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FICCI medical devices forum chair: Budget is a mix bag

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India's Finance Minister, Mr P Chidambaram, has reiterated that health for all is a priority. The increase in outlay by 21.6 percent for healthcare to $7466 million (Rs 37330 crore) is welcome. The government is moving in the right direction with increase in investment in education and research. Allocation of $30 million (Rs 150 crore) for National Program for Healthcare of Elderly is also a good initiative. Allocation for $330 million (Rs 1650 crore) for the six AIIMS-like institutions is well aligned with the country's expectations of universal healthcare.

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Combining NRHM and NUHM facilities will also ensure uniform implementation of government policies across the country. This is a welcome move as the support required for the urban poor is as important as that for the rural segment. This will ensure a uniform implementation of government policies across the country. However, it would have been better if reforms in health insurance and respites in duty for life saving medical equipments had been considered.

Given that healthcare is an important sector that adds 5.2 percrent to the GDP, I am happy that the government has planned to increase its spending by 21.6 percent from $6140 million (Rs 30702 crore)-to-$7466 million (Rs 37330 crore), which is in line with the PM's commitment.Although the expectation was higher, this is a step in the right direction.

We support the allocation of $30 million (Rs 150 crore) for the National Programme for the Health Care of Elderly as this move addresses the growing elderly population of the country. $945.4 million (Rs 4727 crores) has been allocated towards medical research and education that will further promote innovation in healthcare and ensure there is a continuous stream of medical professionals coming in to strengthen the healthcare fraternity. RSBY coverage has been increased to cover larger cross sections of the population which is a welcome move. The move to provide a tax benefit for contributions made to central and state government health scheme is highly welcome.

Reforms in the life time health insurance coverage under CGHS for the voluntary organ donors and for the elderly were expected. This would have ensured India met the required target of the 2,00,000 organ transplants needed. But this was not considered. The industry had been looking forward to respites in duties for life saving medical equipment which would have resulted in increased access to healthcare, but this was not considered.