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India's ageing transition demands a fundamental redesign of healthcare

05 June 2026 | Views

Care economy risks becoming the largest constraint in India's health system evolution



India likes to tell itself a comforting story: that it is a young nation and will remain so for decades. But demographics do not bend to narrative. India is ageing—and at a pace that demands far greater urgency than current policy and system design reflect.

Today, the country is home to over 150 million senior citizens, a number expected to rise to nearly 347 million by 2050—roughly one in five Indians. Even more striking is the velocity of this shift, with nearly 19,500 people turning 60 every day. This is not just a demographic milestone; it is a structural transformation that will fundamentally reshape healthcare demand, workforce needs, and economic priorities.

Yet, India's health system remains largely configured for a very different reality.

A system built for episodes, not lifecycles

Healthcare delivery in India has historically evolved around episodic care—detecting illness, providing treatment, and discharging patients. This model has delivered important gains in managing acute conditions. However, ageing populations bring with them a fundamentally different set of needs.

Older adults typically live with multiple chronic conditions that require ongoing management, monitoring, and support. The bulk of these needs are not hospital-centric. They involve mobility assistance, medication adherence, nutrition management, rehabilitation, and often, simple daily assistance.

The consequence of this misalignment is visible across the system. Hospitals become overburdened with preventable complications, primary care remains under-leveraged, and the cost of care is increasingly shifted onto households—financially and emotionally. As emerging industry insights suggest, eldercare demand is rapidly shifting toward continuous, home-based, and preventive models of care.

The silent collapse of informal care

For decades, India's eldercare has rested on the invisible foundation of family-based caregiving. This informal system—largely sustained by women—has compensated for the absence of formal care infrastructure.

However, this model is now under stress. Urban migration, smaller families, and the rising participation of women in the workforce have eroded traditional caregiving capacity. Care is no longer a social constant that can be assumed—it is becoming a service that must be designed, delivered, and financed.

The result is a widening gap between need and provision, with households increasingly struggling to navigate complex care requirements on their own.

The workforce challenge: India's most critical gap

At the heart of this transition lies a structural workforce deficit. Demand for caregivers, allied health professionals, and long-term care specialists is rising sharply, yet supply remains fragmented and insufficient.

Recent policy signals acknowledge this gap. The Union Budget 2026–27 announced plans to train 1.5 lakh caregivers and expand allied health professional capacity as part of building a “strong care ecosystem.” While this marks an important step forward, it also underscores the scale of the challenge ahead. Workforce expansion must now move beyond training to include certification, career pathways, and system integration.

Without this, the care economy risks becoming the largest constraint in India's health system evolution.

The silver economy: An underleveraged opportunity

Globally, ageing is no longer viewed purely as a social burden; it is increasingly recognised as an economic opportunity. In India, the emergence of the “silver economy” reflects this shift.

The senior care sector, currently valued at \$10–15 billion, is projected to grow to \$30–50 billion over the next decade. This growth is being driven by rising life expectancy, shifting family structures, and increasing demand for organised care services.

Yet, this opportunity remains underleveraged. Fragmented service models, limited insurance coverage for long-term care, and the absence of robust regulatory frameworks continue to constrain scale and innovation.

Technology: An enabler, not a substitute

Technology is beginning to reshape the care landscape. From remote monitoring and telehealth to AI-enabled risk prediction, innovation is driving a shift toward preventive, home-based models.

But care remains inherently human. Technology can enhance efficiency, extend reach, and improve coordination—but it cannot replace empathy, physical support, and human judgement. The future will belong to models that successfully integrate digital tools with human caregiving systems, rather than substituting one for the other.

From fragmented initiatives to integrated systems

India does not lack policy intent. National programmes, ageing frameworks, and recent policy papers—including those from NITI Aayog—have articulated the need for comprehensive, multi-dimensional approaches to senior care.

What is now required is execution at scale.

This means reimagining care as a continuum—integrating primary, home-based, and institutional care through coordinated pathways. It requires formalising the care workforce, developing financing models for long-term care, and creating regulatory structures that ensure quality and accountability.

Way forward

India's demographic transition is not a distant risk—it is an unfolding reality. The opportunity is not just to respond, but to redesign.

The next phase of healthcare in India will not be defined by more hospitals or higher insurance coverage alone. It will be defined by whether we can build systems that support people across longer lives—enabling them to age with dignity, independence, and continuity of care.

Eldercare cannot be solved by healthcare alone. It requires an integrated model—primary-care-led geriatric pathways, a skilled caregiver pipeline, an AgeTech layer for continuity, and PPP/financing models that make long-term care affordable and scalable. Practically, this means building a unified registry and risk stratification system, enabling home-based care with community workforce models, and measuring outcomes—not just utilisation.

The next decade will decide whether ageing becomes a fiscal burden—or a productivity and care economy opportunity. India should choose design.

The “silver wave” has already arrived. The real question is whether we are prepared to design for it.

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