



## ROLE OF PUBLIC POLICY AND ADVOCACY IN THE SUSTAINABILITY OF THE HEALTHCARE INDUSTRY IN INDIA

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### ABSTRACT

*The cooperation between public policy and advocacy has a strong influence on the sustainability of the healthcare industry in any country. An effective Public Policy is an essential tool in navigating challenges such as higher healthcare costs, a lack of knowledge about accessibility, and the huge burden of communicable and non-communicable diseases on healthcare systems, towards providing unbiased, accessible, and excellence-oriented healthcare services. This paper aims to examine the crucial role of Public Policy in synchronising, financing, and reinforcing India's healthcare industry through successful initiatives such as Ayushman Bharat, the National Health Policy 2017, etc. And highlights how advocacy efforts by healthcare professionals, civil society organizations, industry associations, and patient groups contribute to policy reforms and public awareness within the healthcare system. Public policy and advocacy both can help to shape the healthcare landscape, promote inclusivity, and make sure that the healthcare industry remains strong, ethical, and responsive to the evolving health requirements of the nation. This paper highlights the need for uninterrupted cooperation between the government, the private sector, and advocacy groups to build a strong and sustainable healthcare ecosystem in India.*

*Keywords: Public Policy, Holistic health, Health equity, Wellness*

### Role of Public Policy and Advocacy in the Sustainability of the Healthcare Industry in India

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### INTRODUCTION

In a country like India, with a large population of over 1.4 billion, the role of public policy and advocacy is significant in providing quality and affordable healthcare facilities to the citizens and in navigating the challenges in the concerned field. Sustainability and significant



growth in the healthcare sector in India are mainly the result of public policy and advocacy through different steps taken to ensure affordable and accessible healthcare programs, awareness-creating programs, making policy decisions effective, and smooth driving of the reforms with the help of various organisations and individuals, which refers to the true meaning of advocacy. Expanding population, increasing ubiquity of chronic diseases, and inequalities in availing healthcare services are the driving factors of the sustainable healthcare system in India.

Transformation in the Healthcare sector is ongoing is mainly due to the price deregulation, streamlined administration, private partnership introduction in the healthcare system, most importantly, due to the increasing health awareness and consciousness, and income. [Canna Gia & Gautam Rambhad, 2023]. A vision for Sustainable Healthcare strategy aims at adopting cost-effective technologies that can improve access and affordability of the services, and Universal Health Coverage of the country [Archana Bakshi, 2020]. A sustainable health system improves population health of the citizens by continuously delivering the key functions of distributing services, creating resources, financing, and protection, adopting the principles of financial transparency, equity in access, responsiveness, and efficiency of care, and doing all these things in an environmentally sustainable manner [Oommen C. Kurian & Shoba Suri, et al, 2024].

The healthcare sector in India is projected to reach \$638 billion by 2025 from \$400 billion in 2024, according to Way2Wealth Brokers Pvt. Ltd. In its latest analysis, the company said the [hospital industry](#) will rule the sector, accounting for around 80% of total healthcare expenditure. Further expansion is also expected in the industry's annual growth rate of 8.0% from 2024 to 2032, reaching an estimated \$194 billion by 2032.

Sustainable Development Goal 3 of the 2030 Agenda for Sustainable Development is to “ensure healthy lives and promote well-being for all at all ages”. The corresponding targets aim to lower the maternal mortality ratio globally, reduce preventable mortality of newborns and children, end the outbreaks of AIDS, tuberculosis, malaria, and other communicable diseases, bring down the mortality rate from non-communicable diseases, and strengthen the preventative measures and treatment of substance misuse disorder (UN SDG, 2023).



### **An overview of the Indian Healthcare System**

India's healthcare sector's infrastructure has enlarged steadily, with over 1.6 million beds and more than 1.2 million doctors and nurses **(NITI Aayog, 2021)**. Still, we can check the disparities in the urban-rural areas. The rural areas, with nearly 65% of the population, have only 40% of hospital beds **(NITI Aayog, 2021)**. The main reason for high out-of-pocket expenses is that the private sector provides almost 70% of outpatient and 60% of inpatient services **(World Bank, 2022)**. The world's largest health insurance program, like Ayushman Bharat-PM-JAY, major schemes like PM-ABHIM, with the main objective of improving health infrastructure, are playing a crucial role in the universal health coverage system. **(MoHFW, 2023)**. With the creation of Health IDs and e-health records, the National Digital Health Mission (NDHM) seeks to design a digital health ecosystem that improves transparency and helps in a data-driven decision-making system **(NDHM, 2023)**.

According to the **Economic Survey 2024-25**, India's public expenditure on healthcare is expected to be around 1.9% of GDP in 2025. Approximately 55% of expenditure on health in India is directly borne by households, which is pushing millions into poverty annually because of the health-related spending **(World Bank, 2022)**. There is an acute shortage of doctors, nurses, and associated health professionals. The doctor-patient ratio stays below the WHO-recommended norm of 1:1000 in many of the states in India **(WHO, 2022)**. India faces a dual burden of communicable and non-communicable diseases (NCDs), which are responsible for over 60% of deaths **(ICMR, 2020)**.

At present, India's healthcare system is standing at a crucial moment. On the one hand, inventory and ambitious policies and reforms are trying to pave the way for a more integrated and modern system. Continuous challenges like insufficient investments, inequalities, and gaps in the workforce are triggering the system, on the other hand. To build a strong and sustainable healthcare ecosystem, expansion in insurance coverage, increasing public health financing, digital health promotion, and raising investment in preventive care are essential.

### **Review of Literature**

Many studies have explained the government initiatives and the role of the Indian government in the universal health coverage of the country through digitalisation in the



healthcare system [Rao, M., & Shetty, D., 2022, NRHA Report, 2025, Insights IAS, 2025, and National Health Systems Resource Centre Report, 2025]. An article by Invest India, 2025, suggests the investment opportunities in the Indian Pharmaceutical Industry. **National Health Mission Report, 2025**, exposes the importance of Nutrition in human health and the major consequences of malnutrition in public health and child health. According to the **World Health Organization (WHO)** (2020), especially rural India is facing problems such as disparities in accessing healthcare services, a two-fold burden of communicable and non-communicable diseases. The National Health Policy (2017) and other important government policies are not implemented effectively (Sarma, 2019). Research by Rao et al. (2018) shows the importance of public policy, such as the Ayushman Bharat program, to ease the accessibility of healthcare facilities and improve financial stability. **Gupta & Reddy (2017)** explained the importance of advocacy in the strict implementation of any health reform policies in India by giving the example of the **Tobacco Control Advocacy** headed by NGOs. The study conducted by **Kumar & Singh (2016)** shows the influence of public awareness campaigns in promoting knowledge towards public policy among the citizens and also changing the public perceptions. Some studies show the challenges and barriers, such as corruption, coordination between various stages of the government, political instability in the implementation of public policy and programs (Jha & Bhat, 2020; Chandra et al., 2021).

## **RESEARCH GAP**

Despite the existing literature providing significant insights on the various government initiatives and policy efforts, there is an insufficiency of comprehensive studies that evaluate the long-term sustainability impacts of those programs and initiatives. So, it's necessary to evaluate the impact of policy and advocacy to build a resilient, comprehensive, and adaptable healthcare system in a populous country like India.

## **RESEARCH OBJECTIVES**

1. To assess the role of key government policies on the sustainability of the health sector in India.
2. To assess the role of advocacy on the sustainability of the health sector in India.
3. To propose recommendations for strengthening government roles in achieving a sustainable health sector.



## **RESEARCH METHODOLOGY**

The research design is largely descriptive and qualitative, which includes literature related to the public policy and advocacy concerning the Indian healthcare system. Government documents and reports related to public policy, advocacy campaign materials, reference papers, and published journal articles have been analysed to understand the effectiveness of the healthcare system.

### **Key Initiatives of the Indian Government in Promoting Sustainability in the Healthcare Industry**

The 2025-26 Union Budget presents an important moment for India's healthcare journey. Where the expenditures on healthcare have witnessed a balanced rise, the most important fundamental challenge rests in rearranging healthcare as an investment in national productivity and human capital instead of a fiscal burden. Planned investments in primary care, digital healthcare, and healthcare workforce expansion must be long-term and sustainable, in line with India's commitment towards Universal Health Coverage (UHC) under the National Health Policy (2017). The 11% increase in healthcare expenditure, leading to the allocation of ₹1,03,851 crores, indicates a strong commitment towards public health. However, healthcare spending stays limited to around 2% of GDP, significantly lower than the 2.5% target set by the National Health Policy, 2017[**Manorama Bakshi, 2025**].

#### **1. Ayushman Bharat**

With the aim of Universal Health Coverage (UHC) launched this flagship program in 2018 with various components such as **Ayushman Arogya Mandir**: Health and Wellness Centres have been renamed as Ayushman Arogya Mandirs and 1,75,338 Ayushman Arogya Mandirs (AAM) have been operating across India with the expanded collection of 12 services, and there is a unique provision for the availability of Teleconsultations, a budget of 360 crores has been kept and with 30.75 crore teleconsultations have been done as of 30.11.2024 [**Ministry of Health & Family Welfare Report, 2024**].

**Pradhan Mantri Jan Arogya Yojana (PM-JAY)**: This is the largest public-sponsored social health insurance scheme in the world, with different levels of integrative healthcare services such as primary, secondary, and tertiary health care. This scheme offers 5 lakhs of healthcare coverage annually per family and has covered above 50 crore beneficiaries with



12 crore households. The PMJAY scheme is operating all over India and union territories [Omkarnath Sivarchaka and Himadri Mamgain, 2024].

**2. National Health Policy (2017), The National Rural Health Mission (NRHM)** Working with the major elements aims- "the attainment of the highest possible level of health and wellbeing for all at all ages, through a preventive and promotive health care orientation in all developmental policies, and universal access to good quality health care services without anyone having to face financial hardship as a consequence" [Dileep Mavalankar et al, Niti Ayog Report]. **National Urban Health Mission (NUHM)** aims to lower morbidity and mortality rates, particularly among vulnerable sections of society such as women, children, elderly persons, and slum people, with the primary objective of uplifting the overall health status of the urban population [Venkatesh & Suneela Garg et. al, 2024].

**3. National Digital Health Mission (NDHM) / Ayushman Bharat Digital Mission (ABDM) (2020)**

Under this program, 71.52 crore Ayushman Bharat health accounts have been created. 5,42,132 healthcare professionals and 3,55,072 health facilities have been registered under ABDM. 46.25 crore health records have been linked with ABHA as of December 2024 (Ministry of Health & Family Welfare, Initiatives & Achievements-2024).

**4. National Programme for Prevention and Control of Non-Communicable Diseases (NP-NCD)** The important Steps Taken to Control NCDs include the National Health Mission supports quality healthcare, mainly for disadvantaged, underprivileged groups in rural India. Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) program ensures quality generic medicines at affordable prices. Affordable Medicines and Reliable Implants for Treatment (AMRIT) aim to provide medicines at affordable prices for the treatment of cancer, cardiovascular diseases, etc. The Eat Right India movement by FSSAI promotes healthy eating habits (News Today, 2025).

**5. Mission Indradhanush (2014)**

Achieving 90% immunization coverage with the latest by advancements like the Electronic Vaccine Intelligence Network have modernized vaccine logistics, certifying well organised distribution and real-time monitoring mainly focuses on under-vaccinated and zero-dose



children in the high-risk areas and focuses 12 preventable diseases, including polio, measles, and tetanus, while continuously adding new vaccines such as those for Rotavirus and Pneumococcal infections. [Priyanga Datchanamourty & M. Rajalakshmi, 2025].

#### 6. eSanjeevani Telemedicine Service

In purely statistical terms, eSanjeevani seems to be an enormous success, furnishing over 276 million consultations, with almost 300,000 consultations daily.

Some of the latest reports have also found several digital and user experience-based challenges and suggested improvements for the sustained growth of telemedicine in the Indian healthcare system [Biswanath Ghosh Dastidar & Anant R. Jani, 2024]

7. **Jan Aushadhi Scheme:** Emphasizing the Indian government's commitment towards increasing access to affordable medicines across the country, around 14,000 new Jan Aushadhi Kendras have been established across all the states and union territories in India between 2016 and 2025. The outstanding expansion occurred in 2024–25, with a record 3,796 new kendras, bringing the integrative count to 15,057 [Oommen C. Kurian, 2025].

8. **Formation of The Ministry of Ayush:** The Department of Ayurveda, Yoga, Naturopathy, Unani, Siddha, and Homoeopathy (Ayush) focuses on the education and research in Ayurveda, Yoga, and Naturopathy, Unani, Siddha, and Homoeopathy [Ministry of Ayush]. The budget allocation for the Ministry of Ayush has been hiked to Rs 3,992.90 crore for 2025-26 from Rs 3,497.64 crore (revised estimates) in 2024-25, representing a 14.15 percent hike [The Economic Times, 2025].

#### Role of advocacy in the sustainability of Public Healthcare Policy in India

The role of advocacy and the multiplex skills needed must be properly understood by the public health profession and organized within workforce development at both local and national levels [Susie Sykes and Megan Watkins et al., 2023]. Advocacy is a central function of public health in promoting incorporation of health across the policy domain. Public health advocacy is the '*combination of individual and social actions designed to gain political commitment, policy support, social acceptance and systems support for a particular health goal or programme*' [World Health Organization, 2021].

Advocacy considerably affects the development of national health policies by fostering integrated and equitable strategies that target underrepresented groups. The Jan Swasthya





Abhiyan (JSA) has moulded aspects of the National Health Policy 2017, particularly highlighting universal health coverage and accountability **[Ministry of Health and Family Welfare, 2017]**.

According to The Community Action for Health – Case Studies, advocacy mobilizes communities to compete in local health planning and observation. The Community-Based Monitoring and Planning (CBMP) initiative in Maharashtra, supported by civil society, illustrates improved accountability in health services. Advocacy can ensure reliability and transparency in organizations by optimally utilizing tools like social audits and public hearings to hold governments accountable for health policy implementation **[Choudhury, M., & Mohanty, R. K. (2018)]**.

During the COVID-19 pandemic, health advocacy groups highlighted crucial gaps in the supply of oxygen, distribution of vaccines, and migrant health, encouraging government responsiveness and policy revisions **[Oxfam India 2021]**

#### **Supporting Legal Reforms for Health Equity**

According to the Supreme Court of India, AIR 1996 SC 2426, Advocacy helps in the Legal Reforms for Health Equity. Strategic litigation headed by health advocates has led to milestone rulings, such as the Paschim Banga Khet Mazdoor Samity vs State of West Bengal (1996), declaring health as a constitutional right under Article 21 **[Bhuwania, A. (2016)]**.

#### **Generating Evidence for Policy Reform**

Advocacy-led research gives data and proof to support policy shifts. Organizations like CHSJ (Centre for Health and Social Justice) provide policy analysis on gender equity in the health sector **[CHSJ (2022). Gender and Health Equity Reports]**. According to the MoHFW (2022), Advocacy strengthens public understanding about their health rights and rights, providing informed demand for services. For example, ASHA workers trained by NGOs promote maternal and child health awareness among the citizens **[NITI Aayog (2021)]**

#### **India's Nominal GDP Growth vs Healthcare Expenditure**

The dataset below shows India's nominal GDP (in crores) and expenditure on healthcare (in crores) from 2010–11 to 2024–25.





Year	GDP ( <i>in crores</i> )	Expenditure On Healthcare ( <i>in crores</i> )
2010-11	78,74,000	22765
2011-12	90,09,000	24355
2012-13	1,00,20,000	25133
2013-14	1,13,55,000	27145
2014-15	1,25,41,000	30626
2015-16	1,37,64,000	30626
2016-17	1,53,62,000	37671
2017-18	1,70,95,000	53294
2018-19	1,89,71,000	52954
2019-20	2,03,51,000	62397
2020-21	1,98,01,000	78866
2021-22	2,36,64,000	84470
2022-23	2,69,50,000	75731
2023-24	2,95,36,000	86175
2024-25	3,24,11,000	90959

**Sources: Ministry of Statistics & Programme Implementation, 2025., CDP, Indian Budget Series: Budget for Health (2024).**

There is a steady upward trend of Indian GDP, showing a growth from ₹78.74 lakh crores in 2010–11 to ₹3.24 crore crores (i.e., ₹324.11 lakh crores) in 2024–25. This shows the expanding trend of the Indian economy over the past 15 years. In 2019–20 to 2020–21, the GDP slightly declined due to the COVID-19 pandemic. We can see a quick recovery and a growing trend resumed from 2021–22 onwards. The Government's Healthcare Expenditure has also increased significantly, rising from ₹22,765 crores in 2010–11 to ₹90,959 crores in 2024–25. This is nearly a 4-fold hike in healthcare spending over the 15 years. From 2010 to 2015, a notable increase in both GDP and health spending. A rapid increase in healthcare expenditure begins, especially from 2016–17 onwards. Despite the GDP contraction due to Covid-19, healthcare expenditure rose sharply (₹78,866 Cr), which shows a strong indication of prioritizing the health sector in 2020-21. The data shows that the expenditure on healthcare has risen with economic capacity, but not proportionally. The percentage of GDP



allocated to healthcare always remains relatively low. The strong hike during and after the pandemic indicates policy responsiveness to health crises like situations. The table shows a positive and significant relationship between the growth of GDP and health spending, highlighting the need to further institutionalize the healthcare sector as a priority expenditure, not just a crisis response.

### Hypothesis

**H0:** There is no positive relationship in the growth of Nominal GDP and Expenditure on Healthcare in India

**H1:** There is a positive relationship between the growth of Nominal GDP and Expenditure on Healthcare in India

Dependent Variable: EXPEN  
Method: Least Squares  
Date: 06/04/25 Time: 17:33  
Sample: 1 15  
Included observations: 15

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-5208.344	5655.889	-0.920871	0.3739
GDP	0.003205	0.000292	10.97245	0.0000
R-squared	0.902545	Mean dependent var	52211.13	
Adjusted R-squared	0.895048	S.D. dependent var	25652.27	
S.E. of regression	8310.377	Akaike info criterion	21.01196	
Sum squared resid	8.98E+08	Schwarz criterion	21.10637	
Log likelihood	-155.5897	Hannan-Quinn criter.	21.01096	
F-statistic	120.3946	Durbin-Watson stat	1.086561	
Prob(F-statistic)	0.000000			

The Ordinary Least Squares test of Simple Linear Regression shows a strong, positive, and statistically significant relationship between GDP growth and healthcare expenditure in India. Every increase in GDP leads to an increase in healthcare spending. The model explains over 90% of the variance. The p-values show the relationship is statistically significant at the 0.01 level. The Intercept (C) shows that when GDP is zero (not realistic), healthcare spending can be estimated to be ₹5208 Cr. The GDP Coefficient shows that for every ₹1 crore increase in GDP, healthcare spending increases by ₹0.003205 crore, which means ₹3.205 lakh. This shows a Positive and significant relationship. The t-statistic of the GDP 10.97245 indicates a highly statistically significant coefficient. The F value is 120.3946; it is statistically significant at the 1 percent level. Based on the test results, the null hypothesis that there is no positive relationship in the growth of Nominal GDP and Expenditure on Healthcare in



India has been rejected. It implies that there is a relationship between growth of Nominal GDP and Expenditure on Healthcare in India.

## **RECOMMENDATIONS**

The government of India should increase healthcare expenditures to at least 2.5%, as suggested by the National Health Policy 2017, to build a strong workforce, infrastructure, and strengthen the primary healthcare system.

Incorporating traditional medicine with allopathic medicine may generate a holistic medicinal system in the field of both preventative and curative medicine.

Nationwide awareness campaigns should be conducted to educate people on hygiene, mental wellness, digital healthcare facilities, and to make ready for health emergencies such as natural and artificial disasters, vector-borne diseases, pandemics, and non-communicable diseases.

## **CONCLUSION**

The steps taken by governments through public policy and advocacy are effective in reducing out-of-pocket expenditure of citizens, early diagnosis, encouraging access to quality care, and shifting the concentration from illness to wellness. It is possible to achieve long-term quality health outcomes through high transparency, data accuracy, lowering child and maternal mortality rates, and strengthening the healthcare workforce.

Instead of taking several initiatives to promote sustainability in the healthcare system, the implementation of policies and regulations needs to be reinforced to ensure their effectiveness. Therefore, research, monitoring, and implementation are required to promote sustainable healthcare practices.

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