

## Expectations from Budget 2019-Ashutosh Tiwari

31 January 2019 | Views

**Ashutosh Tiwari, Director and Chairman, Vinoba Bhave Research Institute (VBRI)**



The last interim budget of the Modi Government is expected to give the much-needed push to the Indian healthcare industry that it has been yearning for. The rise in budgetary allocation for the health sector was merely 5% higher than the previous one in 2018. With global telemedicine market thriving to reach USD 41.2 billion, we believe the 2019 budget will allocate a greater share to build telemedicine and mHealth infrastructure across the country to facilitate people across the nation.

Furthermore, we have expected a reduction in the cost of medical equipment that will help in increasing the outreach of telemedicine and home healthcare facilities. This, in turn, will help in the preventive and timely treatment of NCDs (Non-Communicable Diseases) that are expected to account for 75% of the country's diseases by 2025.

The milestone achieved in the previous budget was 'Ayushman Bharat' Scheme, which is expected to grow bigger with an increase in insurance limits of preventive healthcare in section 80D and also tax benefits by levying GST in health insurances. The Pradhan Mantri Jan Arogya Yojna, a part of the 'Ayushman Bharat' may also see a rise in allocation to cover more than 10 crore families.

We speculate that the infrastructure growth of public healthcare will be followed by an announcement of nearly 5000 primary healthcare centers across the country with a special focus on strengthening trauma and emergency care.

In the last budget, the government aimed to increase the public healthcare expenditure to 2.5% of its GDP (Gross Domestic Product) by 2025 which was stagnated at roughly 1%. Therefore, we expect the 2019 budget to devote a larger share to healthcare and strengthen the economic model with a healthy population.