BioSpectrum
the business of Bi
24 years of leveraging the business of Bio
www.biospectrumindia.co

Did Union Budget 2023-24 miss emphasising on healthcare & its digitisation?: Industry expresses mixed views

02 February 2023 | News

Industry seeks more coverage on healthcare expenditure



The Union Budget for 2023-24 was presented by the Finance Minister Nirmala Sitharaman on 1st February 2023, right after which a surge of responses and views have been flowing in from the industry experts.

While some are praising the key announcements made for the pharma, medical devices and healthcare sectors in the Budget, others seem disappointed.

"More support and allocation of resources for health-tech startups to become effective would have been appreciated, as well as integration of digital solutions by such startups within the public health system would help them take their products and services further and reduce the burden on the system. In last year's Budget, the government proposed providing up to Rs 2,000 crore as venture capital to create an ecosystem for health-tech startups to help them access capital and develop innovative products and services but we haven't seen concrete steps followed in the deployment", said **Gautam Chopra, Founder, and CEO, BeatO**.

According to **Dr Azad Moopen, Founder Chairman and MD, Aster DM Healthcare**, "The overall impetus for the healthcare delivery sector is missing. We were hoping for an increase in budget allocation for the industry which is essential to fulfil the need gaps. The need to have more hospitals and healthcare facilities in rural and suburban areas to meet the rising demand remains untouched. Hope the government would put more focus on public- private partnerships (PPP) to address this."

Another disappointed view comes from **Vishal Bali, Executive Chairman, Asia Healthcare Holdings:** "A mere 2.71% increase on the healthcare expenditure side is disappointing given the overall need to transform healthcare in the country. The budget also does not provide any impetus towards the "Make in India" initiative of medical technology which is a critical need to accelerate self-reliance in a highly import-driven sector."

"With increased allocation, the importance of healthcare in a post-pandemic world is reflected in the Union Budget 2023. However, the public health spend still needs to be ramped up if India wants to achieve its version of universal healthcare", said **Dr Rana Mehta, Partner and Leader Healthcare, PwC India**

"The Govt. should have also focused on substantial budgetary allocation for preventive and mental health, and metabolic diseases that continues to grapple the younger population, making quality healthcare further accessible in the rural areas to bring down the modern-day healthcare risk factors", stated **Dr Naoya Matsumi, Deputy Managing Director, Sakra World Hospital**.

Dr Sanjeev Singh, Medical Director, Amrita Hospital, Faridabad has more to add, "This budget does not talk about reduction and import duty and any provisions for building hospitals and healthcare facilities in Tier 2 / Tier 3 regions. It does not mention any inclusion or expansion of insurance sector. Hence it does not meet the requirement of universal health coverage to which the government is committed. We would have been happy if something could have been done for universal health coverage and reduction of healthcare cost. It would have helped patients who come to the hospital."

Expressing his concerns over the budget announcement, **Dr BS AjaiKumar, Executive Chairman, Healthcare Global Enterprises** said, "The impetus provided for public-private collaboration is welcome, both through the ICMR lab initiative as also through the Pharma centers of excellence. However, there is a pressing need to invest in tech-enabled systems using predictive genomics to strengthen India's prevention, surveillance, and response capacities to pandemics and epidemics. I was also expecting a rationalization of tax and duty structures around life-saving drugs and emergency treatments, revision of GST slabs, and sops for healthcare equipment manufacturers. High time, India makes Health a top priority and extend all key subsidies and benefits to the sector to make healthcare accessible and affordable to one and all."

With more inputs and viewpoints still coming in from the industry captains, a tight focus on improving healthcare delivery in India continues particularly with the increasing burden of non-communicable diseases (NCDs) in the country.