

News monitored for: PricewaterhouseCoopers

BUDGET INSIGHT OUT
2025-26

CHARTING A NEW GROWTH PATH

A PwC report

HEALTH CARE

Key challenges

- Insufficient infrastructure and inequitable distribution of hospital beds, with around 65 per cent of beds located in metro or Tier-I cities
- Low health care expenditure at about 2.1 per cent of GDP for FY23, compared to both developing and developed nations
- Dependence on imports for high-end medical devices and equipment
- Shortage of skilled human resources, particularly in Tier-II cities
- High out-of-pocket health care expenses

Industry ask

- Revise government scheme rates with incentives based on hospital infrastructure, accreditation and outcomes
- Adopt a 'single window' regulatory system to facilitate investments
- Enhance digital health and accelerate Ayushman Bharat Digital Mission deployment
- Implement targeted GST reforms in health care and health insurance sectors
- Provide health care access to the missing 'middle population', which currently is without health insurance

Snapshot
GROWTH PROJECTIONS
in \$ bn

Fiscal Year	Value (\$ bn)
FY21	119
FY22	134
FY24E	167
FY25E	184
FY30P	323

E: Estimate; P: Projection Source: National Health Accounts, PwC Analysis

UNIVERSAL HEALTH CARE COVERAGE MUST NOW BECOME THE GOAL FOR THE INDIAN ECONOMY POISED TO OVERTAKE JAPAN THIS YEAR. ACHIEVING THIS VISION HINGES ON MAKING QUALITY HEALTH CARE ACCESSIBLE ACROSS INDIA, EXTENDING FAR BEYOND METROS AND TIER-I CITIES "

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