

NATHEALTH seeks healthcare recovery to be given priority in 2021 budget

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NATHEALTH, Healthcare Federation of India has recently submitted a comprehensive set of recommendations to the Government for the financial budget 2021-22, with the prime objective to provide economic and structural measures to fast track recovery of the private healthcare sector.

As the Government reconsiders measures for overall recovery of the economy, NATHEALTH advocates that the healthcare sector's resilience, in the frontlines of the fight against COVID will be pivotal for overall turnaround.

In the short- term recommendations submitted to the Government, NATHEALTH has requested for zero-rating of GST for healthcare services which will not only ensure that the credit chain is intact but also ensure that the input taxes are not loaded into the cost of healthcare services, thus making healthcare more affordable. The Government has been urged to consider extending the exemptions available for the education sector to healthcare. Companies engaged in healthcare services that have un-utilized MAT credit should be allowed to avail the reduced corporate tax regime of 25%.

In addition, the Government may also consider 5-year interest-free loans for the sector, which can be facilitated through the banks under priority status assigned to the sector. The recommendations have shed light on the current state of revenues of equipment manufacturers which have been hit by at least 25% and has urged to immediately release 100% Central and State Government dues to the sector including dues to Hospitals. Seeing the financial burden on the private healthcare sector due to Covid pressure and escalating costs, the Government may also consider lower TDS for FY21 and FY22.

The industry body also urges the Government to create a comprehensive medical value travel (MVT) program '*Heal in India*' to leverage an immense opportunity to become global healthcare destination.

In order to further strengthen India's digital capabilities, NATHEALTH recommends a strong push for telemedicine, Electronic Urban Primary Health Care Centres (EUPHCs) and E-ICUs in all district level hospitals across the nation under National Digital Health Mission (NDHM).