Healthcare Inequality in India: A Comparative Study of Metropolitan and Small Cities

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Abstract: *Healthcare inequality remains one of the most critical challenges facing India's development agenda. Despite significant progress in medical technology and healthcare infrastructure, access to quality healthcare services continues to vary widely across metropolitan cities, small cities, and rural areas. Metropolitan regions benefit from advanced hospitals, specialist availability, and better emergency care, while small cities and rural regions often suffer from inadequate infrastructure, shortage of skilled healthcare professionals, and high out-of-pocket expenditures. This study aims to examine the extent of healthcare inequality in India through a comparative analysis of metropolitan, small city, and rural healthcare systems. The research is based on secondary data collected from government reports, national health surveys, budget documents, and existing literature. The study also highlights policy and budgetary priorities, emphasizing the gap between infrastructure development and healthcare investment. The findings reveal persistent regional disparities that negatively affect healthcare accessibility, affordability, and quality of treatment. The paper concludes that strengthening public healthcare infrastructure and ensuring balanced policy implementation are essential to achieve equitable healthcare access across all regions of India.*

Keywords: Healthcare Inequality, Indian Healthcare System, Urban–Rural Disparity, Public Health Infrastructure, Healthcare Accessibility, Health Policy, India

I. INTRODUCTION

Healthcare inequality in India remains a pressing public health challenge that affects the well- being of millions of people, especially those living outside major metropolitan centers. While metropolitan cities such as Mumbai, Delhi, Bengaluru, and Pune have access to advanced medical infrastructure, well-trained professionals, and specialized services, many small cities and semi-urban areas lack basic healthcare facilities, specialist doctors, diagnostic equipment, and emergency services. This disparity leads to unequal healthcare access, poorer health outcomes, and significant financial burdens on disadvantaged populations. Understanding these inequalities is critical for policy formulation aimed at improving equitable healthcare delivery nationwide.

Problem Statement

Healthcare services in India are not equally available or of the same quality across different regions. While big metropolitan cities such as Mumbai, Delhi, and Bengaluru have many well-equipped hospitals, trained doctors, and modern medical facilities, small cities and semi-urban areas often lack basic healthcare infrastructure. In these smaller regions, there are fewer hospitals, limited diagnostic services, and shortages of skilled medical professionals. As a result, people in small cities and rural areas face more difficulty in getting timely and proper medical care. These differences make it hard for many individuals, especially from low-income families, to receive quality treatment. This inequality in access and service quality contributes to poorer health outcomes, such as higher rates of illness and complications, compared to those living in large cities.

II. LITERATURE REVIEW

Several studies have examined the condition of the healthcare system in India and highlighted the unequal distribution of healthcare services across regions. Existing research shows that metropolitan cities have better healthcare infrastructure, including a higher number of hospitals, specialist doctors, advanced medical equipment, and emergency services. In contrast, small cities and rural areas continue to face shortages of healthcare facilities and trained medical staff.

According to reports by national health surveys and government institutions, access to quality healthcare in non-metropolitan regions remains limited due to poor infrastructure, lack of specialists, and dependence on private healthcare providers. Many studies have pointed out that public hospitals in small cities are often overburdened and underfunded, leading to long waiting times and reduced quality of care. This forces patients to travel to metropolitan cities for treatment, increasing financial and emotional stress.

Previous research has also highlighted the high out-of-pocket healthcare expenditure in India, especially for people living outside major cities. Due to inadequate public healthcare facilities, low- income households in small cities and rural areas are more vulnerable to financial hardship caused by medical expenses. Studies further suggest that although government healthcare schemes exist, their implementation and reach are uneven across regions.

While earlier studies have focused mainly on the rural–urban healthcare divide, limited research has specifically compared metropolitan cities with small cities. This study attempts to address this gap by providing a comparative analysis of healthcare access and quality between metropolitan, small city, and rural regions in India, with a focus on current policy and budgetary priorities.

Objectives of the Study

This study aims to:

- Compare healthcare infrastructure and service availability between metropolitan and small cities in India.
- Examine differences in healthcare access, quality, and affordability.
- Analyze the impact of recent budgetary allocations on healthcare priorities.
- Recommend measures to address healthcare inequality.

III. RESEARCH METHODOLOGY

This study uses a descriptive and comparative research design based on secondary data from government and credible institutional sources. Key sources include health policy reports, budget statements, healthcare system analyses, and national health statistics. Data is synthesized to highlight disparities between metropolitan and small city healthcare access and outcomes.

Current Status of Healthcare in India
Healthcare Access and Infrastructure

Despite economic growth and healthcare investments, access remains unequal. Approximately 65% of India's population lives in rural and semi-urban areas, yet the majority of healthcare infrastructure — including hospital beds, specialists, and diagnostic centers — is concentrated in urban regions. Rural areas, and by extension many small cities, often rely on under-resourced public health centers that struggle with a shortage of doctors and equipment.

For example:

Rural regions face a significant shortage of specialists at community health centers, often exceeding 80% shortages, resulting in long wait times or referrals to distant facilities.
Urban areas are dominated by private healthcare providers, resulting in out-of-pocket costs that can push families into financial hardship.

Utilization Patterns

Data shows that rural residents often rely on public healthcare facilities, while urban populations are more likely to use private services. Public facilities in rural regions are often overwhelmed and understaffed, while private care in cities — though more available — is expensive.

Metropolitan vs Small Cities: Comparative Analysis

Dimension	Metropolitan Cities	Small Cities / Semi-Urban Areas
Infrastructure	Advanced private & public hospitals; specialized care available	Limited hospitals, often under-equipped
Doctor Availability	High number of specialists	Severe shortage of specialists
Cost	High out-of-pocket costs, but greater options	Lower costs but fewer options
Emergency Services	Better emergency response systems	Often long travel distances for urgent care
Health Outcomes	Generally better outcomes	Worse outcomes for maternal, infant mortality
Public Health Focus	Better implementation of preventive programs	Lower coverage, weaker systems

Pain Points and Challenges

Lack of Resources in Small Cities

In small cities, Community Health Centers and Primary Health Centers often function with minimal staff, limited medicines, and outdated equipment. Many patients must travel long distances for diagnosis and treatment, increasing the cost and time burden of seeking care.

Cost Barriers

While metropolitan healthcare systems provide more options, many are expensive and depend heavily on private health services. Urban poor populations may struggle to afford treatment even within cities.

Utilization of Public Healthcare

Even though government healthcare spending has increased, utilization of public services remains low due to perceived poor quality, long waiting times, and staffing shortages. About 50% of Indians reportedly avoid public healthcare facilities for these reasons despite enhanced allocations.

The Role of the Union Budget 2026

The Union Budget 2026-27 modestly increased the health sector allocation by about 7–10% compared with the previous year, including funding for the National Health Mission and regional medical hubs. However, health spending as a proportion of the total budget remains low (around ~2%), below the National Health Policy target of 2.5% of GDP, and critics argue these investments are still insufficient to close the inequality gap between cities.

Despite increased allocations:

Public health infrastructure improvements remain slow.

Budget priorities continue to include significant expenditure to other sectors such as transport and infrastructure, which might indirectly benefit health but do not immediately address core health equity issues.

This suggests a policy focus on broad economic sectors, while healthcare equality, especially in smaller cities, remains under-funded relative to need.

IV. FINDINGS AND DISCUSSION

This study reveals persistent gaps in healthcare infrastructure and service quality between metropolitan and small cities in India. Even with increased budget allocations, challenges remain:

- Small cities lack adequate medical facilities, specialists, and emergency care.
- Urban poor populations face high out-of-pocket costs in private healthcare systems.
- Public healthcare services, though expanded in budget terms, are underutilized due to quality and staffing issues.

These disparities contribute to unequal health outcomes, reinforcing socioeconomic inequalities and reducing opportunities for populations in smaller cities to achieve equitable health.

V. CONCLUSION AND RECOMMENDATIONS

This study highlights the significant inequality in healthcare access and quality across metropolitan cities, small cities, and rural areas in India. While metropolitan regions benefit from better infrastructure, availability of specialists, and advanced medical facilities, smaller cities and rural areas continue to face serious challenges such as inadequate hospitals, shortage of healthcare professionals, and limited diagnostic services. These regional differences force many patients to travel long distances to metropolitan cities for treatment, increasing their financial burden and delaying timely care. Although recent government initiatives and budget allocations have shown a positive intent toward improving healthcare, the benefits are not evenly distributed across regions. The findings of this study indicate that healthcare inequality remains a major concern and requires focused policy action to ensure that all citizens, regardless of location, have access to affordable and quality healthcare services.

Recommendations

Strengthening Public Healthcare Infrastructure

The government should prioritize upgrading public hospitals and primary healthcare centers in small cities and rural areas by improving infrastructure, medical equipment, and basic facilities.

Improving Availability of Healthcare Professionals

Incentives such as higher salaries, career growth opportunities, and improved working conditions should be provided to encourage doctors and specialists to work in non- metropolitan regions.

Balanced Budget Allocation

While investments in infrastructure and transport are important, greater and more balanced budgetary focus is required on healthcare and education to reduce long-term inequality in access to essential services.

Enhancing Primary and Preventive Care

Strengthening primary healthcare services can reduce the burden on metropolitan hospitals and improve early diagnosis and treatment in smaller regions.

Effective Implementation of Health Schemes

Government healthcare schemes should be better monitored and implemented to ensure they reach underserved populations, especially low-income groups in small cities and rural areas.

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