



National Health Accounts

Estimates for India

2013-14

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



National Health Accounts Estimates for India 2013-14

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

Details related to Publication

This report provides healthcare expenditures in India based on System of Health Accounts 2011 (SHA 2011) and National Health Accounts Guidelines for India, 2016. The estimates presented here are based on currently available information. Improvements will be made as and when additional information is available.

Policy implications of healthcare expenditures estimates are not discussed in this report. This will be addressed in policy briefs that are being developed. However commentators, researchers and policy makers can draw inferences from this report within the preview of NHA methodology described here, NHA Guidelines for India 2016 and System of Health Accounts 2011 (SHA 2011).

NHSRC will also be publishing three individual reports on health expenditure estimates according to various health financing schemes – government, insurance and out of pocket. These reports provide detailed estimates and are a subset of all the financing schemes presented in the NHA 2013-14 report.

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National Health Accounts Secretariat

Mr. C. K. Mishra

Secretary, Department of Health and Family Welfare
Ministry of Health and Family Welfare
Chairperson - Steering Committee of NHA

Dr. Sanjiv Kumar

Executive Director, National Health Systems Resource Centre (NHSRC)
Member Secretary - Steering Committee of NHA

Dr. Sheela Prasad

Economic Advisor, Ministry of Health and Family Welfare
Chairperson - NHA Expert Group Committee

Dr. Charu C. Garg

Advisor, Healthcare Financing, NHSRC
Member Secretary - NHA Expert Group Committee

Mr. J. Rajesh Kumar

Director, Bureau of Planning
Ministry of Health and Family Welfare

National Health Accounts Technical Team

Dr. Charu C. Garg

Advisor, Healthcare Financing, NHSRC (Team Lead)

Dr. K. Rahul Reddy

Senior Consultant, Healthcare Financing, NHSRC

Mr. Tushar Mokashi

Consultant, Healthcare Financing, NHSRC

Ms. Jyotsna Negi

Consultant, Healthcare Financing, NHSRC

Mr. Manvirender Singh Rawat

Consultant, Healthcare Financing, NHSRC

Dr. Maneeta Jain

Fellow, Healthcare Financing, NHSRC

Mr. Amit Kumar

Research Analyst, NHA Cell, MoHFW

Ms. Poonam Arya

Research Analyst, NHA Cell, MoHFW

List of steering committee and expert group members are in annex.

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जगत प्रकाश नड़ा
Jagat Prakash Nadda



स्वास्थ्य एवं परिवार कल्याण मंत्री
भारत सरकार

Minister of Health & Family Welfare
Government of India



MESSAGE



Indian health system both in the public and private sector has witnessed tremendous growth in the last decade. Union and State Governments introduced several interventions and regulatory mechanisms to make healthcare services accessible and affordable to all segments of the population with a focus on equity and equality. This has resulted in increased government financing for health, strengthening public health services, a move to tackle non-communicable diseases and engaging with the private sector to complement public health service delivery which has contributed to substantial improvement in health indicators.

National Health Accounts (NHA) allows us to measure the impact of these interventions through a healthcare financing lens. This is an opportune time to present the National Health Accounts Estimates for FY 2013-14, which have been produced after a decade. I am also pleased that the Ministry of Health & Family Welfare has institutionalized NHA at National Health Systems Resource Centre (NHSRC). NHSRC has also produced the NHA Guidelines for India, a standard methodological tool for producing National/State level health accounts estimates in the country. To institutionalize health accounts at State level, NHSRC has started to build States' capacity. I hope that in the next couple of years every State in India will produce State Health Accounts with technical support from NHSRC.

NHA Estimates (2013-14) show Government Health Expenditure (GHE) as a share of Total Health Expenditure (THE) increased from 22.5% to 28.6%. Currently, Government spends 51% of its health expenditure on primary care. Social health insurance expenditures (including government financed health insurance and reimbursement to employees) as a share of THE increased to 6% from 4.2% during the same period. This has led to a decrease in the out of pocket expenditures (OOPE) as share of THE to 64.2% from 69.8%.

Government is committed to improving healthcare in the country and envisages universal access to good quality healthcare services without any one having to face financial hardship. Regular production of NHA Estimates will help monitor progress towards achieving health financing goals and allow evidence based policy making at National and State level.

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



(Jagat Prakash Nadda)



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

सी.के. मिश्रा
सचिव
C.K. Mishra
Secretary



For achieving goals of an equitable, efficient and effective healthcare system, the country requires answers to questions such as how much do we spend on health, on what type of services and for whom? Health Accounts is a useful tool in describing a country's health system from an expenditure perspective and to provide answers to these and similar questions. It classifies health expenditures according to consumption, provision and financing which is indispensable for planning allocation of resources to develop strategies that protect people from catastrophic health expenditures and reduce inequities in health.

In order to meet the increasing demand for such information by policy makers and researchers on a regular basis in India and globally, health accounts in India was institutionalized, designating National Health Systems Resource Centre (NHSRC) as the National Health Accounts Technical Secretariat for India (NHATS). NHATS has a mandate to arrive at regular Health Accounts Estimates for India and build capacity in producing and using the estimates for policy making in India.

I am glad that the NHATS has successfully completed this round of health accounts estimates for FY 2013-14. These estimates facilitate systematic measurable description and comparison of financial flows for health in India with other countries. These estimates are derived using System of Health Accounts 2011 framework (SHA2011) contextualized to India health system. The earlier NHA estimates published for 2001-02 and 2004-05 were based on SHA 1.0 framework. This report presents the progress between NHA estimates 2004-05 and 2013-14. The Guidelines for National Health Accounts in India have also been published for the benefit of States and anyone who would like to understand the methodologies used in arriving the estimates.

The National Health Accounts Estimates for India is an important document and developed through consultations with senior policy makers and experts from the Union and State Government and institutions in India and internationally. It is hoped that these estimates will be widely used by policy makers, administrators, researchers and commentators at the union and state level in analyzing health expenditures for effective policy making and financing of health programs.

(C. K. Mishra)



Dr. SHEELA PRASAD

Economic Adviser

Telefax : 23061730

E-mail :sheela.prasad@nic.in



भारत सरकार
रवास्थ्य एवं परिवार कल्याण मंत्रालय
निर्माण भवन, नई दिल्ली - 110108

Government of India
Ministry of Health & Family Welfare
Nirman Bhavan, New Delhi - 110108

Preface



Health expenditure estimates for India are regularly quoted in national and international arena and are a matter of important discussions. It is a pleasure to publish the NHA estimates for FY2013-14, after a long void of almost a decade.

There is no better time or an opportunity to launch these estimates as the Government of India envisions providing quality, affordable healthcare services to all its population through integrated multi-sectoral participation. I hope policy makers and researchers at union and state level will use these widely to target policy making to achieve immediate health goals and plan for the future.

I am grateful to members of the Steering Committee for providing overall guidance for institutionalization of NHA in India, members of the Expert Group for providing technical inputs, Shri J. Rajesh Kumar, Director D/o H&FW, for guiding this initiative and technical team at the National Health System Resource Centre led by Dr. Charu C. Garg for development of these estimates.

Dr. Sheela Prasad

Economic Advisor, Ministry of Health and Family Welfare
Chairperson - NHA Expert Group Committee

Healthy Village, Healthy Nation



एड्स - जानकारी ही बचाव है
Talking about AIDS is taking care of each other

MESSAGE

National Health Accounts (NHA) provide financing information on health system which is very important for evidenced based policy making. NHA has been used internationally for comparing health financing estimates and guiding health policies across countries.

National Health Accounts estimates for 2013-14 have been produced after 10 years in India. They provide important insight into how government policies have an impact on healthcare financing indicators such as out of pocket spending. It is important that NHA estimates are produced in an institutionalised way to provide evidence for continuous monitoring.

While this report provides overall estimates for health financing by sources of financing, by schemes that manage the funds, by providers of healthcare and by types of care, policy interpretations of the data will follow including estimation of expenditures by diseases, age and gender in the coming year.

In the context of sustainable development goals, healthcare needs to be more broadly defined. In future, it is hoped that National Health Accounts capture the expenditure estimates of social determinants of health which have direct impact on health of the households and address equity in health.

My sincere thanks to the Ministry of Health and Family Welfare for assigning the task of establishing NHA technical secretariat at NHSRC. This will help provide continuity and bring out updates of estimates at a regular interval by building capacity at NHSRC and support SHSRCs and states to bring out State Health Accounts estimates.

Dr. Sanjiv Kumar
Executive Director, NHSRC
Member Secretary,
Steering Committee of NHA, MoHFW

Acknowledgement

National Health Accounts estimates is the outcome of the efforts made by the National Health Accounts Technical Secretariat (NHATS) under the guidance of Steering Committee on NHA, the NHA Expert Group (list of members is attached) in consultation with several Government Ministries/Departments, organisations and experts. The report was completed and approved under the chairmanship of Shri. B.P. Sharma, Former Secretary, Department of Health and Family Welfare. I would like to extend my appreciation to each and every stakeholder for their continued support.

My sincere thanks to Dr. Sanjiv Kumar, Dr. Sheela Prasad and Mr. J. Rajesh for providing constant encouragement and support for arriving at these estimates. These estimates could not have been completed without persistent hardwork by healthcare financing team at NHSRC comprising Dr. Rahul Reddy, Mr. Tushar Mokashi, Ms. Jyotsna Negi, Mr. Manvirender S. Rawat, and Ms. Maneeta Jain; support by short term/external consultants Dr. Roopali Goyanka, Dr. Pratheeba J, Dr. Vivek Panwar, Ms. Dakshu Jindal, Dr. Keerthi Addala; and data entry by Mr. Amit Kumar and Ms. Poonam Arya at NHA Cell, MoHFW. I am grateful to my colleagues at NHSRC, especially to HMIS team and Dr. Sandhya Ahuja for providing invaluable inputs at different stages of the development of these estimates.

I acknowledge the support from Dr. Sakthivel Selvaraj, Dr. Indranil Mukhopadhyay, Dr. Sandeep Sharma, Dr. Nimai Das, Dr. Pritam Datta, Dr. Rajeev Kumar, Dr. Amit Sahoo and Dr. Montu Bose at Public Health Foundation of India and Dr. A. K. Nanda Kumar and Neeta Rao (USAID) for facilitating the estimates especially on urban local bodies, enterprises and non-profit institutions. Thanks to Dr. H. K. Amar Nath, NIPFP for estimates on rural local bodies and Dr. Shankar Prinja (PGI, Chandigarh) for providing costing estimates that were used for arriving at allocation formula. Support from team at IIB/IRDA and ESIC is gratefully acknowledged for the insurance data.

I appreciate the support rendered by all our subgroup members and those that attended several meetings specially Dr. Bandana Sen (NSSO, MOSPI), Ms. Kanchana Ghosh & Mr. SIS Naqvi (NAS, MOSPI), Dr. Anup Karan (PHFI), Dr. Indrani Gupta (IEG), Dr. Mita Chowdhury (NIPFP), and Dr. Priyanka Saksena (WHO). Secretarial Assistance by Ms. Preeti Atwal is gratefully acknowledged.

Dr. Charu C Garg
Advisor, Healthcare Financing, NHSRC
Member Secretary - NHA Expert Group Committee

List of Abbreviations

ANC	Auxiliary Nurse Midwife
AYUSH	Ayurveda Yoga and Naturopathy Unani Siddha and Homeopathy
CAAA	Controller of Aid Accounts and Audit
CES	Consumer Expenditure Survey
CGA	Controller General of Accounts
CGHS	Central Government Health Scheme
CHE	Current Health Expenditure
CHSS	Contributory Health Service Scheme
CRS	Creditor Reporting System
CSO	Central Statistics Office
CSO-NAD	Central Statistics Office-National Accounts Division
DAC	Development Assistance Committee
ECHS	Ex-Servicemen Contributory Health Scheme
ESIC	Employee State Insurance Corporation
ESIS	Employee State Insurance Scheme
FCRA	Foreign Contributory Regulation Act
FP	Factor of Provision
FS	Financing Schemes
GoI	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 Survey
IEC	Information Education and Communication
IEG	Institute of Economic Growth
IIB	Insurance Information of Bureau
IMS	Intercontinental Marketing Services
IRDAI	Insurance Regulatory and Development Authority of India
MoHFW	Ministry of Health and Family Welfare
MoSPI	Ministry of Statistics and Programme Implementation
NFHS	National Family Health Survey
NGO	Non Governmental Organization

NHA	National Health Accounts
NHATS	National Health Accounts Technical Secretariat
NHSRC	National Health Systems Resource Center
NHM	National Health Mission
NPISH	Non-Profit Institutions Serving Households
NSSO	National Sample Survey Office
OECD	Organisation for Economic Co-operation and Development
PHFI	Public Health Foundation of India
PNC	Post-Natal Care
PPP	Public Private Partnership
PST	Primary, Secondary and Tertiary
RELHS	Retired Employee Liberalized Health Scheme
RGJAY	Rajiv Gandhi Jeevandhayee Yojana
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 Center
TNMSC	Tamil Nadu Medical Service Corporation
ULB	Urban Local Body
VHNSC	Village Health Nutrition and Sanitation Committee

Executive Summary

The report presents National Health Accounts (NHA) estimates, for fiscal year 2013-14 based on the “Systems of Health Accounts (SHA 2011)” framework and “National Health Accounts Guidelines for India, 2016”.

NHA tracks the flow of funds from Union, State and local governments, external donors, non-profit institutions serving households, social health insurance and households (including voluntary prepayments). These funds are further tracked based on the healthcare financing schemes, revenues of healthcare financing schemes, healthcare providers and functions.

The Total Health Expenditure (THE) comprises of capital and CHE in both public and private sectors providing healthcare in India. The THE in India in the FY 2013-14 is estimated at Rs 4,53,106 crore, this equates to 4.02% of the country's Gross Domestic Product (GDP) and Rs 3,638 per capita. The current health expenditure is estimated at Rs 4,21,194 crores (93% of THE) and the capital expenditure¹ is estimated at Rs 31,912 crores (7% of THE).

The estimated total government health expenditure in FY 2013-14 is Rs 1,29,778 crores. This equates to 1.15% of GDP, 3.8% of General Government Expenditure, 28.6% of THE and Rs 1,042 per capita. The Union Government share of the total government health expenditure (including health insurance schemes through Union government) is Rs 44,564 crores, which equates to 0.4% of GDP, 34% of the total government health expenditure and Rs 358 per capita. The share of the total government health expenditure of States/UT's and local Governments (combined together) and health insurance schemes through state government is estimated at Rs 85,215 crores, which equates 0.75% of GDP, 66% of total government health expenditure and Rs 684 per capita.

The current government health expenditure is estimated at Rs 97,866 crores (0.9% of GDP, i.e. Rs 786 per capita) of which, the current expenditure through Union Government schemes is estimated at Rs 27,764 crores (6.6% of CHE and Rs 223 per capita); State Governments/ UTs schemes is estimated at Rs 46,138 crores (11% of CHE and Rs 371 per capita); Urban Local Bodies (ULBs) schemes is estimated at Rs 3,933 crores (0.9% of CHE) and Rural Local Bodies (RLBs) schemes is estimated at Rs 3,136 crores (0.7% of CHE).

The current health insurance expenditures in India (government and private) are estimated at Rs 32,308 crores (7.6% of CHE). The current expenditure on Government insurance schemes which include social health insurance schemes (eg. CGHS, ESIS, ECHS) and government financed health insurance schemes (eg. RSBY, RGJAY) amounts to Rs 16,896 crores (4% of CHE). Expenditure through private voluntary healthcare payment schemes is estimated at Rs 15,413 crores which is 3.7% of CHE. The government insurance expenditures are Rs. 27,101 crores, which is 6.4 % of CHE and 6% of THE, if reimbursements to union and state government employee schemes (Rs 9,743 crore) is added to Rs 16,896 under the social insurance and voluntary government financed health insurance schemes.

¹ Capital expenditure includes expenditure on construction of buildings and infrastructure, research and development, education and training in medical/ paramedical/ allied sciences, etc.)

The current expenditure by households (including prepayments for insurance premiums) is estimated at Rs 3,06,938 crores (2.7% of GDP, 67.7% of THE and 72.9% of CHE), of which the out of pocket spending on health is estimated at Rs 2,90,932 crores (2.6% of GDP, 64.2% of THE and 69.1% of CHE) and Rs 2,336 per capita.

The domestic general government funds (i.e. revenues for financing government schemes) for health (exclusive of foreign funds routed through government) are estimated at Rs 89,055 crores (21.1% of CHE i.e. Rs 715 per capita), of which Union Government funds are estimated to be Rs 32,897 crores (7.8% of CHE i.e. Rs 264 per capita), State Government funds are estimated to be Rs 53,577 crores (12.7% of CHE i.e. Rs 430 per capita) and that of ULBs and RLBs is estimated to be Rs 2,556 crores (0.6% of CHE) and Rs 24 crores (0.01% of CHE) respectively. The external funds for health are estimated to be Rs 1,138 crores (0.25% of THE and 0.27% of CHE).

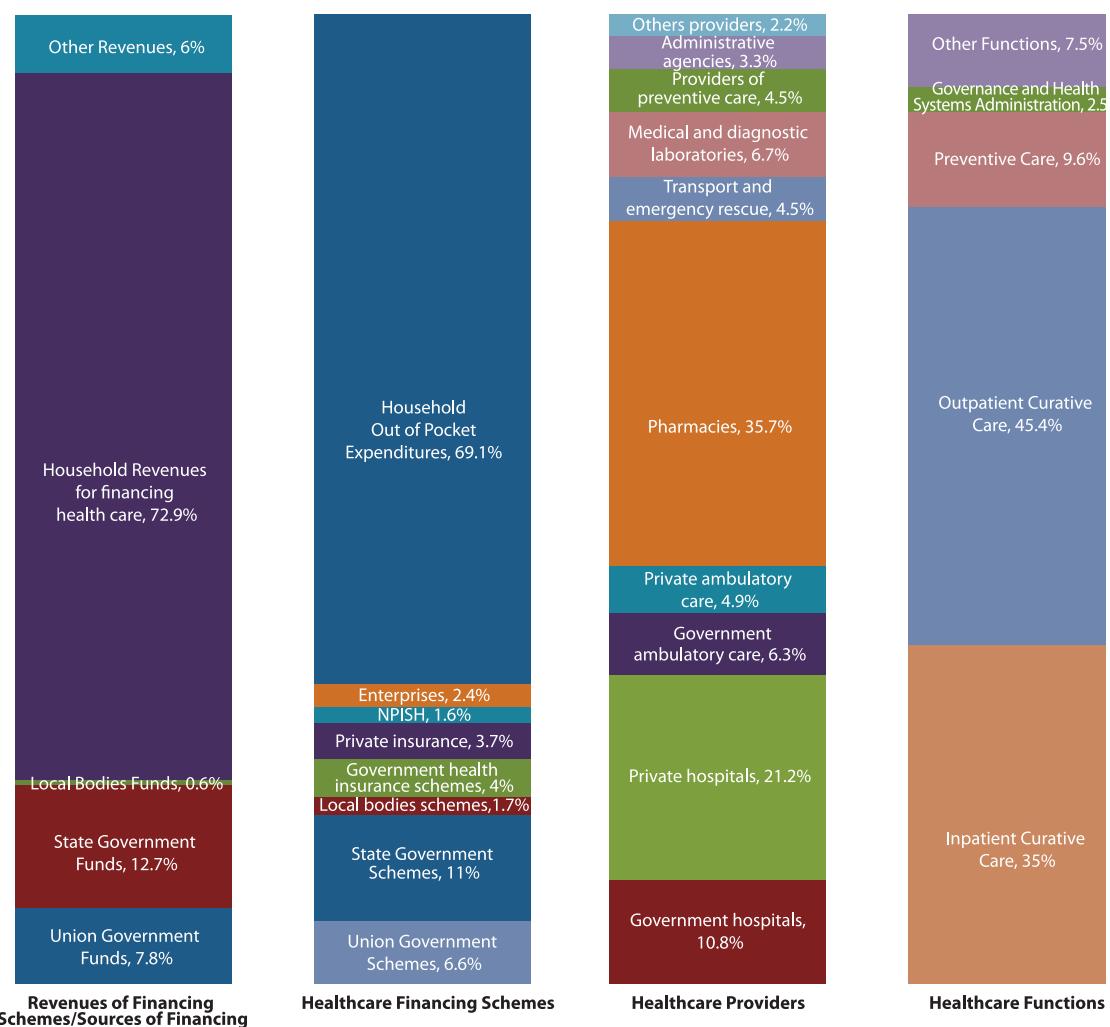
The disaggregated current expenditure by providers show that the estimated expenditures on hospitals is Rs 1,34,888 crores (32% of CHE i.e. Rs 1,083 per capita), of which Rs 45,545 crores (10.8% of CHE) is estimated expenditure on government hospitals and Rs 89,343 crores (21.2% of CHE) on private hospitals in FY 2013-14. The current expenditure on ambulatory healthcare centres is estimated at Rs 47,043 crores (11.2% of CHE), of which Rs 26,472 crores (6.3% of CHE) is the estimated expenditure on government ambulatory health centres (including ESIS, CGHS dispensaries and ECHS polyclinics) and Rs 20,572 crores (4.9% of CHE) is on private ambulatory centres. The estimated expenditure on pharmacies as retail sellers is Rs 15,0327 crores (35.7% of CHE), transport and emergency rescue is Rs 19,149 crores (4.5% of CHE), medical and diagnostic laboratories is Rs 28,035 crores (6.7% of CHE). The expenditure by providers of preventive care is Rs 18,846 crores (4.5% of CHE) and that incurred by administrative agencies is Rs 13,774 crore (3.3% of CHE).

The current expenditure on curative care is estimated at Rs 3,38,477 crores (80.4% of CHE i.e. Rs 2,708 per capita), of which Rs 1,47,253 crores (35% of CHE) is the estimated expenditure on inpatient curative care and Rs 1,91,214 crores (45.4% of CHE) is on outpatient curative care². The current expenditure on preventive care is estimated at Rs 40,627 crores (9.6% of CHE i.e. Rs 326 per capita). The current expenditure on governance, and health system and financing administration is estimated at Rs 10,682 crores (2.5% of CHE).

The total pharmaceutical expenditure in FY 2013-14 is estimated at Rs 1,66,632 crores (39.6% of CHE i.e. Rs 1,338 per capita), of which government expenditure on pharmaceuticals is estimated at Rs 13,428 crores (3.2% of CHE, 15% of the current government health expenditure and Rs 108 per capita). The total expenditure on AYUSH (Ayurveda Yoga Unani Siddha and Homeopathy)/ Traditional Complementary and Alternative Medicine (TCAM) in India is estimated at Rs 47,615 crores (11.3% of CHE i.e. Rs 382 per capita), of which government expenditure on AYUSH is estimated at Rs 2,542 crores (0.6% of CHE, 2.8% of the current government health expenditure and Rs 20 per capita).

² Expenditure on drugs and diagnostics as part of inpatient or outpatient visit are included here.

Distribution of Current Health Expenditure by Sources of Financing, Healthcare Financing Schemes, Healthcare Providers and Healthcare Functions



Note:

1. *Other Revenues include transfers distributed by union and state governments from foreign origin; Social insurance contributions from employers; Voluntary prepayment from employers; revenues from corporations; revenues from non- profit institutions serving households (NPISH); All direct foreign financial transfers.*
2. *Government health insurance schemes include- social insurance schemes like ESIC, CGHS and also government sponsored voluntary insurance schemes like RSBY, RGJAY etc.*
3. *Private ambulatory health centres include offices of general medical practitioners; Offices of medical specialists.*
4. *Government ambulatory centres include sub centres, ESIS and CGHS dispensaries, ECHS polyclinics, Primary Health Centres (PHC); Family planning centres; etc.*
5. *Administrative agencies include Government health administration agencies; Social health insurance agencies (admin); Private health insurance administration agencies; Other administration agencies.*
6. *Other Providers include Retail sellers and suppliers of durable medical goods and medical appliances;other health care providers not elsewhere classified.*
7. *Other Functions include Home-based curative care ; All rehabilitative care; All long-term care; Patient transportation; Laboratory and Imaging services; All Pharmaceuticals and Other medical non-durable goods not classified under inpatient and outpatient care; All Therapeutic appliances and Other medical goods; Other health care services not elsewhere classified.*
8. *Local bodies include urban local bodies and rural local bodies.*

National Health Accounts

Technical Secretariat

Institutionalizing the system of Health Accounts for India was envisaged in National Health Policy, 2002, through establishment of the NHA cell in the Ministry of Health and Family Welfare, Government of India (GoI). The NHA cell was set up and two rounds of NHA estimations were conducted. The last NHA estimates for India were for financial year 2004-05 and published in 2009.

Ministry of Health and Family Welfare, Government of India in August 2014 designated National Health Systems Resource Centre (NHSRC) as the National Health Accounts Technical Secretariat (NHATS) with a mandate to institutionalize Health Accounts in India. The NHATS established a roadmap with specific tasks:

- Establish a Steering Committee (represented by high level Officials of the Central and State Ministries/ Departments related to Health Expenditures) and an Expert Group (Healthcare Financing and NHA experts) to steer the process of institutionalizing NHA and generate periodic reports.
- Establish a National Health Accounts Framework adapted to the Indian Context mandating a specific classification system for health expenditures in India, comparable to the standardized global NHA framework
- Establish a country specific technical team that represents all aspects of the health sector to collect data from primary and secondary sources, data validation, analysis, and tabulation using standardized format of NHA tables.
- Establish processes that track all health sector expenditures at three levels: Revenues for Financing Schemes, Financing Agents, and Providers/Uses – for both public and private sector in India including the external donors and money channelled through non-governmental organizations or philanthropic organizations towards healthcare.
- Train individuals and institutions in the National Health Accounts Framework and Methodology with an objective to build capacity at the state and central for generating NHA in India and also state level health accounts.
- Develop a strong network of institutions and organizations at state level; across the country, for periodic conduct of NHA and update health expenditure data at state and national level.
- Disseminate the Framework for NHA in India, periodic addendums to methodology, reports on healthcare expenditures in India and health financing policy related issues.
- The framework for NHA in India has been developed and National Health Accounts Guidelines for India have been published.

1. Introduction

National Health Accounts (NHA) estimates provide expenditures incurred for consumption of healthcare services and goods in a country in a year. It provides the flow of funds on sources of these finances, financing schemes through which money is channelled, providers that provide the goods and services, and functional categories under which the consumption of these healthcare goods and services take place. They provide a systematic description of the financial flows according to the three axes of consumption, provision and financing. All healthcare expenditures are included regardless of how or by whom the service or good is funded or purchased, or how and by whom it has been provided. This gives a comprehensive understanding of financing for health due to pluralistic nature of health system, and the multi-sectoral contribution to health status.

NHA estimates are arrived using NHA guidelines for India, which were developed, based on System of Health Accounts 2011 (SHA 2011) framework and classification codes adapted according to country health system context.³ SHA 2011⁴ framework is a global standard for systematic description and reporting of financial flows related to healthcare comparable across countries. SHA 2011 provides standard classification and codes for health financing schemes (HF), revenues of health financing schemes (FS), healthcare providers (HP), and healthcare functions (HC). The India guideline was prepared after several expert consultations and adhering to basic principles from the SHA 2011 manual itself and the NHA for India report 2004-05. It is recommended that the NHA guideline for India be used to arrive at NHA estimates in future both at national and State levels in order to develop reliable, timely data that is comparable over time and for comparisons across countries and states in India and predict growth in health expenditures by different components.

Health Accounts Production Tool (HAPT)⁵ is a standardized tool that helps in arriving at NHA estimates with well-defined procedure and methodology for structuring data; consolidating data from various sources check for double counting and errors in classification codes. The output is in the form of 2x2 matrix for each of the classifications through which flow of funds is understood within the health system.

3 "National Health Accounts Guidelines for India", NHATS - National Health Systems Resource Centre, MoHFW, Government of India; May 2016.

4 OECD, Eurostat, WHO (2011), A System of Health Accounts, OECD Publishing. doi: 10.1787/9789264116016-en

5 HAPT is a globally accepted tool that helps in creating National Health Accounts (NHA) with well-defined procedure and methodology that helps in structuring the data and providing relevant output. <http://www.who.int/health-accounts/tools/HAPT/en/>

2. Boundaries for NHA India Estimates

National Health Accounts uses final consumption expenditures made during a year. For generating the estimates for NHA 2013-14 for India, actual health expenditures made during the Financial Year i.e. 1st April 2013 to March 31st 2014 has been taken into account. Cash accounting that is “actual expenditures” are used to arrive at government estimates for India. According to SHA 2011, NHA estimates for India are reported separately for current expenditures and capital expenditure. Use of indicator “Total Health Expenditure (THE) with respect to how it was used in SHA 1.0 is discouraged” in SHA 2011, but is calculated for India NHA to make the estimates comparable to India NHA 2004-05.

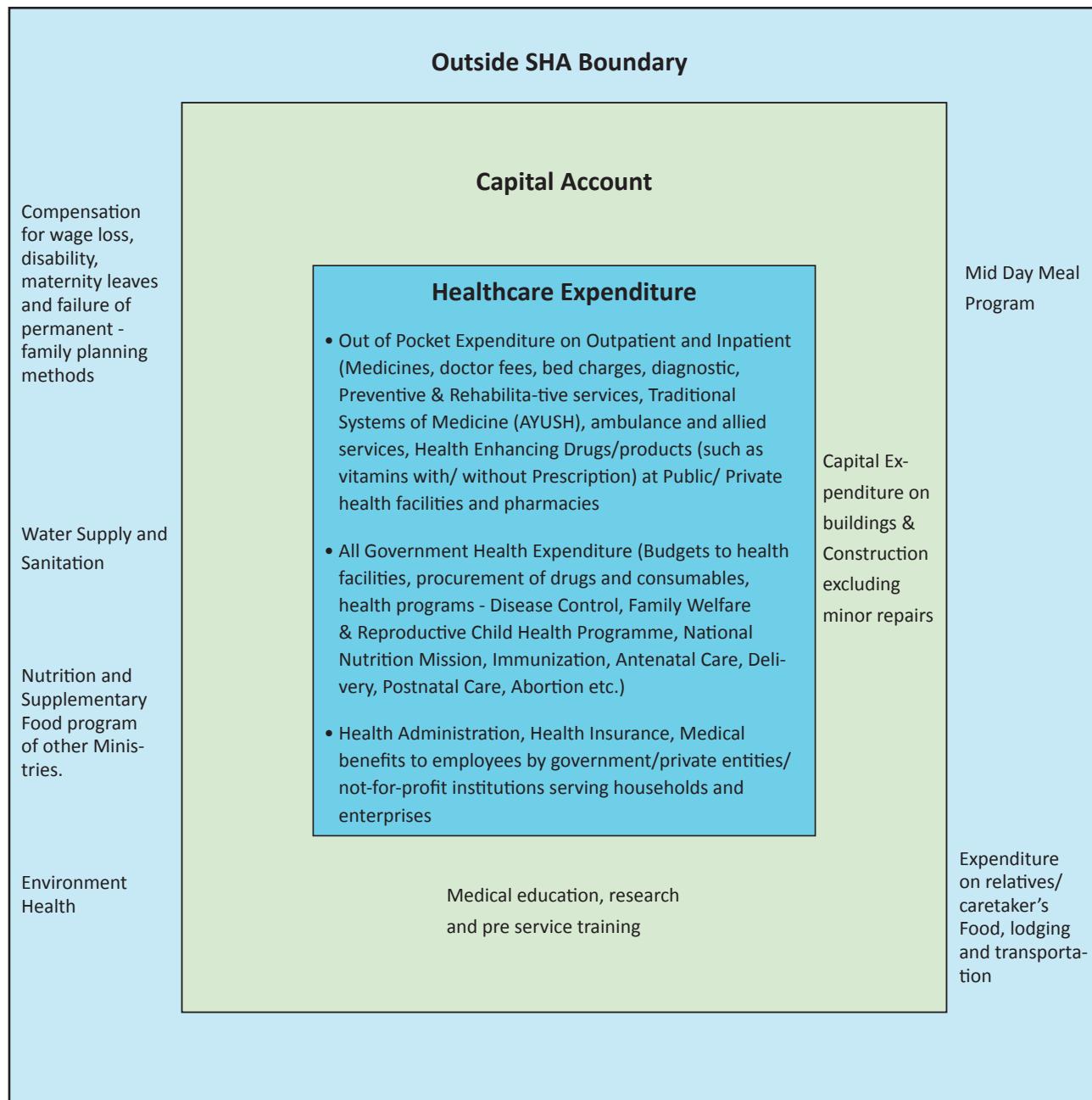
Boundaries of healthcare according to SHA 2011 are focused on functional classification of healthcare, ICHA-HC that determine if the primary objective of the activity is to improve, maintain or prevent the deterioration of the health status of individuals, groups of the population or the population as a whole, as well as to mitigate the consequences of ill health; including the function of governance and administration of health system and its financing. Qualified medical or healthcare knowledge and skills (according to licensing standards /regulatory specifications of the country) are required to carry out this function, including traditional, complementary and alternative medicine - TCAM - or it can be executed under the supervision of those with such knowledge. The consumption is for the final use of healthcare goods and services of residents. According to this, the framework includes expenditures on the following activity groups:

- Health promotion and prevention, diagnosis, treatment, cure and rehabilitation of illness, care for persons affected by chronic illness, persons with health-related impairment and disability, palliative care, providing community health programs.
- Governance and administration of the health system
- Medicines/ancillary services that are purchased/availed independently without prescription from health professional in the case of self-prescriptions/self-diagnosis such as over the counter medicines are also included as health expenditures.

Health-related activities that aid but do not belong to healthcare functions e.g. provision of long-term social care, enhancing integration of disabled persons, control of food hygiene, drinking water, environmental protection, sanitation and other multi-sector promotion of healthy lifestyles which are not in strict relation to preventive health programs are excluded from the boundary for healthcare expenditures. Also the expenditures for the following activity groups are excluded:

- Compensation/ benefits for wage loss, for 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 compliment but directly do not impact health.
- Other miscellaneous expenditures incurred by the relatives or friends of the patient like transport cost, food expenditures, lodging charges, of wage/labor.
- Interest paid on revenues, dividends, reserves of the insurer (after claims are paid including administrative overheads) are not accounted.

Figure 1: Description of the Health Expenditure Boundaries for India



Note: Description of the Health Expenditure Boundaries for India based on SHA 2011 Framework and also given in National Health Accounts Guidelines for India.

3. Data Sources for NHA India Estimates

National Health Accounts capture detailed data on health expenditures in public and private sectors, the sources of data used for compiling the estimates are:

3.1 Public Expenditures including External Funds

- Annual financial statements and demand for grants of all departments of the Union and State Governments and urban local bodies for the financial year 2015-16 were used. The data on health expenditures by Union Ministry of Health and Family Welfare (MoHFW), Department of Health and Family Welfare (all states), other Union Ministries and other State Departments including medical reimbursements to State Government employees were captured. The data were obtained in electronic format from National Health Accounts Cell, MoHFW; and in pdf formats from the websites of “Department of Finance” of respective states.
- The data on Financial Monitoring Report (FMR) of National Health Mission with component-wise utilization against the budget allocated in the given financial year were obtained directly from the Financial Management Group (FMG), MoHFW.
- Data on expenditures of various ministries and departments, especially for reimbursements of medical expenses of employees and contributions made towards social health insurance was procured from Controller General of Accounts (CGA), Department of Expenditure, Ministry of Finance.
- Expenditures were extracted from the annual report of Controller of Aid Accounts and Audit (CAAA) and Foreign Contribution Regulation Act (FCRA); Creditor Reporting System (CRS) and Development Assistance Committee (DAC) Database (for total volume of flows from different donor countries and institutions to the recipient country and project or activity level data).
- Fourteenth Finance Commission data on expenditures of the rural local bodies.
- Detailed survey was conducted to capture expenditures from a sample of urban local bodies (ULB). ULB own sources of revenues are estimated using allocations from the finance commission report.

3.2. Private Expenditures including Health Insurance

- National Health and Morbidity Survey (HS - 71st round for 2014) and Consumer Expenditure Survey (CES - 68th round for 2011-12) conducted by the National Sample Survey Office (NSSO) was primarily used for deriving data for out of pocket expenditures. Intercontinental Marketing Services (IMS) health data and National Family Health Survey (NFHS) was used for deriving estimates for other health expenditures like immunization, vitamins and minerals, family planning etc.
- Expenditures on insurance were captured from the annual report of the Insurance regulatory and Development Authority of India (IRDAI), annual report and further disaggregated information through standard template from Insurance Information Bureau (IIB), annual reports of the government departments or the social health insurance agencies such as ESIC and CGHS; annual reports of the government voluntary insurance schemes and non-government organizations implementing the Community Based Health Insurance (CBHI) insurance schemes.

- Detailed survey was conducted to capture expenditures from a sample of not for profit institutions servicing households (NGOs), and Enterprises (Firms). The details of the surveys are available in "National Health Accounts Guidelines for India, 2016".

3.3 Other Sources

- Gross Domestic Product of India is obtained from the Advance Estimates of National Income and Expenditures of GDP at current prices, 2015-16 published by CSO.
- Population projections are from Population Census of India, 2011.
- To obtain relevant information for classification and deriving allocation keys, websites of respective ministries, departments, and insurance schemes are used. Utilization of healthcare services data was obtained from Health Information Management System (HMIS), Ministry of Health and Family Welfare, Government of India. For allocating some budget line items especially those clubbed as hospitals and dispensaries by providers, drawing and disbursing officer's data from a few states was used. Data in utilization from HMIS and costs from providers were used for allocation of expenditures by providers and funders. Medical stores depot data was used to allocate by providers according to the passbook data from a few states.

4. Classification Codes for NHA India

Classification codes for Health Financing Schemes (HF), Revenues of Health Financing Schemes (FS), Healthcare Providers (HP), Healthcare Functions (HC) categorize healthcare expenditures describing how financial resources are generated, allocated and used in health systems. Classifications codes for the Indian context shown in **Tables 1, 2, 3, and 4** have been developed to represent the country health systems. The detailed definitions and explanations covered under each of the codes are given in "NHA Guidelines for India, 2016".

4.1 Classification of Financing Schemes

Healthcare financing schemes are the structural components of the healthcare financing systems. They are the main types of financing arrangements through which the people obtain health services. For example government schemes, social insurance, voluntary insurance and direct out of pocket payments to buy healthcare services. **Table 1** presents the classification and respective codes for financing schemes (HF) in India. While we briefly describe what is included under each scheme in the estimates section, the relevant details are provided in the "National Health Accounts Guidelines for India", 2016.

Table 1: Classification of Financing Schemes (HF) for NHA India

Description	SHA Codes
Government schemes and compulsory contributory healthcare 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
Voluntary healthcare payment schemes	HF.2
Voluntary health insurance schemes	HF.2.1
Primary/substitutory voluntary health insurance schemes	HF.2.1.1
Employer-based insurance (other than enterprises schemes)	HF.2.1.1.1
Government-based voluntary insurance	HF.2.1.1.2

Table cont.

Description	SHA Codes
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 healthcare providers) financing schemes	HF.2.3.1
Public enterprises (except healthcare providers) financing schemes	HF.2.3.1.1
Private enterprises (except healthcare providers) financing schemes	HF.2.3.1.2
Household out-of-pocket payment	HF.3
All Household out-of-pocket payment	HF.3.3

4.2 Classification of Revenues of Healthcare Financing Schemes (FS) in India

Health accounts provide information both about the contribution mechanisms the particular financing schemes use to raise their revenues, and the institutional units of the economy from which the revenues are directly generated. Revenues of healthcare financing schemes describe this mix of revenue sources for each financing scheme, for example, government budgets, household's contributions to social security or direct payments for health services are used as source to fund the schemes.

Table 2 presents the classification and respective codes for revenues of financing schemes (FS) for India.⁶ Brief description of each classification is given in Chapter 5.

Table 2: Classification of Revenues of Financing Schemes (FS) for NHA India

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 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	FS.6
Revenues from households	FS.6.1

Table cont.

⁶ Table 2 includes only those classification codes for sources of healthcare financing schemes that are relevant in the Indian context.

Description	Code
Revenues from corporations	FS.6.2
Revenues from NPISH	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)	FS.7.2.2

4.3 Classification of Healthcare Providers (HP) in India

Healthcare providers are the organizations and actors that provide healthcare as their primary activity or one activity among other activities. The main objective of the healthcare provider classification is to capture all the organizations and actors involved in the provision of healthcare goods and services and enabling linkage between healthcare functions (HC) and healthcare financing (HF). **Table 3** presents the classification and respective codes for healthcare providers for India. Brief description of each classification is given in Chapter 5.

Table 3: Classification of Healthcare Providers (HP) in India

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
Specialised hospitals (Other than mental health hospitals)	HP.1.3
Specialised hospitals (Other than mental health hospitals) – Government	HP.1.3.1
Specialised hospitals (Other than mental health hospitals) – Private	HP.1.3.2
Providers of ambulatory healthcare	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 healthcare practitioners – Government	HP.3.3
Ambulatory healthcare 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

Table cont.

Description	Code
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 healthcare 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
Rest of the economy	HP.8
Households as providers of home healthcare	HP.8.1
All other industries as secondary providers of healthcare	HP.8.2
Other healthcare providers not elsewhere classified (n.e.c)	HP.10.nec

4.4 Classification of Functions of Healthcare (HC) in India

The functional classification focuses on spending involving contact of the population with the health system for health needs. In an accounting sense, a “function” relates “to the type of need a transaction or group of transactions that aim to satisfy or the kind of objective pursued”. The classification of functions refers to healthcare goods and services consumed by final users. **Table 4** presents the classification and respective codes for revenues of financing schemes (FS) for India. Brief description of what is included under each classification is given in Chapter 5.

Table 4: Classification of Functions of Healthcare (HC) in India

Description	Code
Curative care	HC.1
Inpatient curative care	HC.1.1
General inpatient curative care	HC.1.1.1
Specialised inpatient curative care	HC.1.1.2
Outpatient curative care	HC.1.3
General outpatient curative care	HC.1.3.1
Dental outpatient curative care	HC.1.3.2
Specialised 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
Long-term care (health)	HC.3
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) programmes	HC.6.1

Table cont.

Description	Code
Immunisation programmes	HC.6.2
Early disease detection programmes	HC.6.3
Healthy condition monitoring programmes	HC.6.4
Epidemiological surveillance and risk and disease control programmes	HC.6.5
Preparing for disaster and emergency response programmes	HC.6.6
Governance, and health system and financing administration	HC.7
Governance and health system administration	HC.7.1
Administration of health financing	HC.7.2
Unspecified governance, health system and financing administration not elsewhere classified (n.e.c.)	HC.7.nec
Other healthcare services not elsewhere classified (n.e.c.)	HC.9.nec
Total pharmaceutical expenditure	HC.RI.1
Traditional Complementary and Alternative Medicine (TCAM)	HC.RI.2

5. NHA Estimates

National Health Accounts Estimates for 2013-14 for India are derived in the form of 2x2 matrices, which describe the flow of funds 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). These are shown in Section 6. Data from these tables are used to derive the key indicators for NHA shown below.

5.1 Key Indicators for NHA 2013-14

NHA estimates useful for policy are presented in the form of key indicators of ratios and per capita giving an overall picture of the country's health financing context. **Table 5** shows the key indicators linked to total health expenditures and its sub-components; corresponding classification codes; the ratio indicator definition; the values of the numerator and denominator (in Rs Crores); the ratio value and the per capita values. The explanation for some of the key indicators is provided in the Annexure 1: Key Glossary

Table 5: Key indicators from NHA estimates for India, 2013-14

Sr. No	Indicator	Linked Classification code	Ratio Indicator	Numerator (In Rs. crores)	Denominator (In Rs. crores)	Indicator Value (%)	Numerator Per Capita ⁷ : (In Rs.)
1	Total Health Expenditure (THE)		Total Health Expenditure (THE) as a % of Gross Domestic Product (GDP) ⁸	4,53,106	1,12,72,764	4.02	3638
2	Current Health Expenditure (CHE)		Current Health Expenditure (CHE) as % Gross Domestic Product (GDP)	4,21,194	1,12,72,764	3.74	3382
3.1	Total Government Health Expenditures	HF.1+HF.2.1.1.2+HK	Total Government Health Expenditures as % of GDP	1,29,778	1,12,72,764	1.15	1042
3.2	Total Government Health Expenditures	HF.1+ HF.2.1.1.2+HK	Total Government Health Expenditures as % of General Government Expenditure (GGE) ⁹	1,29,778	34,34,182	3.78	
3.3	Total Government Health Expenditures	HF.1+ HF.2.1.1.2+HK	Total Government Health Expenditures as % of THE	1,29,778	4,53,106	28.64	

Table cont.

⁷ The projected population for the year 2013 has been derived using Census 2011 population estimates and compound growth rate between 2001 and 2011. This is estimated as 124.5 crores for 2013-14.

⁸ Source for GDP in 2013-14: Press note on advance estimates of national income 2015-16 and quarterly estimates of gross domestic product for the third quarter (q3) of 2015-16, statement 2: Advance Estimates of National Income and Expenditures of GDP at current prices, 2015-16 (At Current Prices), page no. 9.

⁹ Handbook of Statistics Indian Economy, Reserve Bank of India

Sr. No	Indicator	Linked Classification code	Ratio Indicator	Numerator (In Rs. crores)	Denominator (In Rs. crores)	Indicator Value (%)	Numerator Per Capita ⁷ : (In Rs.)
4	Current Government Health Expenditures	HF.1+ HF.2.1.1.2	Current Government Health Expenditures as % Current Health Expenditure	97,866	4,21,194	23.24	786
5	Government Health Expenditure (excluding insurance)	HF.1.1	Government Health Expenditure (excluding insurance) as % of CHE	80,971	4,21,194	19.22	650
5.1	Union Government Schemes	HF.1.1.1	Union Government Expenditure as % Current Health Expenditure	27,763	4,21,194	6.59	223
5.2	State Government Schemes	HF.1.1.2.1	State Government Expenditure as % Current Health Expenditures	46,138	4,21,194	10.95	370
5.3	Local Government Schemes	HF.1.1.2.2	Local Government Schemes as % Current Health Expenditures	7,069	4,21,194	1.68	57
5.3.1	Urban Local Bodies Schemes	HF.1.1.2.2.1	Urban Local Bodies Schemes as % Current Health Expenditures	3,933	4,21,194	0.93	32
5.3.2	Rural Local Bodies Schemes	HF.1.1.2.2.2	Rural Local Bodies Schemes as % Current Health Expenditures	3,136	4,21,194	0.74	25
6	Social Health Insurance Schemes	HF.1.2.1	Social Health Insurance Schemes as % Current Health Expenditure	12,139	4,21,194	2.88	97
7	Voluntary Healthcare Payment Schemes	HF.2	Voluntary Healthcare Payment Schemes % Current Health Expenditure	37,153	4,21,194	8.82	298
8	Household Health Expenditures (Including prepayments for insurance)	FS.6.1+FS.3.1+FS.5.1	(OOP + Prepayment for SHI + Prepayment for Private Insurance) as % of THE	3,06,938	4,53,106	67.74	2465
9.1	Out-of-Pocket Spending	HF.3.3	Out-of-Pocket Spending as % GDP	2,90,932	1,12,72,764	2.58	2336
9.2	Out-of-Pocket Spending	HF.3.3	Out-of-Pocket Spending as % THE	2,90,932	4,53,106	64.2 1	
9.3	Out-of-Pocket Spending	HF.3.3	Out-of-Pocket Spending as % Current Health Expenditure	2,90,932	4,21,194	69.07	
10	Non-Profit Institutions Serving Households Schemes	HF.2.2	Non-Profit Institutions Serving Households Schemes as % Current Health Expenditure	6,782	4,21,194	1.61	54
11	Enterprises Health Expenditures	HF.2.3	Enterprises Health Exp. as % Current Health Expenditure	10,203	4,21,194	2.42	82
12	Domestic General Government Funds for Health (Exclusive of Foreign Funds Routed through Government)	FS.1	Domestic General Government Funds for Health % Current Health Expenditure	89,055	4,21,194	21.14	715
12.1	Domestic Union Government Funds for Health	FS.1.1.1	Domestic Union Government Funds for Health as % Current Health Expenditure	32,897	4,21,194	7.81	264

Table cont.

Sr. No	Indicator	Linked Classification code	Ratio Indicator	Numerator (In Rs. crores)	Denominator (In Rs. crores)	Indicator Value (%)	Numerator Per Capita ⁷ : (In Rs.)
12.2	Domestic State Government Funds for Health	FS.1.1.2	Domestic State Government Funds for Health as % Current Health Expenditure	53,577	4,21,194	12.72	430
12.3	Domestic Urban Local Bodies Funds for Health	FS.1.1.3.1	Domestic Urban Local Bodies Funds for Health as % Current Health Expenditure	2,556	4,21,194	0.61	21
12.4	Domestic Rural Local Bodies Funds for Health	FS.1.1.3.2	Domestic Rural Local Bodies Funds for Health as % Current Health Expenditure	24	4,21,194	0.01	0.2
13.1	External Funds for Health	FS.2+FS.7	External Funds for Health as % THE	1,138	4,53,106	0.25	9
13.2	External Funds for Health	FS.2+FS.7	External Funds for Health as % Current Health Expenditure	1,138	4,21,194	0.27	9
14	Total Pharmaceutical Expenditure	HC.RI.1	Total Pharmaceutical Expenditure as % Current Health Expenditure	1,66,632	4,21,194	39.56	1338
15	Traditional, complementary and alternative medicine (TCAM) expenditures	HC.RI.2	TCAM expenditures as % Current Health Expenditure	47,615	4,21,194	11.30	382
16	Expenditure on Inpatient care	HC.1.1	Expenditure on Inpatient care as % Current Health Expenditure	1,47,253	4,21,194	34.96	1182
17	Expenditure on Outpatient care	HC.1.3	Expenditure on Outpatient care as % Current Health Expenditure	1,91,214	4,21,194	45.4	1535
18	Expenditure on Preventive care	HC.6	Expenditure on Preventive care as % Current Health Expenditure	40,627	4,21,194	9.65	326
19	Expenditure on Hospitals	HP.1	Expenditure on Hospitals as % Current Health Expenditure	1,34,888	4,21,194	32.03	1083
19.1	Expenditure on Hospitals - Government	HP.1.1.1+HP.1.2+HP.1.3.1	Expenditure on Hospitals - Government as % Current Health Expenditure	45,545	4,21,194	10.81	366
19.2	Expenditure on Hospitals - Private	HP.1.1.2+HP.1.3.2	Expenditure on Hospitals - Private as % Current Health Expenditure	89,343	4,21,194	21.21	717
20	Expenditure on Ambulatory Healthcare centers	HP.3	Expenditure on Ambulatory Healthcare centers as % Current Health Expenditure	47,043	4,21,194	11.17	378
21	Pharmacies (Retailers and Other providers of medical goods)	HP.5.1	Expenditure on Pharmacies as % Current Health Expenditure	1,50,329	4,21,194	35.69	1207

Note: Differences in the values given in this table and matrices in Section 8 are due to roundup.

5.2 Key NHA Indicators Comparison with NHA 2004-05

It is always important to compare how health expenditures have changed over time. The last NHA estimates for India are available for 2004-05, which was based on SHA 1.0 framework. Hence some of the numbers may not be exactly comparable as there are differences in definition of capital formation; inclusion of certain vitamins and minerals within SHA 2011 boundary; inclusion of expenditures from other ministries directed towards health (besides medical reimbursements); exclusions of reserves and interests under the social health insurance scheme etc. There are also differences in classification codes and how sources of financing and financing schemes are described. Hence, the comparison with 2004-05 has been kept only at the broad level in **Table 6**, where the indicators can be considered somewhat comparable.

Table 6: Comparative indicators from NHA 2004-05 and NHA 2013-14

S.No	Indicators	NHA 2004-05	NHA 2013-14
1	GDP (Rs Crores)	3149412	11272764
2	THE as % of GDP ¹⁰	4.2	4.0
3	CHE as % of THE	98.9	93.0
4	Total Govt. Health Exp as % of THE	22.5	28.6
5	Household Health Exp as % of THE	71.1	67.7
6	OOPEx as % of THE	69.4 ¹¹	64.2
7	Firms as % of THE	5.7	2.4
8	Social Health Insurance (including govt based voluntary insurance ¹² and reimbursement of government employees) Exp as % of THE	4.2 ¹³	6.0
9	Private Health Insurance as a % THE	1.6 ¹⁴	3.4

5.3 NHA Estimates According to Classification Categories

While the 2X2 matrices in Section 8, provide detailed estimates of flow of funds, it is also important to understand the relative contribution of each of classification categories under different consumption axes – Financing, Provision and Consumption. Data is presented according to health financing schemes, sources of financing (revenue of financing scheme), providers and functions. Proportion of expenditures for financing schemes and sources of financing are presented in Figures 1 and 2, and share of current health expenditures by providers and functions are presented Figures 3 and 4. Detailed expenditure estimates linked to factor inputs, diseases and population characteristics have not been described in this report.

10 The share of THE as a % of GDP calculated from the same GDP series in current market prices (base year 2004-05) is 4.13% in 2004-05 and 3.98% in 2013-14. The GDP series is from "Summary of macro economic aggregates at current prices, 1950-51 to 2013-14" from Ministry of Statistics and Program Implementation (MoSPI) and can be accessed from http://mospi.nic.in/Mospi_New/site/inner.aspx?status=3&menu_id=82. GDP figures given in this series are provisional estimates for the year 2013-14

11 In FY 2004-05 the Out of Pocket Expenditure was Rs 930003177 (Rs '000) and the THE was Rs 1337763206 (Rs '000) as reported in Table 4.1 (pg. no. 29) and Table 1.1 (pg. no. 2) respectively.

12 For definition of Government Based Voluntary Health Insurance Schemes refer to National Health Accounts Guideline for India.

13 This includes expenditures on Social security funds, CGHS, ESIS, State govt employee benefit scheme, NHA 2004-05, Table 5.5, pg no 41

14 This includes expenditure on GIC Companies and Private Health Insurance Companies, NHA 2004-05, Table 5.5, pg no 41

5.3.1 NHA Estimates according to Healthcare Financing Schemes

Figure 2 and Table 7 shows the distribution of current health expenditures according to health financing schemes, OOP being the single largest component (69.1%). A brief description of what is included under each component is given below:

Figure 2: Distribution of Current Health Expenditures according to Financing Schemes

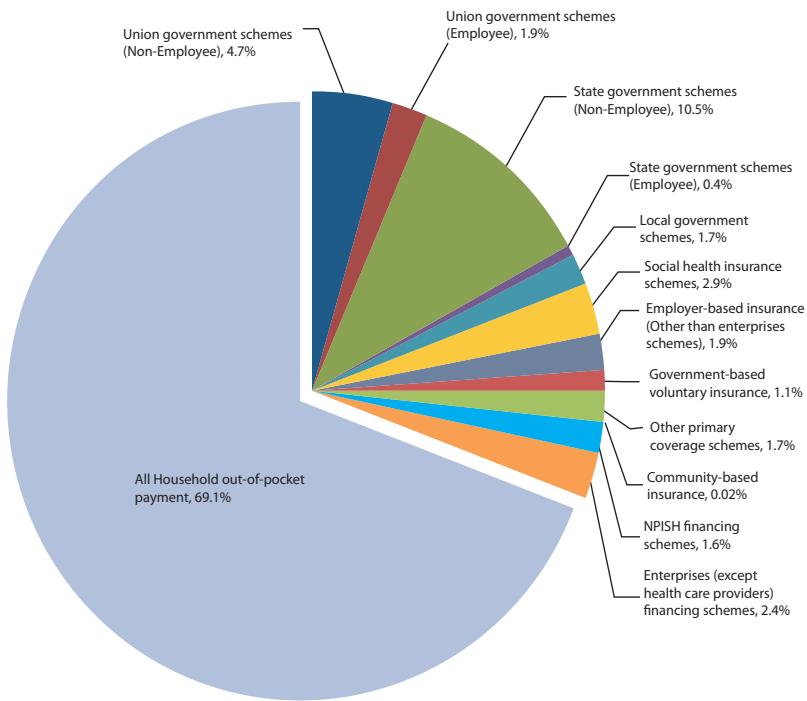


Table 7: Distribution of Current Health Expenditures according to Financing Schemes

Code	Financing Scheme	Expenditure (Rs. in Cr)	%
HF.1.1.1.1	Union Government schemes (Non-Employee)	19,853	4.7
HF.1.1.1.2	Union Government schemes (Employee)	7,911	1.9
HF.1.1.2.1.1	State Government schemes (Non-Employee)	44,306	10.5
HF.1.1.2.1.2	State Government schemes (Employee)	1,832	0.4
HF.1.1.2.2.1	Urban local bodies schemes	3,933	0.9
HF.1.1.2.2.2	Rural local bodies schemes	3,136	0.7
HF.1.2.1	Social health insurance schemes	12,139	2.9
HF.2.1.1.1	Employer-based insurance	8,017	1.9
HF.2.1.1.2	Government-based voluntary insurance	4,757	1.1
HF.2.1.1.3	Other primary coverage schemes	7,330	1.7
HF.2.1.2.1	Community-based insurance	66	0.02
HF.2.2	Non-Profit Institutions Serving Households (NPISH)	6,782	1.6
HF.2.3	Enterprises financing schemes	10,203	2.4
HF.3.3	All Household out-of-pocket payment	2,90,932	69.1
	Total	4,21,194	100

HF.1.1.1.1 Union Government Schemes (Non-Employee)

This includes expenditures of National Health Mission, National Family Welfare Program; National AIDS control Program, IEC program, partnership with NGOs. It also includes Working Conditions and Safety, Labour Welfare Scheme, Maulana Azad Medical Aid Scheme, National Institute of Sports Science and Sports Medicine, Transfer to National Fund for Control of Drug Abuse, Assistance for Prevention of Alcoholism and Substance (Drugs) Abuse, Artificial Limbs Manufacturing Corporation, Aids and Appliances for the Handicapped, Tata Memorial Centre (TMC), Jan Aushadi Scheme, National Pharmaceutical Pricing Authority by other Union Ministries. The estimated expenditure under this scheme is **Rs 19,853 crores**.

HF.1.1.1.2 Union Government Schemes (Employee)

This includes expenditure by Ministry of Defense, Ministry of Railways, Department of Posts, and Department of Atomic Energy on their employees along with Central Services Medical Attendance (CSMA). The estimated expenditure under this scheme is **Rs 7,911 crores**.

HF.1.1.2.1 State Government Schemes

This includes Urban Health services - Allopathy, Urban Health Services- Other System of Medicines, Rural Health Services - Allopathy, Rural Health Services - Other System of Medicines, Public Health, Family welfare, Health Statistics & Evaluation and other programs by Department of Health and Family welfare. It also includes healthcare related programs by other department like by department of Labour, Art and Culture, Social Security, Welfare and Nutrition, Welfare Of SC/ST and OBC, Information and Publicity, Jails, Police, Natural Disaster, Tribal Development, Social Welfare, Women and Child Development, Sports, Pension, Public Works, Home, Revenue, Finance, Agriculture etc. This also includes medical reimbursements by all state departments in all states. The estimated expenditure under this scheme is **Rs 46,138 crores** of which, the estimated expenditure under State Government schemes (Non Employee) is **Rs 44,306 crores** and under State Government Schemes (Employee) is **Rs 1,832 crores**.

HF.1.1.2.2 Local Government Schemes

This includes health expenditures by urban and rural local bodies on healthcare services through the facilities or programs run by the local bodies. The estimated expenditure under this scheme is **Rs 7,069 crores** of which, the estimated expenditure under Urban Local Bodies Scheme is **Rs 3,933 crores** and under Rural Local Bodies Scheme is **Rs 3,136 crores**.

HF.1.2.1 Social Health Insurance (SHI)

This includes expenditures of Central Government Health Scheme (CGHS), Employee State Insurance Scheme (ESIS), Ex-servicemen Contributory Health Scheme (ECHS). Though Contributory Health Services Scheme (CHSS) of Department of Atomic Energy and Retired Employees Liberalized Health Scheme (RELHS) of Ministry of Railways are SHI, due to non-availability of disaggregated financial data their expenditures have been included under Union Government Employee Schemes and not under SHI. SHI are financed by the contributions of employees (household's prepayments), employers (enterprises), Union and State Government grants/contributions. The estimated expenditure under this scheme is **Rs 12,139 crores**.

HF.2.1.1.1 Employer Based Health Insurance Schemes

This includes expenditures 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 30000 per annum. These are financed by the contributions of employees (households prepayments), employers (enterprises) in the form of premiums paid to public/ private insurance company. The estimated expenditure under this scheme is **Rs 8,017 crores**.

HF.2.1.1.2 Government Based Voluntary Health Insurance Schemes

This includes expenditures under all the 15 health insurance schemes implemented by Union and State Governments in 2013-14. These are Rashtriya Swasthya Bima Yojana, Handloom Weavers and Artisans Health Insurance, Aarogyasri (United AP) Vajpayee Aarogyashree, Yeshasvini, Karnataka, MA Amrutam Yojana, Gujarat, Comprehensive Health Insurance, Tamil Nadu Rajeev Gandhi Jeevandayi, Maharashtra, Comprehensive Health Insurance (CHIS and CHIS plus), Kerala Megha Health Insurance (MHIS), Meghalaya Mukhyamantri Swasthya Bima Yojana, Chhattisgarh, Goa Mediclaim Scheme, Sanjeevani Swasthya Bima Yojana, Dadar and Nagar Haveli, Chief Minister's health insurance, Arunachal Pradesh, Community health insurance, Puducherry. These are financed by Union and State Government grants or contributions to a private or public insurance company and small household prepayments. The estimated expenditure under this scheme is **Rs 4,757 crores**.

HF.2.1.1.3 Other Primary Coverage Schemes

This includes expenditures under *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. The estimated expenditure under this scheme is **Rs 7,330 crores**.

HF.2.1.2.1 Community Based Health Insurance Schemes

This includes insurance schemes operated / organized purely by communities themselves/ NGOs/ cooperative societies/ workers unions etc., Such type of insurance is fairly rare in India. Many of 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. The estimated expenditure under this scheme is **Rs 66 crores**.

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

These are institutions established and operated purely on a philanthropic basis. They may have a network of their own healthcare facilities and /or deliver healthcare services. The households usually do not have to pay to receive any service or sometimes have to pay small user fees to access particular services provided by the NPISH. The revenue is from the donations of general public, aid through government budgets, philanthropist, corporations, foreign aid, user fees etc. The estimated expenditure under this scheme is **Rs 6,782 crores**.

HF.2.3 Enterprises Financing Schemes

Large enterprises both in the public and private sector like Steel Authority of India limited, National Thermal Power Corporation, Tata enterprises, plantations etc., have their own network of health facilities through which they provide healthcare services to the employees and their dependents. These 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 for healthcare. These schemes are classified as HF.2.3.1 Enterprise Financing Schemes. The estimated expenditure under this scheme is **Rs 10,203 crores**.

HF.3.3 All Out of Pocket Payments

The expenditures in this category are net of reimbursements and include expenditure 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 (eg blood, oxygen etc). The estimated expenditure under this scheme is **Rs 2,90,932 crores**.

5.3.2 NHA Estimates according to Revenues of Healthcare Financing Schemes

The distribution of expenditures according to revenues of healthcare financing schemes (sources of financing) is shown in **Figure 3** and **Table 8**. Other revenue of households, which finances the out of pocket expenditures, is the single largest component (69.1% of Current Health Expenditure).

Figure 3: Distribution of Current Health Expenditures according to Revenues of Healthcare Financing Schemes (sources of financing)

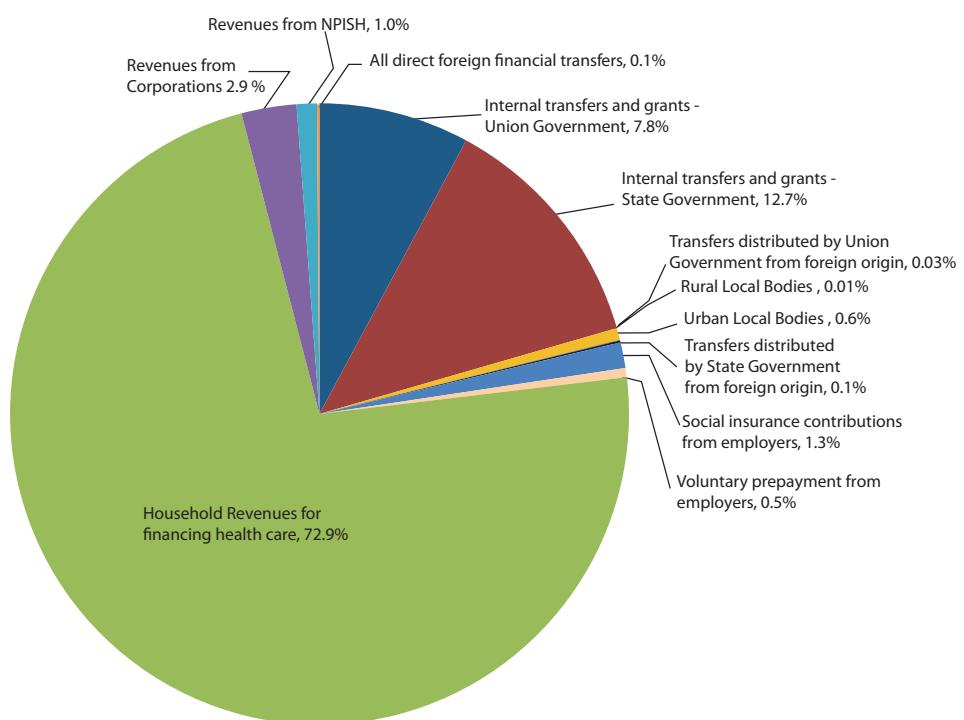


Table 8: Distribution of Current Health Expenditures according to Revenues of Healthcare Financing Schemes

Code	Revenues of Healthcare	Expenditure (in Cr)	%
FS.1.1.1	Internal transfers and grants - Union Government	32,897	7.8
FS.1.1.2	Internal transfers and grants - State Government	53,577	12.7
FS.1.1.3.1	Urban local bodies	2,556	0.6
FS.1.1.3.2	Rural local bodies	24	0.01
FS.2.1	Transfers distributed by Union Government from foreign origin	136	0.03
FS.2.2	Transfers distributed by State Government from foreign origin	442	0.1
FS.3.2	Social insurance contributions from employers	5,635	1.3
FS.5.2	Voluntary prepayment from employers	2,004	0.5
FS.6.2	Revenues from corporations	12,033	2.9
FS.6.3	Revenues from NPISH	4,391	1.0
FS.7.1.4	All direct foreign financial transfers	560	0.1
FS.3.1+ FS.5.1+ FS.6.1	Household Revenues for financing healthcare	3,06,939	72.9
	Total	4,21,194	100

Internal Transfers and Grants from Government Domestic Revenue (Allocated to Health Purposes)

This category refers to transfers sourced for health purposes from tax and non tax revenues raised at different levels of governments. It is estimated Union Government (FS.1.1.1), transferred **Rs 32,897 crores** from its own revenues. State Governments (FS.1.1.2), Urban Local Bodies (FS.1.1.3.1) and Rural Local Bodies (FS.1.1.3.2) transferred **Rs 53,577 crores**, **Rs 2,556 crores** and **Rs 24 crores** from their own revenues respectively. This sums up to **Rs 89,055 crores**.

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 recorded here. According to the level of government receiving these, it is categorized into FS.2.1 Transfers distributed by Union Government from foreign origin (**Rs 136 crores**) and FS.2.2 Transfers distributed by State Government from foreign origin (**Rs 442 crores**).

FS.3 Social Insurance Contributions

This category refers to contributions from employers (excluding government contributions towards employees, which are accounted under government internal transfers) or from employees that mandates entitlement to social health insurance benefits. 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. Sub-categories of social insurance contributions are classified as FS.3.1 Social insurance contributions from employees (**Rs 2,485 crores**) and FS.3.2 Social insurance contributions from employers (**Rs 5,635 crores**).

Voluntary Prepayment

This category refers to voluntary insurance premiums. Voluntary insurance premiums are payments 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. Sub-categories of voluntary prepayment are FS.5.1 Voluntary prepayment from individuals/households (**Rs 13,522 crores**) and FS.5.2 Voluntary prepayment from employers (**Rs 2,004 crores**).

Other Domestic Private Revenues

This category includes households, corporations and NPISH own revenues used for health purposes. Subcategories are FS.6.1 Other revenues from households which are households' out of pocket payments (**Rs 2,90,932 crores**), FS.6.2 Other revenues from corporations (**Rs 12,033 crores**) and FS.6.3 Other revenues from NPISH own resources (**Rs 4,391 crores**).

Direct Foreign Transfers

This 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 grants by international agencies or foreign governments, or voluntary transfers (donations) by foreign NGOs or individuals that contribute directly to the funding of domestic health financing schemes; and Direct foreign aid in kind (healthcare goods and services). These are included under FS.7.1.4 All direct foreign financial transfers estimated at **Rs 560 crores**.

5.3.3 NHA Estimates according to Healthcare Providers

The distribution of current healthcare expenditures according to providers of healthcare is shown in **Table 9** and **Figure 4**. Expenditures at retail pharmacies are estimated as the single largest component (36% of CHE) when allocations are looked in terms of providers.

Figure 4: Distribution of Current Health Expenditures according to Providers of Healthcare

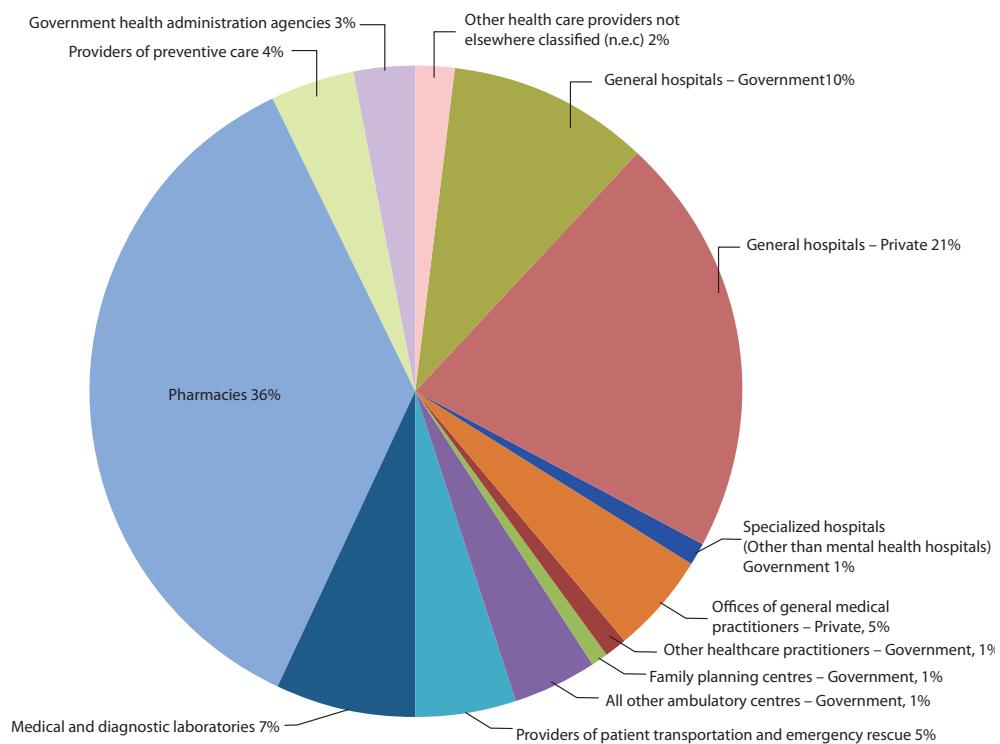


Table 9: Distribution of Current Health Expenditures according to Healthcare Providers

Code	Providers of healthcare	Expenditure (Rs. In Cr)	%
HP.1.1.1	General hospitals – Government	41,797	9.9
HP.1.1.2	General hospitals – Private	88,552	21.0
HP.1.2.1	Mental Health hospitals – Government	445	0.1
HP.1.3.1	Specialized hospitals (Other than mental health hospitals) Government	3,303	0.8
HP.1.3.2	Specialized hospitals (Other than mental health hospitals) Private	791	0.2
HP.3.1.1	Offices of general medical practitioners – Private	20,570	4.9
HP.3.1.3	Offices of medical specialists (Other than mental medical specialists) – Private	2	< 0.1
HP.3.3	Other healthcare practitioners – Government	4,859	1.2
HP.3.4.1	Family planning centres – Government	5,287	1.3
HP.3.4.9	All other ambulatory centres – Government	16,326	3.9
HP.4.1	Providers of patient transportation and emergency rescue	19,149	4.5
HP.4.2	Medical and diagnostic laboratories	28,035	6.7
HP.5.1	Pharmacies	1,50,329	35.7
HP.5.2	Retail sellers and Other suppliers of durable medical goods and medical appliances	444	0.1
HP.6	Providers of preventive care	18,846	4.5
HP.7.1	Government health administration agencies	11,719	2.8
HP.7.2	Social health insurance agencies	1,048	0.2
HP.7.3	Private health insurance administration agencies	537	0.1
HP.7.9	Other administration agencies	470	0.1
HP.10	Other healthcare providers not elsewhere classified (n.e.c)	8,685	2.1
	Total	4,21,194	100

Hospitals

The current expenditure under this category is estimated at **Rs 1,34,888 crores**. Hospitals are classified into General Hospitals, Mental Health Hospitals and Specialized Hospitals (other than mental hospitals).

General Hospitals

The general hospitals category is further classified into:

- a. General Hospitals Government (HP.1.1.1) - General Hospital government includes medical college hospitals, district hospitals, sub district hospitals and CHCs. The current expenditure under this category is estimated at **Rs 41,797 crores**.
- b. General Hospitals Private (HP.1.1.2) – Included here are all private hospitals and nursing homes etc. The current expenditure under this category is estimated at **Rs 88,552 crores**.

HP.1.2.1 Mental Hospitals Government

This category comprises of licensed establishments that are primarily engaged in providing diagnostic and medical treatment and monitoring services to inpatients who suffer from severe mental illness or substance abuse disorders. The current expenditure under this category is estimated at **Rs 445 crores**.

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 for specific group of people. These include specialty hospitals for cancer, TB and lung diseases, cardiology, neurology etc. Hospitals of AYUSH and exclusively providing maternal and child health are also included. The current expenditure estimated under this category are HP.1.3.1 Specialized hospital (other than mental hospitals) Government at **Rs 3303 crores** and HP.1.3.2 Specialized hospital (other than mental hospitals) Private at **Rs 791 crores**.

Providers of Ambulatory Healthcare

The providers of ambulatory healthcare are categorized into private medical practices and government ambulatory health centres including healthcare practitioners, family planning centers, mental health and substance abuse centers. The current expenditure under this category is estimated at **Rs 47,044 crores**.

HP.3.1 Medical Practices

The current expenditure under this category is estimated at **Rs 20,572 crores**. This sub category is further classified into HP.3.1.1 office of general medical practitioners (Private), HP.3.1.2 offices of mental medical specialists and HP.3.1.3 offices of medical specialists (other than mental medical specialists) (including psychiatry, cardiology, osteopathy, homeopathy) (**Rs 2 crores**).

HP.3.3 Other Healthcare Practitioners

In Indian context, this subcategory comprises sub-centres, ASHA, Village Health and Nutrition Sanitation Committees (VHNSC). The current expenditure under this category is estimated at **Rs 4,859 crores**.

HP.3.4 Ambulatory Healthcare Centres

These centers are classified into HP.3.4.1 Family planning centres (**Rs 5287 crores**) and HP.3.4.9 All other ambulatory centres comprising Primary Health Centres, Government Dispensaries (including AYUSH dispensaries), CGHS and ESIS dispensaries and ECHS and railway polyclinic (**Rs 16,326 crores**).

HP.4 Providers of Ancillary Services

The providers of ancillary services are classified into HP.4.1 Providers of patient transportation and emergency rescue (**Rs 19,149 crores**) which includes expenditure on patient's transportation and HP.4.2 Medical and

diagnostic laboratories (**Rs 28,035 crores**) which include all expenditures that are not a part of the package of inpatient services for treatment by hospitals, nursing care facilities, ambulatory care providers or other providers.

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. The expenditure under this category is estimated at **Rs 1,50,773 crores**.

HP.5.1 Pharmacies

This subcategory comprises expenditures at dispensing chemists, community pharmacies, independent pharmacies in supermarkets, pharmacies in hospitals that mainly serve outpatients and sometimes also inpatients not getting medicines as part of the package treatment component. The current expenditure under this category is estimated at **Rs 1,50,329 crores**.

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 the rapeutical appliances. The current expenditure under this category is estimated at **Rs 444 crores**.

HP.6 Providers of Preventive Care

This category comprises organizations that primarily provide collective preventive programs and campaigns/ public health programs for specific groups of individuals or the population-at-large. It also includes expenditure on antenatal care and postnatal care. The current expenditure under this category is estimated at **Rs 18,846 crores**.

HP.7 Providers of Healthcare Administration and Financing

This category includes HP.7.1 Government health administration agencies, **HP.7.2 Social health insurance agencies**, HP.7.3 Private health insurance administration agencies and HP.7.9 Other administration agencies. The current expenditure under this category is estimated at **Rs 13,774 crores**.

HP.7.1 Government Health Administration Agencies

This subcategory comprises government administration (excluding social security) that is primarily engaged in the formulation and administration of government health policy, in the administration of health financing, and in the setting and enforcement of standards for medical and paramedical personnel and for hospitals, clinics and so on, including the regulation and licensing of providers of health services. For example expenditures at State Program Management Unit under NHM, Directorate of health Services at State Level, etc. The current expenditure under this category is estimated at **Rs 11,719 crores**.

HP.7.2 Social Health Insurance Agencies

This subcategory comprises the social health insurance agencies (sickness funds) that handle the administration of social health insurance schemes. Examples are Directorate of Central Government Health scheme, Employee State Insurance Corporation, etc. The current expenditure under this category is estimated at **Rs 1,048 crores**.

HP.7.3 Private Health Insurance Administration Agencies

This subcategory comprises private insurance corporations that may manage more than one type of health insurance scheme at the same time (for example, compulsory private health insurance and voluntary health insurance). It covers the administration of all types of compulsory and voluntary private health insurance. The current expenditure under this category is estimated at **Rs 537 crores**.

HP.7.9 Other Administration Agencies

This category comprises of the expenditure on administration of the NPISH (only if the administration of health financing or of services is not covered by the other health provider categories). The current expenditure under this category is estimated at **Rs 470 crores**.

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

This category includes all expenditures where the information on healthcare providers is not available, for example expenditure on medical reimbursements to State Government Employees. The current expenditure under this category is estimated at **Rs 8,685 crores**.

5.3.4 NHA Estimates according to Healthcare Functions

The distribution of current health expenditures according to healthcare functions is shown in **Table 10** and **Figure 5**; General OP care is the single largest component (30% of CHE).

Figure 5: Distribution of Current Health Expenditure according to Healthcare Functions

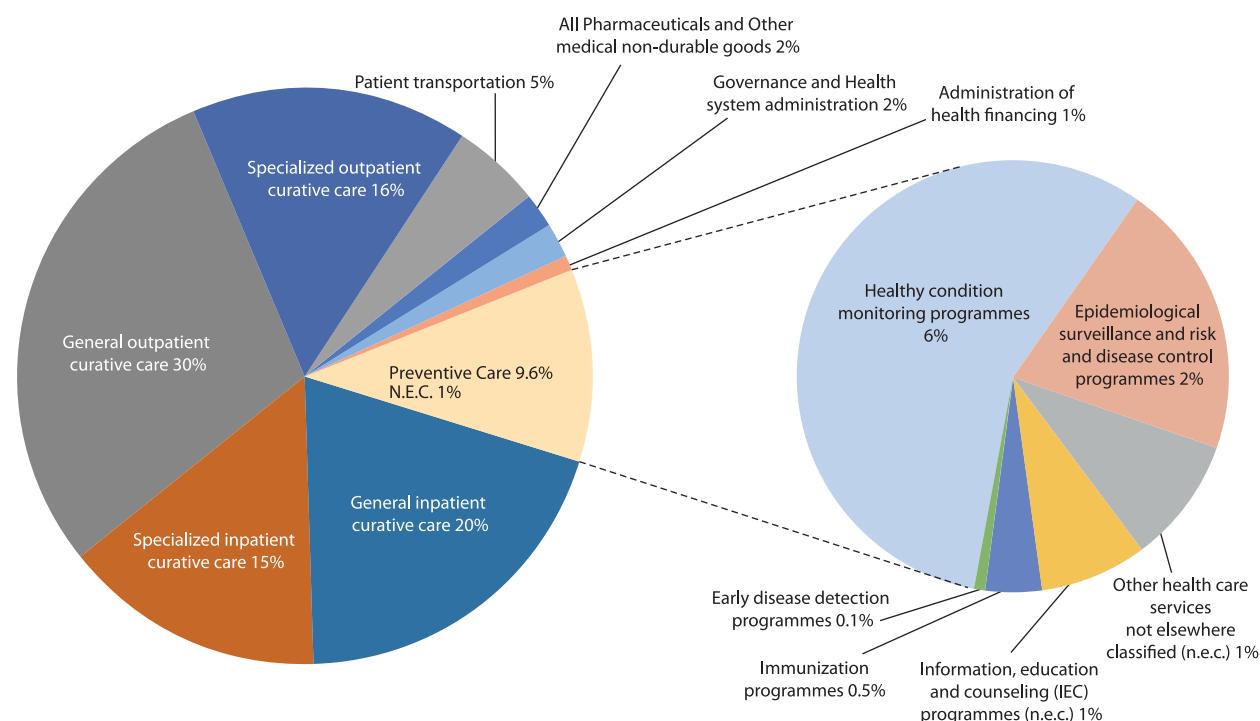


Table 10: Distribution of Current Health Expenditures according to Healthcare Functions

Code	Healthcare Functions	Expenditure (Rs. Crores)	%
HC.1.1.1	General inpatient curative care	85,185	20.2
HC.1.1.2	Specialized inpatient curative care	62,068	14.7
HC.1.3.1	General outpatient curative care	1,24,356	29.5
HC.1.3.2	Dental outpatient curative care	1,022	0.2
HC.1.3.3	Specialized outpatient curative care	65,836	15.6
HC.1.4	Home-based curative care	10	< 0.1
HC.2	All rehabilitative care	106	0.03
HC.3	All long-term care	5	< 0.1

Table cont.

Code	Healthcare Functions	Expenditure (Rs. Crores)	%
HC.4.3	Patient transportation	19,149	4.5
HC.4.4	Laboratory and imaging services	342	0.1
HC.5.1.4	All pharmaceuticals and other medical non-durable goods	7,143	1.7
HC.5.2.4	All therapeutic appliances and other medical goods	444	0.1
HC.6.1	Information, education and counseling (IEC) programmes	3,622	0.9
HC.6.2	Immunization programmes	1,902	0.5
HC.6.3	Early disease detection programmes	377	0.1
HC.6.4	Healthy condition monitoring programmes	25,499	6.1
HC.6.5	Epidemiological surveillance, risk and disease control programmes	9,224	2.2
HC.6.6	Preparing for disaster and emergency response programmes	4	< 0.1
HC.7.1	Governance and health system administration	8,445	2.0
HC.7.2	Administration of health financing	2,237	0.5
HC.9	Other healthcare services not elsewhere classified	4,218	1.0
	Total	4,21,194	100

HC.1.1.1 General Inpatient Curative Care

This includes expenditure incurred on availing general inpatient curative care for general medical conditions from District Hospitals, CHCs, private hospitals, etc. The current expenditure under this category is estimated at **Rs 85,185 crores**.

HC.1.1.2 Specialized Inpatient Curative Care

This includes expenditure incurred on availing specialized inpatient curative care from Medical College Hospital, TB Hospital, Cancer Hospitals, AYUSH hospitals, etc. These are institutions that focus on providing care for specific type of disease or medical condition or for specific group of people. The current expenditure under this category is estimated at **Rs 62,068 crores**.

HC.1.3.1 General Out Patient Curative Care

This category includes expenditure incurred on availing general outpatient curative care for general medical conditions from healthcare facilities such as District Hospitals, CHCs, PHCs, private hospitals/ clinics/ Dispensaries, etc. The current expenditure under this category is estimated at **Rs 1,24,356 crores**.

HC.1.3.2 Dental Outpatient Curative Care

This includes expenditure incurred on availing dental outpatient curative care for dental conditions from government or private dental clinics. The current expenditure under this category is estimated at **Rs 1,022 crores**.

HC.1.3.3 Specialized Outpatient Curative Care

This category includes expenditure on availing specialized outpatient care from TB clinics, venereal disease clinics, etc. The current expenditure under this category is estimated at **Rs 65,836 crores**.

HC.1.4 Home-Based Curative Care

This includes expenditure incurred on providing home-based care provided by community health workers, for e.g. home based newborn care. The current expenditure under this category is estimated at **Rs 10 crores**.

HC.2 All Rehabilitative Care

This includes expenditure incurred on availing rehabilitative care that is aimed at reaching, restoring and/or maintaining optimal physical, sensory, intellectual, psychological and social functional levels, for e.g. Physiotherapy, Occupational Therapy, Speech Therapy, etc. The current expenditure under this category is estimated at **Rs 106 crores**. This may be an underestimate as data under this heading is not easily available from any of the known data sources.

HC.3 All Long-Term Care

This includes expenditure incurred on palliative care (mainly found from the budget documents of a few states). The current expenditure under this category is estimated at **Rs 5 crores**. This may be an underestimate as data under this heading is not easily available from the available data sources.

HC.4.3 Patient Transportation

This includes expenditure on patient transportation (i.e. ambulance service) provided by both government and private sector. The current expenditure under this category is estimated at **Rs 19,149 crores**.

HC.4.4 Laboratory and Imaging Services

This category includes expenditure on laboratory and imaging services that are not a part of the treatment package and services that are availed from stand-alone diagnostic centres and laboratories. The current expenditure under this category is estimated at **Rs 342 crores**.

HC.5.1.4 All Pharmaceuticals and Other Medical Non-Durable Goods

This category includes expenditure on medicines purchased without medical consultation. For example - over the counter drugs purchased from pharmacies. The current expenditure under this category is estimated at **Rs 7143 crores**.

HC.5.2.4 All Therapeutic Appliances and Other Medical Goods

This item comprises a wide range of medical durable goods, such as: Orthotic devices, corrective eye-glasses and contact lenses, hearing aids, orthopedic appliances, family planning devices etc. The current expenditure under this category is estimated at **Rs 444 crores**.

Preventive Care

In the Indian context all the government funded national health programmes such as National Disease Control Programmes are categorized here. The estimated expenditure under this category is **Rs 40,628 crores**. Expenditure under some of the subcategories are shown below

HC.6.1 Information, Education and Counseling (IEC) Programmes

This category includes all the expenditure on IEC activities. The estimated expenditure under this category is **Rs 3,622 crores**.

HC.6.2 Immunization Programmes

This category includes all the expenditure on immunization programs. The estimated expenditure under this category is **Rs 1,902 crores**.

HC.6.3 Early Disease Detection Programmes

This category includes all the expenditure on early disease detection program. For eg. Iodine deficiency Program. The estimated expenditure under this category is **Rs 377 crores**.

HC.6.4: Healthy Condition Monitoring Programmes

This category includes all the expenditure on healthy condition monitoring program like the National program for healthcare of the elderly. The estimated expenditure under this category is **Rs 25,499 crores**.

HC.6.5 Epidemiological Surveillance, Risk and Disease Control Programmes

This category includes all the expenditure on Epidemiological surveillance, risk and disease control programmes like the National Disease Control Programmes (communicable and non-communicable). The estimated expenditure under this category is **Rs 9,224 crores**.

HC.6.6 Preparing for Disaster and Emergency Response Programmes

This category includes all the expenditure on preparing for disaster and emergency response programmes like health sector disaster preparedness and management program. The estimated expenditure under this category is **Rs 4 crores**.

HC.7.1 Governance and Health System Administration

The expenditures under this category include those incurred on formulation and administration of government policy, setting the standards, regulation, licensing or supervision of providers/producers, management of fund collection, etc. This does not include expenditure on local level management and planning such as direction and administration at the level of government hospitals. The current expenditure under this category is estimated at **Rs 8,445 crores**.

HC.7.2 Administration of Health Financing

This category includes expenditure on administration of insurance companies and trusts managing health insurance. The current expenditure under this category is estimated at **Rs 2,237 crores**.

HC.9 Other Healthcare Services not elsewhere classified (n.e.c.)

The expenditures 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, 2016”, since the segregated information about expenditure on different functions such as general and specialized inpatient or outpatient care, preventive or rehabilitative care etc. was not available. This includes expenditure on medical reimbursements to State Government employees. The current expenditure under this category is estimated at **Rs 4,218 crores**.

6. Expenditures by Primary, Secondary and Tertiary Care

For relevance to policy makers in India it is necessary to present the NHA estimates according to primary, secondary and tertiary care (PST).

An attempt is made to arrive at these expenditure categories using the healthcare functions vs. healthcare providers matrix (HCXHP). Specific expenditures related to each of the category are color coded in the matrix (**Table 16**) (primary care (Green), secondary care (Blue) and tertiary care (Red). It is important to note that the administrative expenditures (brown) for overall health system governance have been presented as a separate category. Also note that about 1% of the total expenditures regarded as “not elsewhere classified” (yellow) either under functional classification or provider classification has also been presented.

These expenditure estimates from 2013-14 under each category should not be compared to the categorization in 2004-05 as,

1. NHA 2004-05 used only the providers for classifying PST, whereas in NHA 2013-14 expenditures were classified using both function and providers, with emphasis being more on functions. For example, in 2004-05 all expenditures at a general hospital (medical colleges) are considered as tertiary care but in 2013-14, the same expenditures using functional classification are allocated between tertiary (specialized inpatient curative care portion), secondary (general inpatient curative care portion) and primary (general out patient curative care portion).
2. In 2004-05 the distribution of diagnostic and pharmaceutical expenditures is again linked to the providers whereas in NHA 2013-14, it is linked to both function and providers. For example in 2004-05 all drugs and diagnostics expenditures at general hospital (Medical college) are considered tertiary care but in 2013-14, the drugs and diagnostics expenditures at general hospitals under general inpatient curative care are considered secondary care and those under specialized inpatient curative care are considered tertiary care.
3. NHA 2004-05 had capital formation included as part of the NHA hence it is also included in the classification of PST. The PST classification for NHA 2013-14 are done only for current health expenditures.
4. PST classifications for government and private are done using relevant health financing schemes (SHA 2011).
5. The expenditure reported under “Governance, oversight and supervision” is where both the providers and functions are administrative in nature. The instances where only the provider is administrative in nature, while the function in either curative care or preventive care; the classification is based on its functional classification only. For example, in the 2x2 matrix (**Table 16**), expenditures “HP.7.1 Government Health Administration agencies and HC.1.1.1 General Inpatient curative care” is classified as secondary care based on the function only i.e. HC.1.1.1 General Inpatient curative care. Similarly, if the function is preventive care (HC.6.4) and provider is government administrative agencies (HP.7.1), these are classified as primary care.

Table 11 shows the categorization of expenditure estimates under PST and Percentage in Current Health Expenditures for Government, Private and Combined.

Table 11: Expenditure categories under Primary, Secondary, Tertiary and Percentage in Current Health Expenditures for Government, Private and Combined

S.no	Category	Govt.	Private	Combined
1.	Primary Expenditures for inpatient curative care under sub centers manned by ANM, primary health centers including expenditures related to childbirth as reported by households. Expenditures for general outpatient curative care at all healthcare providers including related diagnostic and pharmaceutical expenditures. Expenditures for home based curative care at all healthcare providers excluding any under government health administration agencies. Expenditures under rehabilitative care at offices of general medical practitioners Expenditures under all long term care Expenditures under patient transportation Expenditures under all pharmaceuticals and other medical non-durable goods, therapeutic appliances and other medical goods purchased directly by the households. Expenditures under preventive care under all healthcare providers Hence all expenditures at subcenters, Family planning centers, PHC, dispensaries (CGHS, ESIS, etc., private clinics) except for those incurred for specialized outpatient care and dental care.	51.1	43.9	45.5
2.	Secondary Expenditures under general inpatient curative care at hospitals including related diagnostic and pharmaceutical expenditures. 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 diagnostic and pharmaceutical expenditures under specialized outpatient curative care. Expenditures under laboratory and imaging services	23.3	38.1	34.8
3.	Tertiary 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.	13.0	17.1	16.1
4.	Governance, Oversight and Supervision All expenditures where both providers and functions are healthcare systems administration and financing governance and health system and financing administration (HP.7 X HC.7).	10.1	0.3	2.5
5.	Not elsewhere classified (n.e.c) (refer to definitions in relevant sections of the report or the NHA Guidelines for India)	2.4	0.6	1.0

Note: The above classification of expenditures does not include capital expenditures.

7. Methodological Refinements

The NHA exercise of 2013–14 and the subsequent efforts in collecting complete information has enabled conceptual, methodological and estimation refinements to be made in the preparation of NHA 2013–14. These refinements include:

1. The previous NHA (i.e. NHA 2004-05) was based on the System of Health Accounts 2001 (SHA 1) framework and the WHO producers Guide. The NHA 2013-14 exercise is based on SHA 2011 framework and all the changes made in the process of transition from SHA 1 to SHA 11 have been incorporated in the NHA 2013-14 exercises.
 - a. The SHA 11 framework reports Current Health Expenditure and Capital Formation separately. NHA (2004-05) reported total health expenditures and not current health expenditure. For comparability, we also present certain indicators terms of total health expenditures in NHA 2013-14.
 - b. Expenditures on medical education, research and development, training, etc. is now considered as a part of capital formation. This was treated as total health expenditure in SHA 1 framework.
 - c. The expenditures on repair and maintenance were treated as current expenditure; whereas all major repairs are treated as capital formation in NHA 2013-14.
 - d. In the SHA 11 framework has introduced a new term called Healthcare Financing Schemes (HF) replacing the term Financing Agents (HF) used in SHA 1.
 - e. There are several other refinements in classification codes used in SHA 11 compared to SHA 1, which have been explained in “National Health Accounts Guideline for India”.
2. A separate exercise was carried out to screen the detail demand for grants of all the Union and State Government departments to extract information on health expenditures incurred by departments other than department of health and family welfare. The SHA 11 criteria for setting function boundaries were used to include or exclude an expenditure line item from the healthcare functional boundaries of NHA 2013-14.
3. The Provider by function (HPxHC) matrix was used for the classification of current health expenditure into primary secondary and tertiary care. Whereas, in NHA 2004-05 the classification was based only on the provider classification.
4. The expenditures under government medical stores and depot was allocated into different providers and functions based on the passbook data from Tamil Nadu Medical Services Corporation (TNMSC) and Rajasthan Medical Services Corporation (RMSC).
5. Numerous Government Health Insurance schemes have been introduced after 2004-05. The expenditures under all the Union and State Government funded health insurance schemes has been incorporated in the 2013-14 NHA exercise.
6. Few of the old insurance schemes, such as – Ex-Servicemen Contributory Health Scheme (ECHS), Contributory Health Services Scheme (CHSS), Retired Employees’ Liberalized Health Scheme (RELHS), etc. which were not a part of NHA 2004-05 estimates, have been incorporated in NHA 2013-14.

7. The expenditure by Non-Government Institutions Serving Households (NPISH) i.e. the Non-Government Organizations (NGO), Enterprises and Firms was not available through any secondary source. Owing to this fact independent surveys had to be conducted to obtain this information.
8. To adjust for survey data of 2014 to get estimates for the year 2013-14, CPI index (base year 2012-current series) for rural and urban was used separately. The CES data that was used to arrive at estimates for therapeutic appliances was for 2011-12. So to adjust for the year 2013-14, CPI Index (base year 2012-back series) rural and urban was used separately.

Limitations

1. Disaggregated data on health expenditure by rural local bodies was not available from any secondary sources and conducting a survey for collecting this information was not feasible. Therefore, the total expenditure by RLBs from its own revenues was considered as a single line item and classified accordingly, no details are provided in this report.
2. Expenditure by autonomous bodies (not received through government sources) has not been included in NHA 2013-14.
3. The Members of Parliament (MPs) spend on healthcare of the people of their constituency through MP LAD fund. These expenditures have not been included in NHA 2013-14.
4. Data on some of the providers such as ASHA/ANM and subcenters were collected together in NSSO data. Hence some of the provider classifications were not possible.

8. NHA Tables

The NHA Tables are a set of 2x2 Matrices generated to track the flow of funds between two SHA 2011 classification categories. The healthcare financing indicators presented in NHA report” were derived using these tables. The following matrices are provided for reference:

- **Table 12:** HFxFS (2x2) Matrix
- **Table 13:** HPxHF (2x2) Matrix
- **Table 14:** HCxHF (2x2) Matrix
- **Table 15:** HPXHC (2x2) Matrix

Table 12: HFxFS Matrix

Revenues of healthcare financing schemes		FS.1 Transfers from government domestic revenue (allocated to health purposes)		FS.2 Transfers distributed by government 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	
		FS.1.1.1	FS.1.1.2	FS.1.1.3.1	FS.1.1.3.2	FS.2.1	FS.2.2	FS.3.1	FS.3.2	FS.5.1	FS.5.2	FS.6.1	FS.6.2	FS.6.3	FS.7.1.4
Financing schemes		Internal Government		Transfers distributed by Union Local Bodies		Transfers distributed by Union Local Bodies		Transfers distributed by Union Local Bodies		Transfers distributed by Union Local Bodies		Transfers distributed by Union Local Bodies		Transfers distributed by Union Local Bodies	
		HF.1.1.1.1		Union Government schemes (Non-Employee)		14655		5061		136		19853			
		HF.1.1.1.2		Union Government schemes (Employee)		7911						7911			
		HF.1.1.2.1.1		State Government schemes (Non-Employee)		4868		39048		390		44306			
		HF.1.1.2.1.2		State Government schemes (Employee)		1832						1832			
		HF.1.1.2.2.1		Urban Local Bodies schemes		352		1025		2556		3933			
		HF.1.1.2.2.2		Rural Local Bodies schemes		419		2693		24		3136			
		HF.1.2.1		Social health insurance schemes		3765		255				12139			
		HF.2.1.1.1		Employer-based insurance (Other than enterprises schemes)		928		3663		52		6013		8017	
		HF.2.1.1.2		Government-based voluntary insurance						114		4757			
		HF.2.1.1.3		Other primary coverage schemes						7330		7330			
		HF.2.1.2.1		Community-based insurance						66		66			
		HF.2.2.1		NPISH financing schemes (excluding HF.2.2.2)								1831		1831	
		HF.2.2.2		Resident foreign agencies schemes								4391		4391	
		HF.2.3.1.2		Private enterprises (except health care providers) financing schemes								560		560	
		HF.3 Household OOp		All Household out-of-pocket payment								10203		10203	
												290932		290932	
												421194		421194	

Table 13: HPxHF Matrix

		Financing schemes		HF.1 Government schemes and compulsory contributory healthcare financing schemes				HF.2 Voluntary healthcare payment schemes				HF.3 HH OOP		All HF	
		HF.1.1.1.1	HF.1.1.1.2	HF.1.1.2.1	HF.1.1.2.2.1	HF.1.1.2.2.2	HF.1.2.1	HF.2.1.1.1	HF.2.1.1.2	HF.2.1.1.3	HF.2.2.1	HF.2.2.2	HF.2.3.1.2	HF.3.3	
Healthcare providers															
	HP.1.1.1	General hospitals – Government	3,900	5,986	17,821	107	1,259	1,110	1,961	1,964	7,776	2,694	7,110	64	4,462
	HP.1.1.2	General hospitals - Private		97		107									
	HP.1.2.1	Mental Health hospitals – Government		103		343									
	HP.1.3.1	Specialised hospitals (Other than mental health hospitals) Government		397		2,906									
	HP.1.3.2	Specialised hospitals (Other than mental health hospitals) Private													
	HP.3.1.1	Offices of general medical practitioners					22								
	HP.3.1.3	Offices of medical specialists (Other than mental medical specialists)													
	HP.3.3	Other healthcare practitioners		2,488		1,520			583						
	HP.3.4.1	Family planning centres		46		5,092			1						
	HP.3.4.9	All Other ambulatory centres		58	128	8,281	4	1,259	695	5,736					
	HP.4.1	Providers of patient transportation and emergency rescue		701		298									
	HP.4.2	Medical and diagnostic laboratories											70		
	HP.5.1	Pharmacies													
	HP.5.2	Retail sellers and Other suppliers of durable medical goods and medical appliances													

Table cont.

Financing schemes		HF.1 Government schemes and compulsory contributory healthcare financing schemes			HF.2 Voluntary healthcare payment schemes			HF.3 HH OOP			All HF						
		HF.1.1.1	HF.1.1.1.2	HF.1.1.2.1.1	HF.1.1.2.1.2	HF.1.1.2.2.1	HF.1.1.2.2.2	HF.1.1.2.2.1	HF.2.1.1.1	HF.2.1.1.2	HF.2.1.1.3	HF.2.2.1	HF.2.2.2	HF.2.3.1.2	HF.3.3		
Healthcare providers	HP.6	Providers of preventive care		5,797	9	4,465	944	636	Rural Local Bodies schemes			2,821	362	397	3,414	18,846	
		HP.7.1	Government health administration agencies	6,266	1,247	3,419	1	472	112	2	186			15	11,719		
HP.7 Providers of healthcare system administration and financing	HP.7.2	Social health insurance agencies							1,048						1,048		
		HP.7.3	Private health insurance administration agencies							241	76	220	1			537	
HP.7 Providers of healthcare system administration and financing	HP.7.9	Other administration agencies								185		1	279	5	470		
		HP.10	Other healthcare providers not elsewhere classified (n.e.c)	541	34	1,721			1,366		154		1,831		3,038	8,685	
All HP		19,853	7,911	44,306	1,832	3,933	3,136	12,139	8,017	4,757	7,330	66	6,222	560	10,203	290,932	421,194

Table 14: HCxHF Matrix

		HF.1 Government schemes and compulsory contributory healthcare financing schemes										HF.2 Voluntary healthcare payment schemes						HF.3 HH OOP		All HF					
		HC.1 Curative Care					HC.2 Long-term care					HC.3 Ancillary services					HC.4 Medical goods		HC.5 Medical service						
		Healthcare functions		HC.1.1 General inpatient curative care			HC.1.2 Specialised inpatient curative care			HC.1.3 General outpatient curative care			HC.1.4 Home-based curative care			HC.2.1 Rehabilitation care		HC.2.2 Long-term care (health)		HC.3.1 Patient transportation		HC.4.1 Pharmaceutical & medical non-durable		HC.5.1 Therapeutic appliances & Other medical goods	
		Financing schemes		HF.1.1.1	HF.1.1.2	HF.1.2.1.1	HF.1.2.1.2	HF.1.2.2.1	HF.1.2.2.2	HF.2.1.1	HF.2.1.1.2	HF.2.1.1.3	HF.2.1.2.1	HF.2.2.2	HF.2.3.1.2	HF.3.3	All Household OOP		All HF						
		Union Government schemes (Non-Employee)		3009	5913	6301	107	1259	994	2228	4432	2941	4053	36	488	14	4058	49352	85185						
		State Government schemes (Employee)																							
		State Government schemes (Non-Employee)																							
		Rural Local Bodies schemes																							
		Urban Local Bodies schemes																							
		Social health insurance schemes																							
		Employer-based insurance schemes (than enterprises other than enterprises)																							
		Government-based insurance schemes																							
		Voluntary insurance coverage schemes																							
		Community-based insurance schemes																							
		NPSI financing (excluding HF.2.2.2)																							
		Resident foreigner schemes																							
		Private enterprises (except providers) financing schemes																							
		All Household OOP																							

Table cont.

Table 15: HCxHP Matrix

Healthcare functions	Healthcare providers	HP.1 Hospitals						HP.3 Providers of ambulatory healthcare					HP.4 Providers of ancillary services		HP.5 Retailers and Other providers of medical goods		HP.7 Providers of healthcare system administration and financing				All HP	
		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.6	HP.7.1	HP.7.2	HP.7.3	HP.7.9	HP.10	
		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 healthcare practitioners	Family planning centres	All Other ambulatory centres	Providers of patient transportation and emergency rescue	Medical and diagnostic laboratories	Pharmacies	Retail sellers ¹⁵	Providers of preventive care	Government health administration agencies	Social health insurance agencies	Private health insurance administration agencies	Other administration agencies	Others.nec	
HC.1 Curative Care	HC.1.1.1	General inpatient curative care	21190	44999		899	451		13		14		4519	11825			100				1175	85185
	HC.1.1.2	Specialised inpatient curative care	10103	33897	445	2349	293				0.29		4248	10516							217	62068
	HC.1.3.1	General outpatient curative care	9147	4992		3	24	14669	1	235		16154		10230	66461		151				2290	124356
	HC.1.3.2	Dental outpatient curative care	55					182			55		97	633							1022	
	HC.1.3.3	Specialised outpatient curative care	1149	4664		24	5662	1	90		73		7384	45992							797	65836
	HC.1.4	Home-based curative care								1							9				10	
HC.4 Ancillary services	HC.2	Rehabilitative care				51		56													106	
	HC.3	Long-term care (health)	5																		5	
	HC.4.3	Patient transportation									19149										19149	
	HC.4.4	Laboratory and Imaging services										342									342	
HC.5 Medical goods	HC.5.1.4	All Pharmaceuticals and Other medical non-durable goods											7143								7143	
	HC.5.2.4	All Therapeutic appliances and Other medical goods											444								444	

Table cont.

15 Retail sellers and Other suppliers of durable medical goods and medical appliances

Healthcare functions	Healthcare providers	HP.1 Hospitals	HP.2 Providers of ambulatory healthcare	HP.4 Providers of ancillary services	HP.5 Retailers and Other providers of medical goods	HP.7 Providers of healthcare system administration and financing	All HP																	
							HP.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.6			

Table 16: HCxHP Matrix with PST Classification

	Primary	Secondary	Tertiary	Admin		NEC		Healthcare functions													
				HP1.1.1	HP1.1.2	HP1.2.1	HP1.3.1	HP1.3.2	HP3.3	HP3.4.1	HP3.4.9	HP4.1	HP4.2	HP5.1	HP5.2	HP6	HP7.1	HP7.2	HP7.3	HP7.9	HP10
HC.1.1.1	General inpatient curative care	21190	44999	899	451	2349	293														
HC.1.1.2	Specialised inpatient curative care	10103	33897	445	2349								0		4248	10516		217	62068		
HC.1.3.1	General outpatient curative care	9147	4992		3	24	14669	1	235				16154		10230	66461		2290	124356		
HC.1.3.2	Dental outpatient curative care	55											182	1	90	55		151			
HC.1.3.3	Specialised outpatient curative care	1149	4664										24	5662		73		7384	45992		
HC.1.4	Home-based curative care																				
HC.2.nec	All rehabilitative care																				
HC.3.nec	All long term care		5																		
HC.4.3	Patient transportation																				
HC.4.4	Laboratory and Imaging services																				
HC.5.1.4	All Pharmaceuticals and Other medical non-durable goods																				
HC.5.2.4	All Therapeutic appliances and Other medical goods																				
HC.6.1.nec	Information, education and counselling (IEC) programmes (n.e.c.)		37										0					3584			
HC.6.2	Immunisation programmes												100	24							
HC.6.3	Early disease detection programmes																	1777			
HC.6.4	Healthy condition monitoring programmes		112																		
HC.6.5.nec	Unspecified epidemiological surveillance and risk and disease control programmes (n.e.c.)																	377			
HC.6.6	Preparing for disaster and emergency response programmes																				
HC.7.1.nec	Other governance and Health System administration (n.e.c.)																	8437	5	3	
HC.7.2	Administration of health financing																	188	1048	537	
HC.9	Other healthcare services not elsewhere classified (n.e.c.)																	0	15	4204	
Total		41797	88552	445	3303	791	20570	2	4859	5287	16326	19149	28035	150329	444	18846	11719	537	470	8685	421194

Annexure 1: Key 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. For eg. PHCs, Dispensaries, etc.

Gross Fixed Capital Formation¹⁶: 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. The breakdown by assets includes infrastructure (e.g. hospitals, clinics, etc.), machinery and equipment (including diagnostic and surgical machinery, ambulances, and ICT equipment), as well as software and databases.

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 trainings), major repair work, etc. were considered as capital expenditure.

Current Government Health Expenditure: It is government health expenditure net capital expenditure.

Current Health Expenditure: It is defined as final consumption expenditure of resident units on healthcare goods and services¹⁷

Domestic General Government Funds: It includes funds allocated from government domestic revenues for health purposes. Fund is allocated through internal transfers and grants.

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 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.

General Government Expenditure: General government (excluding social security) expenditure on health refers to expenditures incurred by central, state/regional and local government authorities, excluding social security schemes. Included is non-market, non-profit institutions that are controlled and mainly financed by government units¹⁸

¹⁶ <http://www.oecd-ilibrary.org/docserver/download/8115071ec064.pdf?expires=1470650955&id=id&accname=guest&checksum=ABB9FFEEB45EF F4735BA7CED394E673F>

¹⁷ A System of Health Accounts 2011 Edition

¹⁸ OECD, glossary of statistical terms <https://stats.oecd.org/glossary/detail.asp?ID=1097>

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

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 service use¹⁷.

Pharmacies (Retailers and other providers of medical goods): This subcategory 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/licences of national pharmaceutical supervision. Illustrative examples includes dispensing chemists, community pharmacies, independent pharmacies in supermarkets, pharmacies in hospitals that mainly serve outpatients and sometimes also inpatients not getting medicines as part of the package treatment component.

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.

Total Government Health expenditure: It includes expenditures from Union Government, State Governments, Rural and Urban Local Bodies.

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

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

Traditional, Complementary and Alternative Medicines (TCAM): 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. In the Indian context, establishment of a separate Union Ministry for Ayurveda, Yoga, Unani, Siddha, and Homeopathy (AYUSH)¹⁷.

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15	Joint Secretary (Fund Bank) Department of Economic Affairs North Block, New Delhi – 110001	Member
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17	Joint Secretary / Director General (Labour Welfare) Ministry of Labour and Employment Shram Shakti Bhawan, Rafi Marg, New Delhi – 110001	Member
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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 Gangnath Marg, Munirka, New Delhi – 110067	Member Secretary

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 Organization	Member
3	Deputy Director General National Sample Survey Organisation (In charge of 71st 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	Representative Health Policy Research Unit, Institute of Economic Growth, New Delhi	Member
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14	Representative WHO, New Delhi	Member
15	Representative National Health Accounts Technical Secretariat (NTS) NHSRC	Member Secretary

NOTES



**Ministry of Health & Family Welfare
Government of India**