Outline

1. What research tells us about expenditure in health and what should be the ideal modus operandi on spending. Focus from quantity to quality of work.
2. Trends in India’s public health expenditure over the years –out of pocket expenses as well. Try to compare with public health expenditures in other countries.
3. How has this underinvestment affected public health infrastructure?
   1. Poor infrastructure and high vacancies (link to previous article)
   2. High out-of-pocket costs
4. But we also need to think about spending well
   1. a significant proportion of the money is unspent often due to administrative inefficiencies
      1. Mismatch in Centre and State planning
      2. Slow release of funds
   2. NSS 71:  74% preferred private providers primarily because they though quality at public facilities is deficient
5. Complement that with research that it is not necessary that people are not seeking healthcare rather they are not seeking healthcare in public facilities
   * 1. which could suggest that while building more facilities is important in certain areas, focus should shift towards indicators that could address quality of care at existing facilities
     2. Pool in some research to policies that have been effective in this space and could warrant more investment

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Several studies have shown that there is no direct correlation between healthcare financing and outcomes (Heuvel & Olaroiu 2017, Filmer & Pritchett 1999)

Conclusions:

1. Your spending (compared to other good countries) is low
2. You are focussing on building facilities, incentivising people to use your facilities, but people are spending elsewhere (on private facilities)
3. Struggled to fill the existing facilities
4. Priorities are to increase institutional delivery and JSY (but that does not necessarily reduce MMR). You provide incentives – but can you provide the level of service that is needed –
5. Hiring more doctors is fine with the higher vacancy rate, but the singular focus on hiring more doctors can take away from the fact that quality still needs to be focussed – absenteeism rate is high and they are not performing well. to increase the quantity of service but access to healthcare is the major issue driving poor outcomes.
6. If you have all the required concerns even then that is not going to solve India’s healthcare problems.

van den Heuvel, W.J. and Olaroiu, M., 2017. How Important Are Health Care Expenditures for Life Expectancy? A Comparative, European Analysis. *Journal of the American Medical Directors Association*.

Filmer, D. and Pritchett, L., 1999. The impact of public spending on health: does money matter?. *Social science & medicine*, *49*(10), pp.1309-1323.