

**GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:2445

ANSWERED ON:25.07.2014

FUNDS UNDER NRHM

Azad Shri Kirti (JHA);Godse Shri Hemant Tukaram;Kaswan Shri Rahul;Shekhawat Shri Gajendra Singh;Venugopal Shri K. C.

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

- (a) the details of the funds allocated/released/utilized for various programmes running under the National Rural Health Mission (NRHM) in the country during each of the last three years and the current year, scheme and State/UT-wise;
- (b) the details of funds allocated/released to district hospitals and utilization reported thereunder during the above said period, State/UT-wise;
- (c) whether the Government has received any proposals from the States/UTs for allocation of more funds under NRHM to improve healthcare facilities, if so, the details of such proposals and the action taken by the Government thereon, proposal-wise, State/UT-wise;
- (d) whether certain cases of misuse of funds have come to the notice of the Government and if so, the details thereof along with the action taken by the Government in this regard; and
- (e) the steps taken/being taken by the Government for proper utilization of funds and continuous monitoring of implementation of NRHM at various levels?

Answer

THE MINISTER OF HEALTH AND FAMILY WELFARE (DR. HARSH VARDHAN)

- (a): The details of the funds allocated/released/utilized for various programmes running under the National Rural Health Mission (NRHM) in the country during each of the last three years and the current year, Scheme and State/UT-wise is annexed at Annexure I and II respectively.
- (b): The funds are released to the States/UTs in lump sum basis pool-wise instead of activity-wise. A statement showing SPIP (State Programme Implementation Plan) approval and expenditure under Strengthening of District hospitals for the last three years State/UT-wise is annexed at Annexure III.
- (c): The States/UTs regularly seek more allocation of funds under NRHM to improve health care facilities. However, allocation to a State/UT is determined by the budgetary provision for NRHM and the formula approved by the Mission Steering Group for allocation of NRHM-RCH flexi pool funds among States.
- (d): Certain instances of misuse of NRHM funds like mis-appropriation, misuse of untied funds, diversion of funds from one pool to another without authorisation, excessive and infructuous purchases etc. have come to light through Audit in States like Uttar Pradesh, Assam, Bihar, Haryana, Jammu & Kashmir, Orissa and Rajasthan. Such irregularities may occur due to poor enforcement of financial discipline, inadequate availability and inadequate capacities of financial staff etc. The observations have been duly communicated to the concerned States for taking necessary remedial action.
- (e): The Department requested the Comptroller & Auditor General (CAG) for conducting annual transaction audits of the National Rural Health Mission (NRHM) in all the States from the Financial Year 2011-12 in order to identify the existing gaps, facilitate independent monitoring and timely corrective measures so that a quality and timely audit assessment becomes available to assist the State Governments in undertaking remedial measures and achieving the targets of NRHM. The CAG has agreed to undertake annual audit and initiated the process. Besides provision of annual CAG audit, following monitoring mechanisms have been put in place by the Department of Health & Family Welfare for adherence to financial procedures and proper financial utilization:
 - # Submission of quarterly Financial Monitoring Reports by the States;
 - # Annual Statutory Audits;
 - # Concurrent Audits;
 - # Visits by the teams of the Financial Management Group of the Department to states for periodical review;
 - # Annual visits to states by Common Review Mission, which inter-alia, looks at financial systems and mechanisms.
 - # Institute of Public Auditors of India (IPAI) has been awarded the work to review financial aspects under NHM.
 - # Implementation of Public Financial Management System (PFMS) in NHM. The PFMS has been developed by the office of the CGA of Ministry of Finance for monitoring and management of funds on just in time basis.
 - # Senior Officers have been visiting the States/UTs to settle pending UCs in the State/UTs.
 - # Regular reviews on NHM including on financial matters with State/UT government officials.