**Does affordability matter? Examining the trends and patterns in healthcare expenditure in India**

**Rationale:** Universal health coverage is among one of the major targets of Sustainable Development Goals, which stresses upon the availability, accessibility, and affordability of healthcare services without any financial risk to the households. Absence of better financing mechanism results into Out of pocket expenditure and catastrophe, leading to impoverishment and poverty. This paper tries to investigate the trends and patterns in OOPE in India from 1994-2012 by applying the Andersen’s behavioural model of healthcare utilization.

**Methods:** Data has been used from the three rounds of nationally representative consumer expenditure surveys i.e. 1993-94, 2004–05 and 2011–12 conducted by the Ministry of statistics and planning implementation, Government of India. We employed multiple generalized linear regression model to explore the relative effect of various socio-economic covariates on the level of OOPE.

**Result:** Results indicate that there has been a consistent increase in inpatient (4.53%), outpatient (1.2%) and total OOPE (1.4%) between 1994-2012. The gap between richer and poorer segment has further widened along with noticeable regional disparities across the Indian regions. The share of medicines in over-all OOPE was highest followed by other components, though there has been decline in the percentage share of OOPE on medicines (83% to 67%) between 1994-2012. OOPE among the elderly, urban and richer segment of the population was higher as compared to their counterparts.

**Conclusion:** Our results highlight the need to explore the reasons underlying the lack of effectiveness of existing health financing mechanism and health services in reaching to the less-advantaged section of the population. Special attention is required to cater the health financing needs of the elderly, rural and poorer segment of the population and reducing the unjust burden of higher OOPE in India. There is need to strengthen the affordability for health payments among Indian households.

**Key words:** Universal health coverage, OOPE, affordability, GLM, India.