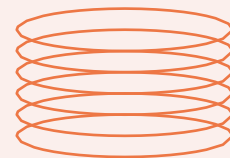
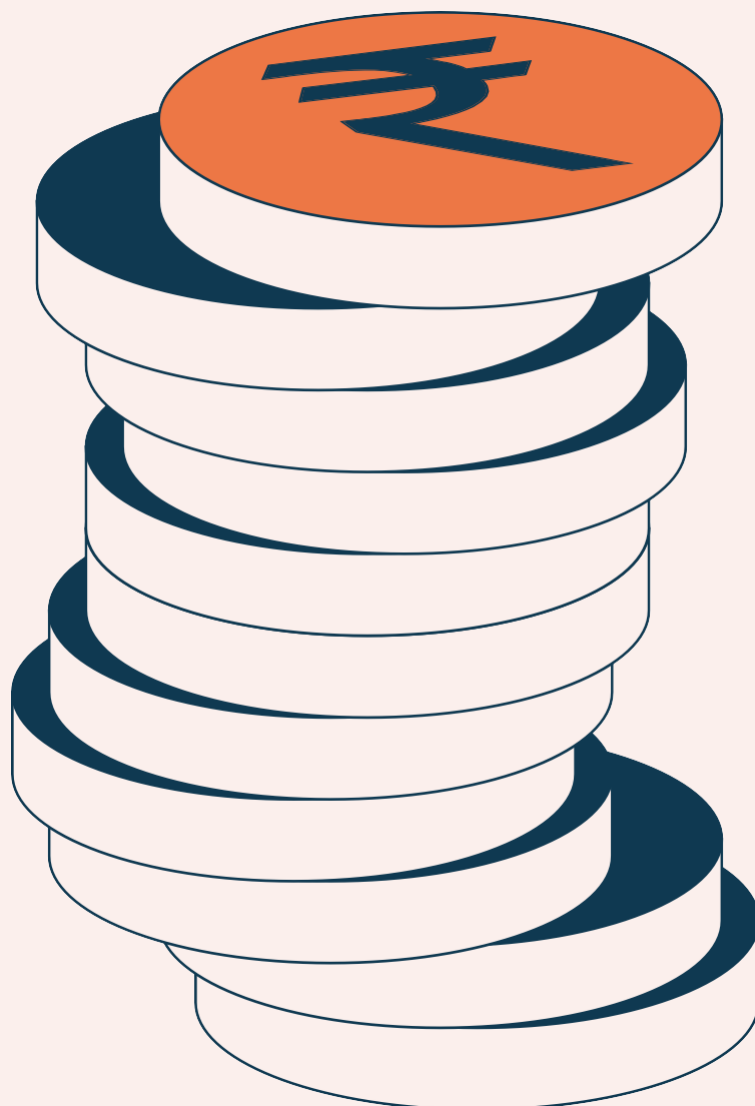


Budget for Mental Health

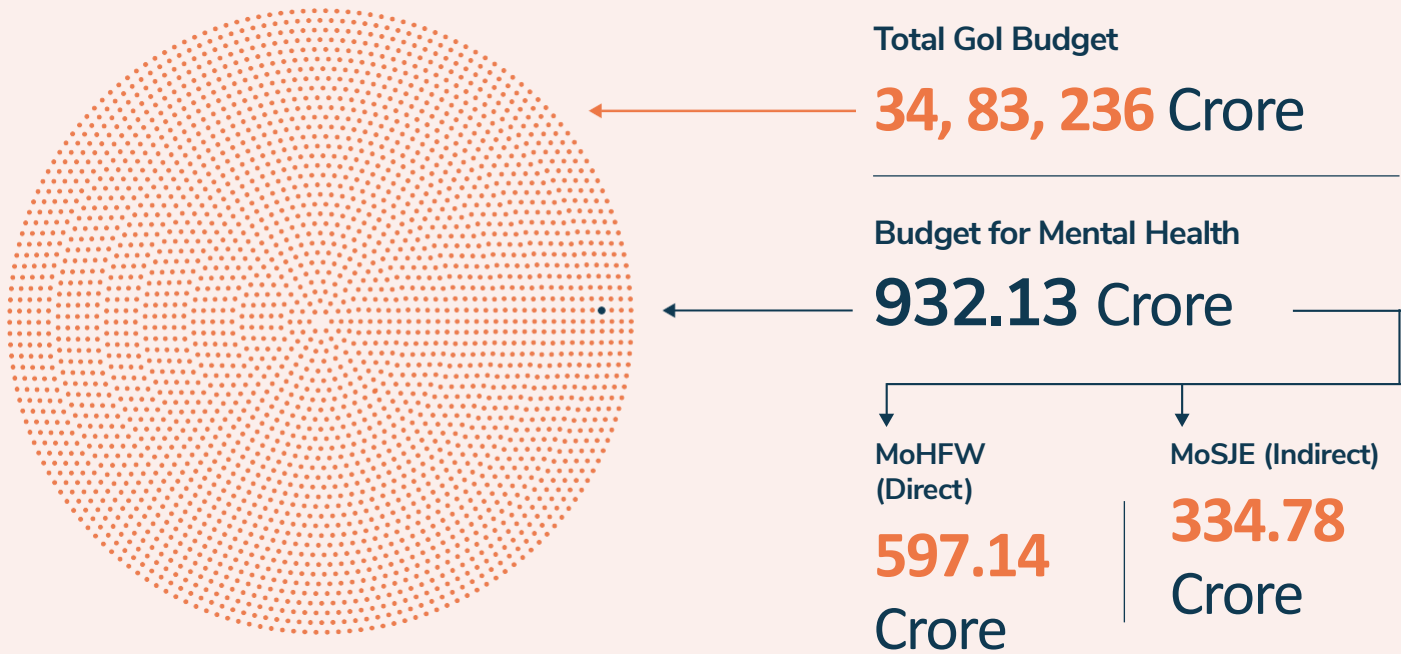


Analysis of Union Budget 2021–2022



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Highlights

- 0.81% of 73,931.8 crore expenditure budget for the Ministry of Health & Family Welfare (MoHFW) is allocated directly for mental health.
- MoHFW's total expenditure budget has increased by 15% compared to the actual estimates in the fiscal year 2019–20; the budget for mental health under the Ministry has risen by 90%.
- Of the 597.14 crore allocated for mental health, 93% of it is for two centrally funded mental health institutions and the remaining 7% is allocated for the National Mental Health Programme (NMHP).

Gaps & Concerns

- The current direct allocations for mental health are grossly insufficient, taking into consideration that 14% of India's population lives with some form of mental illness, and there exists a treatment gap of 72–92%.
- Revised estimates for NMHP in the fiscal years 2018–19 & 2019–20 declined by 89% and 87.5%, respectively. This decline is attributed to the gross underutilisation of funds. In the fiscal years 2018–20 the actual utilisation of funds was as low as 4–6 %.
- Under the Ministry of Social Justice & Empowerment (MoSJE), some funds for mental health are allocated under the Scheme for implementation of the Rights of Persons with Disabilities Act, 2016 & the Deendayal Disabilities Rehabilitation Scheme, however, it cannot be ascertained what proportion of the funds are ringfenced for persons with mental illness.

Recommendations

- Funds allocated for mental health in this year's Union Budget are insufficient to meet the demand for services for persons living with mental illness & those impacted by the Covid-19 pandemic & must be revised.
- Mental healthcare & well-being are complex & intersectoral in nature, for an effective mental health system, intersectoral linkages must be strengthened, & this must reflect in the Union Budget.
- Disaggregated data of disabilities-wise expenditure & beneficiaries under the Deendayal Disabled rehabilitation Scheme & the Scheme for implementation of the Rights of Persons with Disabilities Act, 2016 should be provided, to ascertain the direct expenditure on mental health by the MoSJE.

Since the onset of the Covid-19 pandemic, the world over mental health and wellbeing are being paid more attention to. In India, the limited access to and insufficient availability of mental health services has made it difficult to address the needs of persons living with mental illness and those affected by the pandemic.



14% of India's population lives with some form of mental illness. (Lancet, 2019)



There exists a treatment gap of upto 72 - 92% for various mental disorders. (NMHS 2016)



In India, there are 0.6 mental health workers per 100,000 population. (WHO Mental Health Atlas, 2014)

The impact of the pandemic has been felt far and wide across countries, genders, social groups, and vulnerable populations. As a result, different population groups have faced varying levels of emotional distress, which in some cases may have been worsened by psychosocial and economic factors.

For instance, loss of employment, depleted savings and financial insecurity has affected large parts of the population, particularly those working in the informal sector. For children, the shutting down of school and consequent lack of social interaction has implications for the emotional and social development of children, and therefore their mental health and wellbeing. For children belonging to economically vulnerable groups the shutting down of schools has not only had implications for their education, but even for health, as for many children it has meant no access to midday meals.

Rising incidents of domestic violence have also been observed and reported. It is imperative to recognise mental health and wellbeing as closely tied to

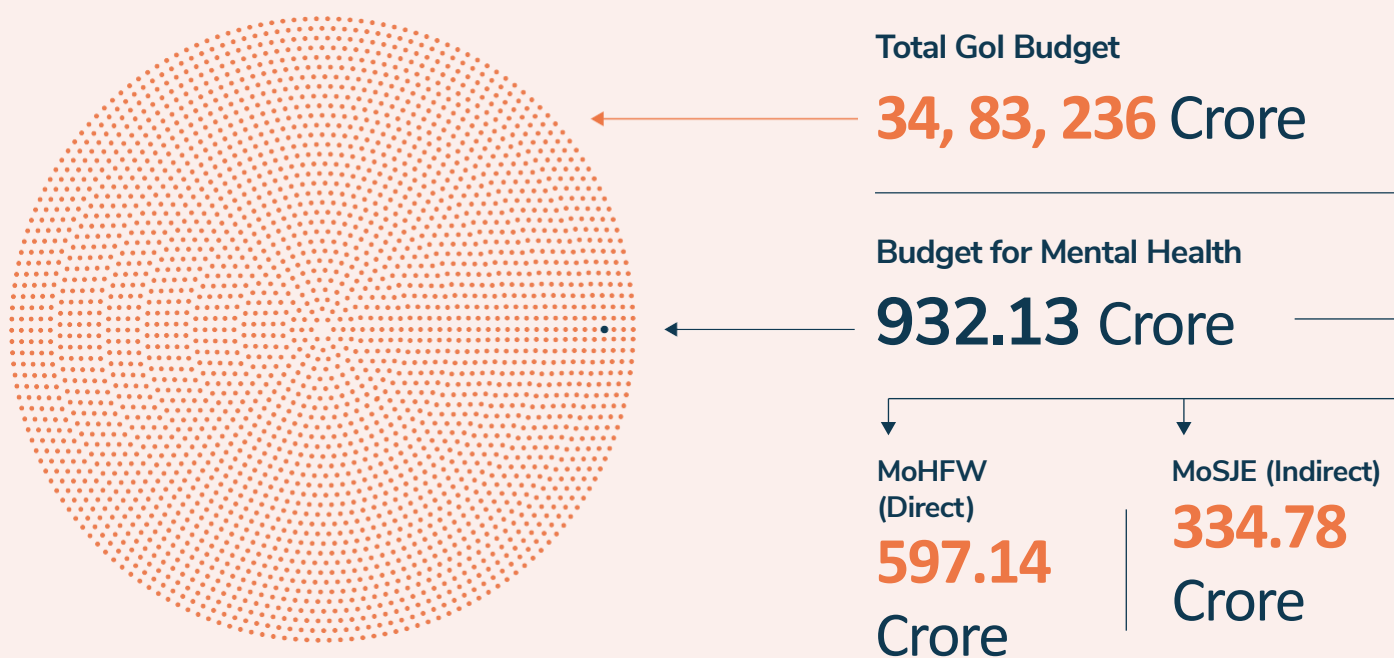
psycho-social, economic, and cultural factors. And therefore, financing and strengthening the mental health system is critical.

The World Health Organization estimates that the economic loss due to mental health conditions in India, between 2012-2030, is ₹75.84 lakh crore. Despite this, less than 0.5% of the Central government's expenditure budget is directed towards mental health. In this brief we map and analyse the analyses the direct allocations made for mental health across central ministries in the Union Budget 2021-22. The direct expenditure* budget comprise allocations made for the implementation of mental health related legislations, programmes, and autonomous bodies.

Direct Expenditure on Mental Health

In the Union Budget 2021-22, the direct allocations for mental health related activities, schemes and programmes can be traced under expenditures estimates for the Ministry of Health and Family Welfare and Social Justice and Empowerment. Of the total Government of India expenditure budget (₹34,83,236 crore) only ₹932.18 crore is the expenditure towards Mental Health. Under the Ministry of Social Justice and Empowerment, some funds for mental health

are allocated under the scheme for implementation of the Rights of Persons with Disabilities Act, 2016 and the Deendayal Disabled Rehabilitation Scheme. However, no line-items or a breakdown of funds for mental health are mentioned, therefore it is difficult to ascertain the exact funds for mental health and persons with mental illness under these two schemes.

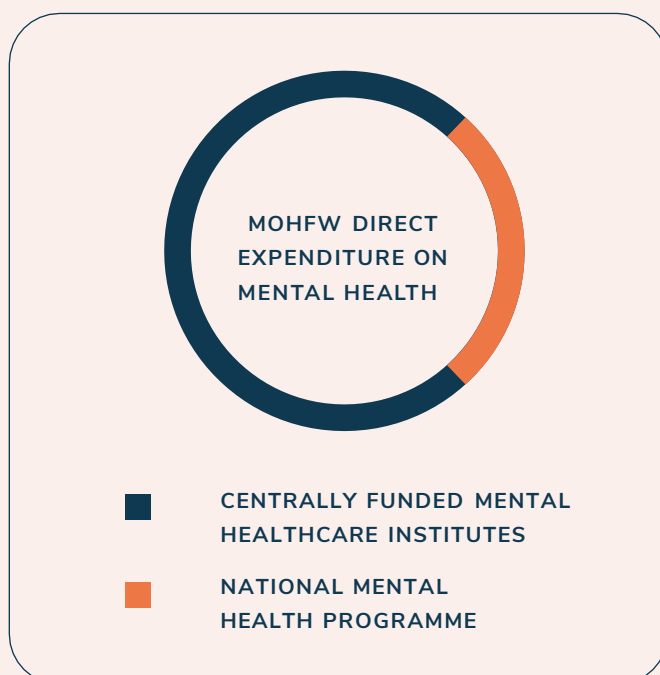


Ministry of Health & Family Welfare

0.81% of ₹73,931.8 crore expenditure budget for the Ministry of Health and Family Welfare (MoHFW) is allocated directly for mental health.

The total expenditure budget for the MoHFW has increased by 15% compared to the actual estimates in the fiscal year 2019-20; the budget for mental health has also increased by 9%.

Of the direct budget allocated for mental health under the MoHFW, most of it, ₹557.44 crores (93%), is allocated toward two centrally funded mental health institutions with the remaining ₹40 crores (7%) allocated to the National Mental Programme (NMHP).



Launched in 1982, the National Mental Health Programme (NMHP) is a flagship programme of the government of India. The NMHP functions at two levels, each with its own set of activities/ schemes:

- a. **Tertiary-level activities** comprise of (i) Scheme A for the development of Centres of Excellence, and upgradation of 10 existing psychiatric institutions and medical colleges; and (ii) Scheme B which is aimed at increasing capacity by training personnel in mental health specializations such as psychiatry, psychiatric nursing, etc.
- b. **District-level activities** predominantly comprise of the implementation of the District Mental Health Program (DMHP).
- The budget outlay for Scheme A and Scheme B under Tertiary-level activities of the NMHP remains the same as last year, at ₹40 crores. This is budgeted as separate line item in the MoHFW expenditure budget. The funds for the implementation of the DMHP, however are allocated under the larger umbrella of the National Health Mission, line item 'Flexible-pool of Non-Communicable Diseases, Injury and Trauma'. It remains to be ascertained what percentage of the ₹717 crore allocated for the Flexible-Pool of Non-Communicable Diseases is earmarked for the DMHP.

- In the Expenditure Profile of the ₹40 crore allocated for the NMHP, ₹21.40 crore are earmarked for the welfare of Scheduled Tribes and ₹4.75 crore for the welfare of Scheduled Castes, i.e., 33% of the total budget estimate for the NMHP. Further, ₹175.15 crore are earmarked under the gender budget for the National Institute of Mental Health and Neurosciences, Bengaluru, one of the two centrally funded mental health institutions.
- An area of concern is the decline in the revised estimates for the NMHP, in the previous fiscal year. Across two consecutive years (2018-20) the revised estimates declined by 89% and 87.5% respectively. This decline can be attributed to the underutilization of the funds at the lower levels of the governance structure, thereby creating a vicious cycle of low supply due to low demand, and vice versa. (Table 1)
- As can be observed in Table 1, the funding for the NMHP from the Central government has remained consistent. However, as a result of underutilization of funds, the revised estimates reduced to almost a tenth of the expenditure budgets allocated. In the fiscal year 2018-19, a budget of ₹50 crores was allocated, however this was revised to a mere ₹5.5 crore. A similar trend can be observed in 2019-20.

Table 1: Union Budget allocation for NMHP (tertiary level activities) 2015-2021 (₹ in crore)

Fiscal Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Budget Estimate	-	35	35	50	40	40	40
Revised Estimates	35	35	45	5.5	5	27.36	-
Actual Expenditure	35.42	33.95	43.58	2.01	2.51	-	-

- The Ministry of Social Justice and Empowerment has been given a budget outlay of ₹11,689.39 crore for the fiscal year 2021-22. Of this, ₹10,517.62 crore are allocated for the Department of Social Justice and Empowerment and ₹1171.11 crore for the Department for Empowerment of Persons with Disabilities.
- In the budget estimates for the Department for the Empowerment of Persons with disabilities, some funds for mental health are allocated under the National Programme for Welfare of Persons with Disabilities. For this central sector scheme, the budgetary outlay for this fiscal year has increased by 4% compared to the actual expenditure in 2019-20.
- Two line-items under the National Programme for Welfare of Persons with Disabilities, under which some funds for mental health and persons with mental illness are allocated are: (i) the Scheme for implementation of the Rights of Persons with Disabilities Act, 2016; and (ii) Deendayal Disabled Rehabilitation Scheme. However, the exact funds or mental health under these schemes cannot be ascertained in the absence of disaggregated data on disability-wise expenditure and beneficiaries under the scheme.

Implementation of the Rights of Persons with Disabilities Act, 2016

- Five years since the Persons with Disabilities Act (RPwDA), 2016 was enacted, there remain several gaps in its implementation. While the budget estimates (₹209.77) for this fiscal year have increased compared to the revised estimates in 2021-22, it remains 3.4% lower than the actual estimates for the fiscal year 2019-20.

Deendayal Disabled Rehabilitation Scheme

- Under the Deendayal Disabled Rehabilitation scheme, grants-in-aid are provided to non-government organisation running half-way homes for psychosocial rehabilitation of persons with mental illness, providing support for home-based rehabilitation and management, and community-based rehabilitation services.
- For this fiscal year, the scheme has a budgetary outlay of ₹125 crore, an increase of 23% compared to the actual estimates in the fiscal year 2019-20.

Gaps & Areas of Concern

- It is evident that the direct budget allocated for mental health in this year's Union Budget is insufficient to meet the demand for services for persons living with mental illness and those impacted by the Covid-19 pandemic. However, the problems of financing the mental health system in India extends beyond a paucity of funds. Severe under utilisation of funds is one such emerging observation. As emphasised previously, the actual utilisation of funds for the National Mental Health Programme's tertiary-level activities for the fiscal year 2018-19 and 2019-20 was between 4 to 6%. Studies that have examined under utilisation of funds for the DMHP specifically, attribute the reasons for underutilization to poor coordination between the centre, states, and districts in the disbursement of funds impeded by administrative delays.
- Another concern is the lack of data available to determine the proportion of funds budgeted for the DMHP. Owing to the reach and scale of the DMHP, mental health services today are somewhat accessible to large parts of the population that would otherwise have been excluded. It is therefore crucial that the proportion of DMHP funds budgeted each year be disclosed to improve service delivery and monitor the implementation of the programme. It is also worth noting that the funds for the implementation of the DMHP are allocated within the Flexi-pool for Non-Communicable Diseases and not as separate line item. Even though the DMHP was launched 25 years ago, at present Kerala is the only state in the country with 100% coverage.
- Mental healthcare and well-being are complex and intersectoral in nature, influenced by a range of factors. In an effective mental health system, such intersectoral linkages are critical and must be strengthened. These linkages must also reflect in budget allocations. At present a majority of the funds for mental health come from the Ministry of Health and Family Welfare, while indirect funds for mental health come from allocations made for schemes and programmes with mental health related components, under other Ministries. For example, counselling services are a mental health component of the One Stop Centres, set-up by the Ministry of Women and Child Development. Similarly, funds for legal aid for persons with mental illness are allocated to the National Legal Services Authority under the Ministry of Law and Justice.

- Even though such allocations are indirect and only partially allocated for mental health related activities and interventions, it is important that they be accounted for when mapping the financing of the mental health system in the country. At present the funds allocated for mental health components of schemes and programmes under other Ministries cannot be ascertained, owing to which it remains unclear what the Union Governments exact expenditure budget for Mental Health is.
- Disaggregated data of disabilities-wise expenditure and beneficiaries under the Deendayal Disabled Rehabilitation Scheme and the Scheme for implementation of the Rights of Persons with Disabilities Act, 2016 should be made available, to ascertain the direct expenditure on mental health by the Ministry of Social Justice and Empowerment. Among the many groups of persons with disabilities, persons with persons with mental illnesses and mental disabilities are often overlooked and neglected. A clear demarcation of funds based on types of beneficiaries and disabilities would help ascertain the exact direct expenditure on mental health by the Ministry of Social Justice and Empowerment.

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