

# Budget On Healthcare Fy2019-fy2026

Dhruv - [Notebook Link](#)

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## Questions

1. Summarize healthcare emphasis in Union Budget Speeches FY2019-FY2026 and exposed companies

## Healthcare Policy Evolution in Union Budgets - Consolidated Analysis (FY2019-20 to FY2025-26)

FISCAL YEAR	TOTAL HEALTH ALLOCATION (₹ CRORE)	AYUSHMAN BHARAT PMJAY (₹ CRORE)	PM-ABHIM (₹ CRORE)	KEY STRATEGIC FOCUS
FY 2019-20	52,800	Launch Year (NHPS)	-	Universal Health Coverage Launch
FY 2020-21	69,000	6,400	-	Infrastructure Expansion & PPP
FY 2021-22	2,23,846	35,000	64,180 (6-year outlay)	Digital Health & Infrastructure Mission
FY 2022-23	Consolidation Phase	-	Implementation Phase	Research Collaboration & Nursing Education
FY 2023-24	-	-	-	Preventive Healthcare & Workforce Coverage
FY 2024-25	-	7,300	3,200	Digital Scale-up & Gig Worker Coverage
FY 2025-26	-	9,406	4,200	Financial Deepening & Medical Tourism

### Key Insights

#### Strategic Evolution of Healthcare Policy (FY2019-20 to FY2025-26)

The Union Government's healthcare policy framework has undergone a significant transformation across seven fiscal years, evolving from foundational universal health coverage establishment to comprehensive digital health infrastructure, and ultimately to global healthcare positioning. This evolution reflects a strategic maturation from scheme launches to implementation, scale, and international competitiveness.

#### Phase 1: Foundation Building (FY2019-20 to FY2020-21)

The initial phase established the foundational architecture of India's universal health coverage system through the **Ayushman Bharat programme**, which introduced two transformative

components:

- **Health and Wellness Centres:** Establishment of 1.5 lakh Health and Wellness Centres with initial allocation of Rs. 1,200 crore to provide comprehensive primary healthcare services including treatment for non-communicable diseases, maternal and child health services, free essential drugs, and diagnostic services
- **National Health Protection Scheme:** Coverage for over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) with insurance up to Rs. 5 lakh per family per year for secondary and tertiary care hospitalization, representing the world's largest government-funded healthcare programme
- **TB Eradication Initiative:** Additional allocation of Rs. 600 crore to provide nutritional support to all TB patients at Rs. 500 per month during treatment
- **Medical Education Expansion:** Setting up of 24 new Government Medical Colleges and Hospitals by upgrading existing district hospitals

FY2020-21 shifted emphasis toward infrastructure expansion and public-private partnerships, with total healthcare allocation reaching approximately Rs. 69,000 crore including Rs. 6,400 crore for PMJAY. Key initiatives included:

- **Viability Gap Funding:** Introduction of Viability Gap Funding window for setting up hospitals under PMJAY in PPP mode, particularly targeting Tier-2 and Tier-3 cities and Aspirational Districts
- **Medical College Attachment:** Proposal to attach medical colleges to existing district hospitals in PPP mode with viability gap funding from the Centre
- **Jan Aushadhi Kendra Expansion:** Plans to expand the scheme to all districts, offering 2,000 medicines and 300 surgicals by 2024
- **Nutrition Focus:** Allocation of Rs. 35,600 crore for nutrition-related programmes with task force to examine age of motherhood and maternal mortality reduction

## Phase 2: Digital Transformation and Infrastructure Mission (FY2021-22 to FY2022-23)

FY2021-22 marked a paradigm shift with technology taking center stage and a massive 137% budget increase. The government substantially increased the budget outlay for Health and Wellbeing to Rs. 2,23,846 crores compared to the previous year's Rs. 94,452 crores. This phase introduced landmark initiatives:

- **PM AtmaNirbhar Swasth Bharat Yojana (PMASBY):** Launched with outlay of Rs. 64,180 crores over 6 years (till FY 2025-26) to develop capacities across primary, secondary, and tertiary care health systems, including support for 17,788 rural Health and Wellness Centres in 10 High Focus States, establishing 11,024 urban Health and Wellness Centres, and setting up integrated public health labs in all districts and 3,382 block public health units
- **Ayushman Bharat Digital Mission (ABDM):** National roll-out with budget of Rs. 1,600 crore for five years, creating an open platform for National Digital Health Ecosystem with digital registries of health providers and facilities, unique health identity (ABHA numbers), and consent framework for universal access
- **National Tele Mental Health Programme:** Launched to address pandemic-accentuated mental health issues with network of 23 tele-mental health centres of excellence, with NIMHANS as nodal centre

- **Mission Poshan 2.0:** Merger of **Supplementary Nutrition Programme and Poshan Abhiyan** with intensified strategy for 112 Aspirational Districts
- **Vaccination Expansion:** **Pneumococcal Vaccine** rollout across the country to avert more than 50,000 child deaths annually, with **Rs. 35,000 crores for Covid-19 vaccine**

FY2022-23 represented a consolidation phase focusing on implementation rather than new scheme announcements, with emphasis on:

- **Nursing Education Infrastructure:** Establishment of **157 new Nursing Colleges** to address critical shortage of nursing professionals
- **Research Collaboration:** Encouragement for **public and private sector utilization of ICMR laboratories** as facilitators for medical research
- **Pharmaceutical Innovation:** Focus on **pharma innovation and multidisciplinary courses for medical devices**
- **Performance-Based Funding:** ABDM implementation with **Rs. 100 crores allocation to States/UTs based on performance** in Health Facility Registry and Healthcare Professionals Registry

### Phase 3: Preventive Healthcare and Workforce Protection (FY2023-24 to FY2024-25)

FY2023-24 marked a strategic shift toward preventive healthcare and gender-focused interventions within the broader "Nari Shakti" framework. Key initiatives included:

- **Cervical Cancer Vaccination Programme:** Introduction of **vaccination programme for girls aged 9 to 14 years**, representing India's entry into comprehensive HPV vaccination coverage
- **Medical College Expansion:** Proposal for **setting up more medical colleges utilizing existing hospital infrastructure** under various departments
- **Frontline Worker Coverage:** Extension of **Ayushman Bharat Scheme to ASHA workers, Anganwadi workers and helpers**, protecting millions of frontline health workers
- **Maternal and Child Health Integration:** Creation of **one comprehensive programme for maternal and child care** with Anganwadi Centre upgrades under 'Saksham Anganwadi and Poshan 2.0'
- **U-WIN Platform Rollout:** Expedient rollout of **U-WIN platform** for managing immunization and furthering Mission Indradhanush efforts
- **Gender Budget Increase:** Historic **38.6% increase in Gender Budget to Rs. 3.09 lakh crore**, with share increasing from 5% to 6.5% of total Union Budget

FY2024-25 emphasized digital health infrastructure scale-up and emerging workforce coverage:

- **Gig Worker Coverage:** Extension of **PM Jan Arogya Yojana to platform-based gig workers**, covering **nearly 1 crore gig workers** with identity cards, e-Shram registration, and healthcare security
- **Digital Health Scale Achievement:** **72.81 crore Ayushman Bharat Health Accounts** created under ABDM, with E-Sanjeevani emerging as **world's largest telemedicine initiative** serving **over 31.19 crore patients**
- **AI Integration:** **34% of healthcare organisations piloting AI projects** with 16% moving generative AI initiatives into production

- **Drone Technology:** Launch of 'i-DRONE' project for rapid delivery of life-saving medicines and sample collection from remote areas
- **Financial Protection Impact:** AB-PMJAY recorded over ₹1.25 lakh crore in OOPE savings, with more than 40 lakh senior citizens enrolled
- **Gender Budget Amplification:** Further increase to 8.86% of total budget with ₹4.49 lakh crore allocation, representing 37.25% increase from previous year

## Phase 4: Financial Deepening and Global Positioning (FY2025-26)

FY2025-26 represents the most recent evolution, focusing on financial consolidation, infrastructure acceleration, and positioning India as a global healthcare destination:

- **PMJAY Financial Deepening:** Substantial allocation increase to ₹9,406 crore, representing 23.7% increase from revised estimate and 28.9% increase from previous budget estimate, focusing on strengthening existing universal coverage rather than new beneficiary categories
- **Infrastructure Mission Acceleration:** PM-ABHIM allocation increased to ₹4,200 crore, representing 40% increase with explicit urgency for fast-tracking implementation given limited time remaining for fund utilization
- **Medical Education Capacity Building:** Dramatic 189.3% increase in Human Resources for Health and Medical Education allocation to ₹1,675 crore, addressing healthcare workforce constraints
- **Medical Tourism Initiative:** Launch of "Medical Tourism and Heal in India" initiative to be promoted in partnership with private sector along with capacity building and easier visa norms, positioning India as international healthcare destination
- **Research and Innovation Integration:** Healthcare embedded within broader ₹20,000 crore R&D initiative, with 10,000 PM Research Fellowships for technological research in IITs and IISc supporting healthcare technology development
- **Genetic Resource Conservation:** Establishment of 2nd Gene Bank with 10 lakh germplasm lines for future food and nutritional security, linking agricultural genetic conservation with long-term public health nutrition outcomes
- **Disease Elimination Intensification:** Aggressive TB elimination targets with national goal to bring down TB incidence rate to 47 cases per lakh population and mortality rate to below 3 per lakh population, with 12.97 crore individuals screened and over 7.19 lakh TB cases reported during 100-day Intensified TB Elimination Drive
- **Nutrition Program Strengthening:** PM Poshan allocation increased to ₹12,500 crore, representing 25% increase, with introduction of Suposhit Panchayat Scheme to identify and award Top 1000 Gram Panchayats

## Key Outcomes and Impact Metrics

### Financial Protection and OOPE Reduction

The healthcare policy framework has demonstrated measurable impact on household financial protection. Out-of-Pocket Expenditure (OOPE) declined from 64.2% in FY14 to 48.2% in FY19, with further reduction as share of government health expenditure in total health expenditure increased from 29.0% to 48.0% between FY15 and FY22. The AB-PMJAY scheme recorded

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