs and devices.

India cannot build a healthy, productive society on stagnant and shrinking public health budgets. The Union Budget is not just an accounting exercise—it is a statement of priorities. If the government is serious about ‘Health for All’, it must make an urgent course correction: strengthen public systems, protect vulnerable communities, halt the privatisation trajectory, and ensure that no one is pushed into debt or denied care because public services were underfunded.

Quotes:

Indranil, Co-convener, JSA National Secretariat: *“We note with deep concern that post-Covid19, Union government spending on health has continuously declined in real terms, making it impossible for the NHP 2017 goal to be realised by 2025. The policy promised 2.5% of GDP for health, but it is at just 1.15% — a stark gap. To fulfil the NHP commitment, the Union allocations for health in Budget 2026–27 should be doubled. It is the same government which made the promise, and now they should honour it.”*

Richa Chintan, Co-convener, JSA National Secretariat: *“The harshest cuts are hitting programmes that strengthen the public system— National Health Mission (NHM), Pradhan Mantri Swasthya Suraksha Yojana (PMSSY), nutrition, and research—despite their value in hard times. NHM funds have declined in real terms by 5.5% on average. Even within limited allocations, the thrust continues towards private partnerships and insurance-based models such as PMJAY. This is happening despite extensive evidence that shows limits of insurance-led healthcare models in ensuring access and equity. We need to double NHM funds, shift away from privatisation, and revive Central pharma and vaccine PSUs.”*

Ravi Duggal, Sociologist, health researcher and activist: *“The declining share of Union health resources transferred to States is extremely alarming. Union transfers to States for health have fallen from 75.9% in 2014–15 to just 43% in 2024–25 (Budget Estimates), undermining basic services. This trend reflects hyper-centralisation of finances even though health services largely fall within the States’ domain. It is important to recognise that during and after COVID, States have sustained higher spending levels despite constraints. This commitment must be supported, not undermined.*

Govts own commitment in the national health policy of 2017 was that 40% of public expenditure should be the Union government's responsibility. This translates to 1% of GDP or Rs. 350,000 crores at today's prices. That's what we expect the Union Government budget to commit.”

Jean Dreze, Development Economist and Social Activist: *India is one of the world champions of public under-spending in healthcare. For decades, public expenditure on healthcare has hovered around 1% of GDP, compared with a world average of 3% in developing countries today. The result of this accumulated under-investment is a huge deficit in public health facilities. Universal health care cannot be achieved without a serious effort to address this deficit and transform healthcare standards in the public sector.*

For more information, please contact:

Richa Chintan: richachintan2023@gmail.com | +91 99108 87838

Jyotsna Singh: Jyotsna.jnu@gmail.com | +91 99993 32811