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Impact of Public Health Expenditure on Disbursement ofMedical Benefit

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Abstract
This investigation breaks down the implications of changing pattern of government health expenditure in India during most recent 10 Years. This incorporates the effect of various strategy (health and macroeconomic) changes on the adjustment in level and compositional pattern of health expenditure. The outcomes show that government health spending has remained practically consistent during the period and drifted around one percent of GDP, which is even lower than a large portion of the creating nations. The current degree of health spending is a lot of lower than the necessary degree of assets to give the essential health offices in the nation across states. The goal of this investigation is to arrange a thorough dataset of public expenditure on health and related zones over the timeframe 2009-10 to 2017-18.
Keywords: Public Health, Health Expenditure, Disbursement of Medical Benefit

INTRODUCTION

Health arrangement is a basic mainstay of human welfare. Given the high level of externality, the State needs to assume a critical job in health and healthcare arrangement. Unfortunately, proof shows that public spending on healthcare in India is low and out of pocket spending by individuals is multiple occasions the government spending. While the low degree of public spending on health is a well-established truth, dependable data on the real public expenditure on health and its pattern after some time isn't effectively open. The National Health Accounts, the most authoritative and exhaustive wellspring of health expenditure information in India, is exceptionally rare. The ensuing utilization of halfway data sets accessible on public health expenditures prompts defective policymaking and not exactly attractive public health results.

The expanding pattern in focal allocation under NRHM to states (especially in destitute/high engaged states) anyway is a healthy indication yet a portion of the allocated reserves remained unutilized in numerous states. This shows inadequate absorptive limit of state which further easing back down NRHM implementation. In view of the discovering it tends to be contended that, to make sure about better health results, India needs to twofold or triple its current health going through with their appropriate allocations. The high spening anyway can be an important condition yet not adequate. Consequently, alongside the high duties of spending, it got imperative to guarantee that allocated reserves get spend successfully across states.

REVIEW OF LITERATURE

Health is a significant human capital component that yields economic returns (Mushkin 1962, Bloom et al. 2004). Health, according to Grossman (1972, 2000), is a lasting capital stock that produces healthy time as an output for both market and non-market activities. This healthy time provides two main benefits to the individual: services and earnings (i.e., non-market and market activities). Such benefits force people to invest in their health because of time depreciation (i.e., age). Similar to the citizen, the state also benefits from good health in the form of enhanced welfare and higher working hours and productivity, hence the investment in health by the state. Consumption of healthcare or medical services is considered one of the avenues for spending in health according to one's budget and time. While healthcare consumption represents individual level investment in health, the provision and improvement of healthcare infrastructure, including healthcare personnel, constitutes state-level investment in healthcare. Thus, the state provides facilities and staff for health care, while individuals use these facilities to improve their health status. Thus, the investment individual makes in health through medical care consumption depends on the availability and access to healthcare services. Healthcare is considered one of the several inputs in the function of health production within the framework of the production functions. Health care is thus seen as input into

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commodity production of ' ' good health " such as low mortality, and higher life expectancy (Wagstaff, 1986). Thus, health care is considered an input in the production of zero or low mortality, for example, and higher life expectancy hence the presence of health expenditure in the production of health. Healthcare is one of the ways for people to boost their health status, regardless of the strategy employed. However, individuals ' ability to pursue such expenditure or development operation depends on the availability and access to health resources, whether they are funded by the public or private sector. Following the externality presented by health, income poverty, welfare and inequity issues, government healthcare provision (including public health services) is required (Sen 1988, Kethineni 1991, World Bank 1993). The proposal in this study is that if government role in the healthcare market is needed, then the contribution of government expenditure to health status improvement within the function of health production must be assessed.

OBJECTIVE OF THE STUDY

This study's main contribution is to establish relationship between the public health expenditure and its impact on expenditure on medical benefit.

METHODOLOGICAL APPROACH

To establish relations between the public health expenditure and its impact on Expenditure on Medical benefit, correlation study was done, and to analyses the relationship the data has been taken from year 2009-10 to 2017-18.

METHOD OF DATA COLLECTION

To establish the relation between public and expenditure and expenditure on medical benefit, the data was collected from secondary sources from 2009 to 2017.

The data has been collected from the accounts Ministry of Health and Family Welfare and the report of the technical group on Population projection May 2006 also has been considered, the National Commission on Population registrar general of India was also considered for the purpose of study.

HYPOTHESIS

Ho: -*Public Health Expenditure does not impact disbursement of medical benefit.*
Ha: Public Health Expenditure does impact disbursement of medical benefit.

DATA ANALYSIS AND INTERPRETATION

in the below mentioned table we can see that the public expenditure on health was 72530 in 2009-10, which was close to 83101 in 2010-11 and it consistently goes up and 2011-12 it was 96221, in 2012-13, it was 108236, whereas it was 112270 in 2013-14, in the very next year that is 2014-15 it went up to 121600. if you look at the figure of 2015-16 financial year the figure was 140054 and in next year 2016-17 it was close to 178875.63 and finally reached to 213719.58 Crore in the year2017-18

Trends in Public Expenditure on Health

Year	Public Expenditure on Health (in Rs. Crores)#	Population (in Crores)$	GDP*	Per capita Public Expenditure on Health (in Rs.)	Public Expenditure on Health as Percentage of GDP (%)
2009-10	72536	117	6477827	621	1.12
2010-11	83101	118	7784115	701	1.07
2011-12	96221	120	8736039	802	1.10
2012-13	108236	122	9951344	890	1.09
2013-14	112270	123	11272764	913	1.00
2014-15	121600.23	125	12433749	973	0.98
2015-16	140054.55	126	13764037	1112	1.02
2016-17 (RE)	178875.63	128	15253714	1397	1.17
2017-18 (BE)	213719.58	129	16751688	1657	1.28

Source:

 # Public expenditure on Health from "Health Sector Financing by Centre and States/UTs in India 2015-16 to 2017-18", National Health Accounts Cell, Ministry of Health & Family Welfare.

$ "Report of the Technical Group on Population Projections May 2006", National Commission on Population, Registrar General of India

** GDP from Central Statistics Office.*

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Below mentioned table exhibiting the expenditure on medical benefit in Crore for almost 10 years.

In year 2009 expenditure on medical benefit was 1272, whereas in 2010 it was close to 1778. it consistently goes up and 2011 it reaches to 2306 Crore.

The medical benefit consistently rising up and in 2012 it was 2858, whereas in 2013 it was close to 4058 Crore, in the very next year it went up to 4859 Crore in Year 2014 and in 2015 it was 5714 Crore.By the end of 2016 expenditure on medical benefit was 6112 and finally in year 2017 it went to 6256 Crore.

Trends in Coverage, Income and Expenditure on ESIS

Year	Expenditure on Medical benefit (In Rs. Crores)	No.of Beneficiaries (In Crores)	Per Capita Expenditure on medical benefit (Rs)
2009	1272.83	5.02	254
2010	1778.61	5.55	320
2011	2306.83	6.03	383
2012	2858.87	6.64	431
2013	4058.13	7.21	563
2014	4859.9	7.58	641
2015	5714.34	7.89	724
2016	6112.97	8.28	738
2017	6256.57	12.4	505

Source: *Employee State Insurance Corporation*

HYPOTHESIS TESTING

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
		ercent		ercent		ercent
Public Expenditure on Health (In Rs. Crore)		0.0%		0.0%	0	00.0%
Expenditure on Medical benefit (In Rs. Crore)		0.0%		0.0%	0	00.0%

Descriptive				
			Statistic	Std. Error
Public Expenditure on Health (In Rs. Crore)	Mean		111179.3322	19420.21209
Expenditure on Medical benefit (In Rs. Crore)	95% Confidence Interval for Mean	Lower Bound	66396.2428	

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		Upper Bound	155962.4216	
	5% Trimmed Mean		110878.4730	
	Median		108236.0000	
	Variance		3394301738.577	
	Std. Deviation		58260.63627	
	Minimum		14054.55	
	Maximum		213719.58	
	Range		199665.03	
	Interquartile Range		72419.43	
	Skewness		.317	.717
	Kurtosis		.624	1.400
Expenditure on Medical benefit (In Rs. Crore)	Mean		3913.2267	.38952 642
	95% Confidence Interval for Mean	Lower Bound	2431.8738	
		Upper Bound	5394.5796	
	5% Trimmed Mean		3929.7296	
	Median		4058.1300	
	Variance		3713978.640	
	Std. Deviation		1927.16856	
	Minimum		1272.83	
	Maximum		6256.57	
	Range		4983.74	
	Interquartile Range		3870.94	
	Skewness		-.073	.717
	Kurtosis		-1.811	1.400

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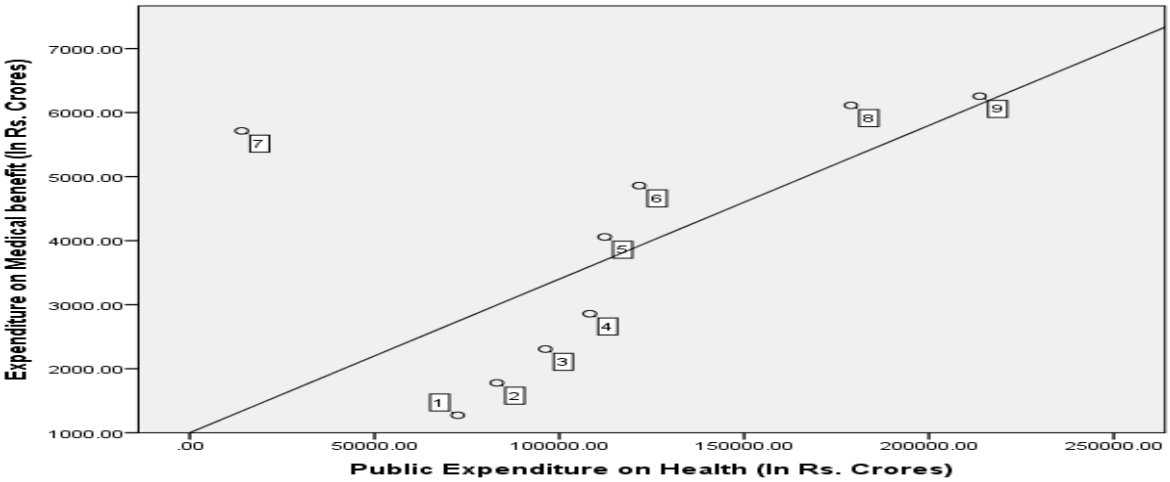
Correlations			
		Public Expenditure on Health (In Rs. Crore)	Expenditure on Medical benefit (In Rs. Crore)
Public Expenditure on Health (In Rs. Crore)	Pearson Correlation	1	.460
	Sig. (2-tailed)		.213
	N	9	9
Expenditure on Medical benefit (In Rs. Crore)	Pearson Correlation	.460	1
	Sig. (2-tailed)	.213	
	N	9	9

RESULT

Hence in the analysis, we can observe that the Pearson correlation R is .460, which shows positive relationship between public expenditure on health and expenditure on medical benefit. Although our p value that is .213 is greater than 0.05, hence we accept the null hypothesis and reject the alternative hypothesis.



Conclusion

The health spending in India is dominated by private out-of-pocket going through with its high offer around 71 percent of the total spending. The public expenditure on health in India is recorded lower than the international standard of spending. The spending is additionally discovered lower than the necessary degree of assets to give the essential health office in the nation across states. India anyway has made numerous responsibilities, since the hour of its freedom, to spend in health for better health standard. A point by point investigation of various health strategy archives shows that neither the middle nor state governments have ever satisfied their responsibility of health spending. This has brought about inadequate arrangement of health office in the nation, e.g., bed: population ratio in India is 1:1000 contrast with the 7:1000 in created nations.

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