



HEALTH SPENDING: POLITY & GOVERNANCE

NEWS: Declining health spending risks SDG goals

WHAT'S IN THE NEWS?

A World Bank study reveals a decline in health spending per capita in low- and middle-income countries post-pandemic, impacting progress towards 2030 health SDGs. In India, health spending dropped from over 2% during the pandemic to about 1.75-1.85%.

World Bank Study on Health Spending

Study Scope:

- Examines government health spending in 63 LICs and LMICs from 2019-2023, comparing post-pandemic trends to pre-pandemic (2015-2019) data.

Decline in Health Spending:

- After a pandemic-related surge in 2020, health spending per capita has declined, impacting SDG health targets for 2030.
- The decline reflects a reversal of the pre-pandemic trend where health had gained a larger share in budgets.

Growth Rate of Health Spending:

- Average annual growth (2019-2023): 0.4% in LICs, 0.9% in LMICs, far below pre-pandemic growth (4.2% in LICs, 2.4% in LMICs).
- Indicates strain on public health systems in these countries.

Declining Health Share in Government Budgets:

- LICs: Health spending share dropped to 5.6% of government budgets by 2023.
- LMICs: Health spending share declined to 6.5% in 2023.
- General government expenditure grew faster than health budgets.

Specific Challenges:

- LICs: Historically low health funding, heavily reliant on external aid.
- LMICs: Less severe declines, but sustaining health progress remains challenging.



- India's health budget share dropped from over 2% during the pandemic to 1.75-1.85%, reflecting increased demands.



THE SUSTAINABLE DEVELOPMENT GOALS REPORT 2023: SPECIAL EDITION- [UNSTATS.UN.ORG/SDGS/REPORT/2023/](https://unstats.un.org/sdgs/report/2023/)

Source: https://epaper.thehindu.com/ccidist-ws/th/th_delhi/issues/106953/OPS/GSBDIMEE6.1+GBBDIOBHP.1.html