

Budgets and the Right to Maternal Health

Public Dialogue on the Report of the Mission to India of UN Special Rapporteur on the Right to Health
13th August, 2010

Centre for Budget & Governance Accountability
(www.cbgaindia.org)

Key Issues

(with reference to the Report of the Special Rapporteur)

- India's public spending on health is amongst the lowest in the world.
- India's maternal health policies have had certain gaps.
- Corrective measures by the Govt. of India over the last one and a half decades: RCH - I, RCH - II, JSY, NRHM.
- This has not led to the required expansion in the coverage of maternal health interventions and deepening of those interventions.

Expenditure on Healthcare in Some Selected Countries

Country	Public Exp. on Healthcare as % of GDP 2006	Private Exp. on Healthcare as % of GDP 2006
Sri Lanka	2.0	2.2
Canada	7.0	3.0
Spain	6.0	2.4
South Africa	3.0	5.0
Costa Rica	5.3	2.4
Malaysia	1.9	2.4
Cuba	7.1	0.6
USA	7.0	8.3
UK	7.2	1.0
China	1.9	2.7
India	0.96	3.3

Source: Compiled from (i) Human Development Report 2009, UNDP, (ii) World Health Statistics 2009, WHO and (iii) National Health Accounts India 2004-05 (with P E from 2005-06 to 2008-09), Min. of Health & Family Welfare, Govt.

Combined Expenditure of Centre and States on Health and Family Welfare

Year	States' Exp. as % of Total Budgetary Expenditure on Health & Family Welfare	Centre's Exp. as % of Total Budgetary Expenditure on Health & Family Welfare	Total Budgetary Exp. (Centre + States) as % of GDP
2003-04	70.7	29.3	0.90
2004-05	69.9	30.1	0.85
2005-06	69.5	30.5	0.88
2006-07	69.9	30.1	0.90
2007-08	66.7	33.3	0.88
2008-09	68.6	31.4	1.02
2009-10 (BE)	66.9	33.1	1.06

Source: Compiled by CBGA from "Union Budget", Govt, various years, and "State Finances--A Study of Budgets", RBI

Centre's Budgetary Expenditure on Health and Family Welfare

Year	Centre's Expenditure on Health & Family Welfare (in Rs. Crore)	Expenditure on Health & Family Welfare as % of Total Expenditure from Union Budget	Centre's Exp. on Health & Family Welfare as % of GDP
2004-05	8086	1.6	0.26
2005-06	9650	1.9	0.27
2006-07	10948	1.9	0.26
2007-08	14410	2.0	0.29
2008-09	17661	2.0	0.32
2009-10 (RE)	21680	2.1	0.35
2010-11 (BE)	25154	2.3	0.36

Source: Compiled by CBGA from Union Budget, Govt. of India, various years.

Outlays Recommended (by Planning Commission) for 11th Plan vs. Union Budget allocations made in the first four years of the Plan

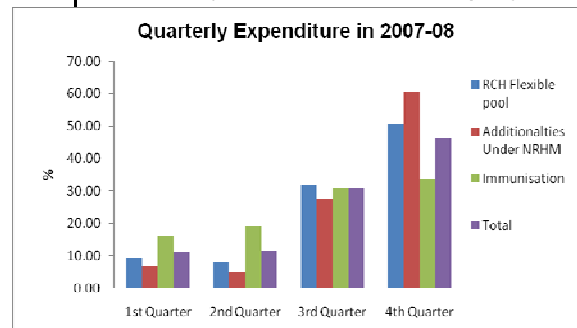
Programme/Scheme	Outlay Recommended for 11 th Plan (in Rs. Crore) [at current prices]	Plan Allocation made in the Union Budget (in Rs. Crore)				Total Union Budget allocation made in the first 4 years of 11th Plan (in Rs. Crore)	Union Budget Allocation made during 2007-08 to 2010-11 as % of Outlay Recommended for 11 th Plan
		2007-08 (RE)	2008-09 (RE)	2009-10 (RE)	2010-11 (BE)		
NRHM	89478	10669	11930	13378	15440	51417	57.5
District Hospitals	2780	-	68	16	200	284	10.2
Human Resources for Health	4000	-	56	16	323	395	9.9

Source: Compiled by CBGA from Union Budget, Govt. of India, various years and Eleventh Five Year Plan document 2007-12

How well are the funds being utilized in the schemes?

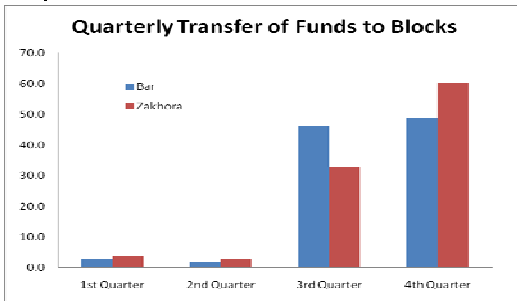
- Under utilization of available funds
 - delays in flow of funds
 - unspent balances
- Poor quality of spending
 - skewed pattern of utilization across components.
 - skewed pattern of utilization across quarters.

Spending in NRHM: Skewed across Quarters (Evidence from Lalitpur)



Source: Quarterly Progress Report, State Health Society, U.P. Based on evidences from CBGA District Study supported by Unicef

Spending in NRHM at Block Level:
Skewed across Quarters
(Evidence from Lalitpur)



Source: Ledger Books, Office of the CMOH, Lalitpur. Based on evidences from CBGA District Study supported by Unicef

Spending in NRHM:
Skewed across Different Components
(Evidence from Rajnandgaon)

	2005-06	2006-07	2007-08
NRHM Part A	63.6	45.7	62
NRHM Part B	98.6	50.4	20.9
NRHM Part C	37.3	77.6	75
Others	21.3	59.1	48.3
Total	57.2	52.9	47

Source: Data compiled from Audited Statement for 2005-06, 2006-07 and FMR for 2007-08. Based on evidences from CBGA District Study supported by Unicef

NRHM: State-wise Utilization of Funds Released from 2005-06 to 2008-09

States	Total Expenditure from 2005-06 to 2008-09 (in Rs. Crore)	Total Funds Released from 2005-06 to 2008-09 (in Rs. Crore)	Exp. as Proportion of Funds Released from 2005-06 to 2008-09 (in %)
Kerala	758.7	828.8	91.5
Andhra Pradesh	1887.0	2096.4	90.0
Gujarat	1287.9	1436.2	89.7
Madhya Pradesh	1920.1	2155.3	89.1
Maharashtra	1795.2	2033.5	88.3
Jharkhand	639.4	727.5	87.9
Haryana	470.6	537.9	87.5
Karnataka	1090.8	1268.4	86.0
Uttarakhand	323.5	377.4	85.7
Rajasthan	1912.2	2290.2	83.5

NRHM: State-wise Utilization of Funds Released from 2005-06 to 2008-09 (contd.)

States	Total Expenditure from 2005-06 to 2008-09 (in Rs. Crore)	Total Funds Released from 2005-06 to 2008-09 (in Rs. Crore)	Exp. as Proportion of Funds Released from 2005-06 to 2008-09 (in %)
Punjab	485.9	584.1	83.2
Assam	1429.2	1720.0	83.1
Tamil Nadu	1443.0	1784.6	80.9
Himachal Pradesh	203.0	257.4	78.9
Chhattisgarh	591.9	757.2	78.2
Uttar Pradesh	4224.4	5448.6	77.5
Orissa	919.7	1221.9	75.3
Goa	22.1	31.0	71.2
Jammu & Kashmir	257.8	369.8	69.7
Bihar	1549.8	2226.5	69.6
West Bengal	1266.9	1882.8	67.3

Why is the extent and quality of fund utilization not satisfactory?

- Deficiencies in decentralized planning in the schemes
 - Ineffective planning at the district level.
 - Absence of programme management units.
 - Lack of ownership in the Mission.
 - Do implementation level officials have the requisite competence and capacity to plan their priorities and take administrative decisions?

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- Bottlenecks in the budgetary processes
 - Delays in transfer of funds at all levels.
 - Delays in sending sanction orders for spending
 - Limited delegation of financial powers to officials at the district and sub-district levels
- Systemic weaknesses
 - Shortage of human resources at all three levels: managerial staff, finance/accounts staff, frontline service providers
 - Shortage of infrastructure for both service delivery and programme management

Staff Shortage in NRHM in Lalitpur

Vacancies in Para-medical Staff			
Designation	Sanctioned Posts	Filled Posts	Vacancy (in %)
Male Health Observer	24	23	4.2
Male Health Worker	72	43	40.3
Female Health Observer	36	32	11.1
Female Health Worker	218	155	28.9
Pharmacist	29	7	75.9
Total	379	260	31.4
Vacancies in Medical Officers			
Level	Sanctioned Posts	Filled Posts	Vacancy (in %)
Level 1	53	43	18.9
Level 2	14	10	21.4
Level 3	11	5	54.5
Level 4	15	5	60
Total	93	63	30.1

Source: Office of CMOH, Lalitpur. Based on evidences from CBGA District Study supported by Unicef

Staff Shortage in NRHM in Rajnandgaon

	Sanctioned Posts	Filled	Vacancy
Class I Medical Officers	57	17	73.7
Class I Medical Officers at District Hospital	17	12	35.3
Class II Medical Officers	134	58	58.2
Class II Medical Officers at District level	27	13	51.9
Class II Non-Medical Officers	3	3	33.3
Nursing and Allied Staff	458	396	15.9
Staff Nurse	24	33	
LHV	64	47	26.6
Lady Health Workers	356	309	13.2

Source: Office of CMOH, Rajnandgaon. Based on evidences from CBGA District Study supported by Unicef

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- Janani Suraksha Yojna (based on findings from the CBGA Maternal Health Study supported by IBP)
 - Increased work burden for frontline staff
 - Inadequate entitlement (Rs. 1,400). Out of Pocket expenditure a major constraint in accessing health institutions during delivery.
 - Considerable delays in payments of JSY funds due to local level problems as well as lack of funds.
 - Poor remuneration and abject working conditions of frontline health workers.

Recommendations

- Overall public spending on health should be increased substantially
- Healthcare financing mechanism should reflect a **rights-based approach** rather than the practice of targeted interventions
- Total public spending on health as a proportion of GDP should be stepped up to the level of 2.5 % to 3 % -- an intermediate goal.
- States need to increase their Non-plan expenditure on health sector.

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- Restriction on states' spending under the Fiscal Responsibility and Budget Management (FRBM) Act need to be relaxed
- Fiscal health of the States must be improved.
- Centre and States need to take adequate measures for:
 - Improving significantly the process of decentralized planning in the schemes
 - Addressing the bottlenecks in budgetary processes, e.g. timely flow of funds
 - Addressing the systemic weaknesses

Thank You