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MINISTRY OF DEFENCE
(DEPARTMENT OF EX-SERVICEMEN WELFARE)

EX-SERVICEMEN CONTRIBUTORY HEALTH SCHEME

[Action taken by the Government on the recommendations contained in the Twentieth Report (Sixteenth Lok Sabha) of the Committee on Estimates]

COMMITTEE ON ESTIMATES
(2017-18)

TWENTY SEVENTH REPORT

(SIXTEENTH LOK SABHA)

LOK SABHA SECRETARIAT
NEW DELHI

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COMMITTEE ON ESTIMATES

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(Presented to Lok Sabha on 19 March, 2018)

LOK SABHA SECRETARIAT

NEW DELHI

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29. Shri Jugal Kishore Sharma
30. Shri Jay Prakash Narayan Yadav

*** Elected vide Lok Sabha Bulletin Part – II No. 6141 dated 22.12.2017 vice Shri Ashwini Kumar Choubey appointed as Minister**

$ Elected vide Lok Sabha Bulletin Part – II No. 6141 dated 22.12.2017 vice Shri Sultan Ahmed died

& Elected vide Lok Sabha Bulletin Part – II No. 6141 dated 22.12.2017 vice Shri Gajendra Singh Shekhawat appointed as Minister

% Elected vide Lok Sabha Bulletin Part – II No. 6141 dated 22.12.2017 vice Shri Nanabhau Falgunrao Patole resigned

SECRETARIAT

1.	Smt. Sudesh Luthra	-	Additional Secretary
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4.	Shri Santosh Kumar	-	Additional Director
5.	Shri Sujay Kumar	-	Under Secretary
6.	Shri L. Shantikumar	-	Executive Assistant

INTRODUCTION

I, the Chairperson of the Committee on Estimates (2017-18) having been authorized by the Committee to submit the Report on their behalf, do present this Twenty Seventh Report on action taken by the Government on the observations/ recommendations contained in the Twentieth Report of the Committee (2016-17) on the subject 'Ex-Servicemen Contributory Health Scheme' pertaining to the Ministry of Defence (Department of Ex-Servicemen Welfare).

2. The Twentieth Report of the Committee on Estimates was presented to Lok Sabha on 9 December, 2016. Action Taken Notes on observations/recommendations were received from the Ministry of Defence (Department of Ex-Servicemen Welfare) on 03 May, 2017. The draft Report was considered and adopted by the Committee at the sitting held on 20 February, 2018.

3. An analysis of action taken by the Government on the observations/ recommendations contained in the Twenty Seventh Report of the Committee is given in Appendix II.

NEW DELHI;
01 February, 2018
12 Magha, 1939 (Saka)

DR. MURLI MANOHAR JOSHI,
CHAIRPERSON,
ESTIMATES COMMITTEE.

CHAPTER - I

REPORT

This Report of the Committee deals with the action taken by the Government on the recommendations/observations contained in the 20th Report (16th Lok Sabha) of the Committee on Estimates (2016-17) on the subject 'Ex-Servicemen Contributory Health Scheme' pertaining to the Ministry of Defence (Department of Ex-Servicemen Welfare).

1.2 Twentieth Report (16th Lok Sabha) was presented to Lok Sabha on 9 December, 2016. It contained 14 Recommendations/Observations. Action Taken Notes in respect of all the Recommendations/Observations were received from the Ministry of Defence (Department of Ex-Servicemen Welfare) on 3 May, 2017

1.3 Replies to the Recommendations/Observations contained in the Report have broadly been categorized as under:-

(i) Recommendations/Observations which have been accepted by the Government:

Sl. Nos. 1, 2, 3, 6, 11, 12 & 14 — Total = 7 (Chapter II)

(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's reply:

Sl. No. 8 — Total = 1 (Chapter III)

(iii) Recommendations/Observations in respect of which the Government's replies have not been accepted by the Committee:

Sl. Nos. 9 & 13 — Total = 2 (Chapter IV)

(iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:

Sl. Nos. 4, 5, 7 & 10 — Total = 4 (Chapter V)

1.4 The Committee desire that final replies to the Recommendation Nos. 4, 5, 7 and 10 and response to comments contained in Chapter I of this Report should be furnished expeditiously.

1.5 The Committee will now deal with the action taken by Government on some of the recommendations in the succeeding paragraphs.

A. Need for Greater Geographical Coverage

Observation/Recommendation (Sl. No. 1)

1.6 Taking exception to the limited geographical coverage under the Ex-Servicemen Contributory Health Scheme (ECHS), along with inadequate number of Polyclinics and Regional Centres, the Committee had expressed concern that the scheme has so far covered only a total of 339 districts thus restricting the geographical coverage to a mere 51 percent and the total number of Polyclinics stand at only 426 out of which only 418 were operational. The Committee had expressed serious dismay over the non-judicious distribution of Polyclinics in some States and had noted that due to excess load on already existing Polyclinics with respect to their designated capacity and inadequacy of resources, efficient medicare is not being provided to the Ex-Servicemen (ESM). Accordingly, the Committee had recommended that effective steps be taken to operationalise the 426 Polyclinics already sanctioned and measures be taken expeditiously to further increase geographical coverage of the Scheme by taking up the next phase of expansion to 67 stations. The Committee had also recommended that the expenditure incurred on public transport by the remote area designated beneficiaries for visiting ECHS centres upto the rank of non-Junior Commissioned Officers (non-JCOs) be reimbursed till such designated remote geographical coverage of ECHS centres is completed. The Committee had further recommended that a precise plan be drawn up for subsequent expansion of the Polyclinics network providing thereby better geographical coverage of ECHS, considering the incremental increase in the number of beneficiaries and the mounting load on the existing Polyclinics. The Committee had requested to be apprised of the measures taken regarding this.

1.7 In their response, the Ministry has stated that 227 Polyclinics were sanctioned in December 2002. Thereafter, the Scheme was expanded in 2010, when 199 additional Polyclinics were sanctioned which makes a total of 426 ECHS Polyclinics across the Country. As per information provided by the Ministry, presently, out of 684 districts in the Country, 358 districts are covered by ECHS. These Polyclinics cover approx 52% districts in the Country. Out of 426 ECHS Polyclinics, 421 are operational and remaining five Polyclinics are to be made functional shortly. The opening of new ECHS Polyclinics is considered on the basis of the population of ESM, availability of Medical, Para-Medical Staff and also Empanelled Hospital. The case for opening of new Polyclinics is deliberated at Command Headquarters level and forwarded to Central Organisation ECHS with recommendations for projection. The Ministry have further informed that the case for opening of 84 additional Polyclinics is under consideration. With these 84 Polyclinics, coverage will be 59% of the Districts countrywide. It is stated that a graduated approach has been adopted to ensure that optimum utilization of resources/ Polyclinics sanctioned is ensured based on inputs from already operational Polyclinics in the proximity. The ultimate aim is that the places where the number of ESM residing in the area meets the requirement of number of ESM and other provisions of the scheme, in such places, opening of polyclinic will be considered. In case of ESM who do not have accessibility to Polyclinics or empanelled hospitals, provision exists to avail facilities in any Government Hospital for which sanction has been issued vide Ministry of Defence (MoD) ID No 22D(09)/2013/US(WE)/D(Res) dated 26 July 2016. The Ministry has also apprised that, a case is under consideration to grant FMA to ESM residing in District not covered by ECHS Polyclinic. With regard to recommendation of the Committee to reimburse transport expenditure for remote area personnel upto non-JCO or below, the Committee have been apprised that it would be examined.

1.8 The Committee note from the action taken reply that pursuant to their recommendation, some of the steps have been by the Government to improve the health coverage and medical facilities to Ex-Servicemen viz (i) increase in the geographical coverage from 51% to 52% Districts in the country; (ii) increase in the number of functional ECHS from 418 to 421 and the remaining five ECHS stated to be made functional shortly; (iii) case for opening of 84 additional

Polyclinics is under consideration which would increase the coverage to 59% of the Districts; (iv) issue of sanction on 26 July, 2016 for availing facility in Government Hospitals in case of ESM who do not have accessibility to Polyclinics or empanelled hospitals; and (v) a case is under consideration to grant FMA to ESM residing in District not covered by ECHS Polyclinic. The Committee appreciate the measures being taken for increasing the coverage of the Polyclinics both geographically as well as numerically. Such steps would go a long way in mitigating the problems relating to healthcare of ESM. The Committee feel that the system of increasing the number of Polyclinics needs to be institutionalized rather than undertaken as a knee-jerk reaction. Besides, early decision on the matters under consideration should be taken and Committee be apprised accordingly.

As regards the issue of reimbursement of expenditure incurred on travel undertaken for medical purposes by officers upto below JCO level, the Committee have been apprised that the issue would be examined. The Committee emphasize that an urgent and immediate decision needs to be taken in this regard so as to give relief to such eligible officers who do not have Polyclinics in their neighbourhood and they incur expenditure for travelling for medical purposes. The Committee trust that the issues related to ECHS would be considered with a positive mind and the Committee be apprised of the outcome in this regard without any delay.

B. Treatment Provided to Beneficiaries at Empanelled Facilities

Observation/Recommendation (Sl. No. 4)

1.9 Taking cognizance of the treatment meted out to the ECHS beneficiaries at the empanelled hospitals, refusal by private hospitals to honour ECHS patients despite signing of Memorandum of Agreement (MoA) with the Ministry and prescribing of 'branded medicines' in place of generic medicines by doctors and resultant dissatisfaction amongst the beneficiaries, the Committee had recommended that a written clause to the effect of prescribing generic medicines be incorporated in the

agreement at the time of empanelment with a provision for debarring of such a hospital and also for legal action against such doctors and hospitals who refuse to treat ECHS patients or delay their treatment.

1.10 In their response, the Ministry has stated that the MoA with Empanelled Hospitals is under revision in line with CGHS MoA and this clause of prescribing generic medicines and debarring hospitals and legal action will be suitably addressed.

1.11 Pursuant to the recommendation of the Committee to incorporate, in the agreement at the time of empanelment, a clause of prescribing generic medicines and debarring hospitals as well as taking legal action against doctors and hospitals who refuse to treat ECHS patients or delay their treatment, the Ministry in the action taken note has stated that the MoA with Empanelled Hospitals is under revision in line with CGHS MoA and the issues raised in the recommendation would be suitably addressed. While taking note of the reply of the Ministry, the Committee stress for revision of MoA immediately which would help in providing quality and cost-effective treatment to ECHS beneficiaries.

C. Shortage of Manpower

Observation/Recommendation (Sl. No. 5)

1.12 Taking note of the substantial existing vacancies among medical officers, medical superintendents and medical specialists in hospitals meant for ESM and also in Polyclinics, the Committee had questioned the need for sanctioning 1709 interim contractual vacancies when the existing vacancies are yet to be completely filled. The Committee had, accordingly, recommended that the proposed hike in remuneration for various grades of medical staff be made applicable without any further delay. In addition to the enhancement in financial remuneration package, the Committee had recommended further incentives for the medical staff in the form of special hardship allowance for those posted in remote areas. The Committee had further recommended that Medical Officers may be allowed to continue with private practice for some hours after fulfilling of contractual commitments towards ECHS in far flung and remote districts in order to further compensate them.

1.13 In their reply, the Ministry has stated that of five types of Polyclinics, i.e. Type 'A', 'B', 'C', 'D' and 'E' (Mobile), specialist are authorized in Type 'A', 'B' and 'C' Polyclinics only, thus total authorization of Specialists in 426 Polyclinics is 322 only. Majority of Polyclinic are Type 'D' (270), where Medical Specialists are not authorized. The reasons for vacancies of authorized Specialists and Doctors remaining vacant in remote areas have been cited as their non-availability. The Ministry further informed that in 2003, when the Scheme came into being, a total of 5091 contractual employees were authorized. It is only after 1709 interim contractual posts were sanctioned in 2013 based on case taken up for authorizing additional staff, the strength became 6800. At present, 760 Doctors and 168 Specialist Doctors are employed in ECHS. This is a dynamic figure due to ongoing hiring process, superannuation and Doctors resigning from employment due to various reasons. The Ministry has also informed that for incentivizing the contractual staff, case for enhancement of pay scale was taken up and upward revision of contractual fees (salary) was sanctioned w.e.f. September 2015. It has also been intimated that besides hike in pay, working hours of specialist is 30 hours in comparison to the Medical Officers (48 hours). The Ministry has assured that notwithstanding the same, a case for further incentivization for Medical Specialist and Doctors in remote area Polyclinics would be taken up with MoD. With reference to allowing private practice by the doctors, the Ministry clarified that Doctors and Medical Specialists are not allowed private practice only during working hours as per Government of India letter No. 24(6)/03/US(WE)/D(Res)/Pt III dt 15 June 2006. They have assured that the recommendation of special hardship allowance will be examined.

1.14 The Committee had noted that the revision of contractual fee for the medical staff has been implemented w.e.f. September 2015. The Committee would like to reiterate that some form of financial incentives or otherwise for the medical staff may be seriously considered by the Ministry so that the attrition rate is brought down to the minimum extent possible. The Committee feel that such measures are specially relevant for medical staff posted in the remote areas. In the absence of any extra financial incentive, it would be very difficult to the ECHS to retain such personnel. The Committee take note of the assurance of the

Ministry regarding consideration of special hardship allowance and urge that they may be informed about the final decision taken in this regard.

D. Armed Forces Medical College (AFMC)

Observation/Recommendation (Sl. No. 7)

1.15 The Committee noted the shortage of medical officers and medical specialists in the Armed Forces Medical Services (AFMS) as there has been no periodic upward revision in sanctioned intake from AFMC, and had recommended that the intake from AFMC be suitably enhanced. The Committee had also urged the Government to look into the timely revision of manpower in the AFMS to overcome chronic shortages.

1.16 In their reply, the Ministry has submitted that although annual intake from AFMC is 130 (105 boys and 25 girls), sanction for the intake of 140 exists since 1999. They have further informed that the requirement for infrastructure in a block of 100-150 students is the same as per Medical Council of India (MCI) guidelines. They have intimated that the proposal for according concurrence to enhance the annual intake from AFMC to 150 is under consideration. With respect to the issue of overcoming chronic shortages in AFMS, the Ministry has stated that the Government of India, MoD after reviewing the requirement, has approved augmenting the manpower of AFMS by 10590 in three phases. While augmentation of manpower of AFMS in two phases has already been carried out, phase three of the augmentation is under process. They have further informed that an initial allocation of additional 557 posts for Medical Officers and Dental Officers for Army and Air Force have been sanctioned by the Government as part of Training Drafting and Leave Reserve (TDLR) and the remaining posts of TDLR, *i.e.*, 704 medical officers and 45 dental officers will be sanctioned by the Government after filing up these posts. It has also been intimated that in order to overcome the deficiency in AFMS, doctors are being recruited from the civil in addition to the intake from AFMC. Currently recruitment process for filing up the vacant posts is in progress.

1.17 The Committee are constrained to note that despite shortage of Medical Officers and Medical Specialists in AFMS, there has been no periodic upward

revision in sanctioned intake from AFMS. Not only that the actual annual intake from AFMC is only 130 as against the sanctioned intake of 140 since 1999. The Committee have been informed that the proposal for according concurrence to enhance the annual intake from AFMC to 150 is under consideration. The Committee stress for immediate decision in this regard. As regards enhancement of manpower to address the issue of chronic shortage, the Committee note that the Government of India, Ministry of Defence has approved augmenting the manpower of AFMS by 10590 in three phases and phase three of the augmentation is under process. The Committee also note that in order to overcome the deficiency in AFMS, doctors are being recruited from the Civil in addition to the intake from AFMS. The Committee desire that necessary steps for recruitment be taken expeditiously to overcome the deficiency of manpower in AFMS.

E. Shortage of Medicines and Lack of Medical Equipment at ECHS Polyclinics and Army Hospitals

Observation/Recommendation (Sl. No. 9)

1.18 Expressing serious concern over difficulties being faced by the ECHS beneficiaries due to non-availability of medicines and lack of medical equipments at the ECHS Polyclinics, the Committee had recommended immediate provision for reimbursement of medicines on the lines of CGHS for prescribed but unavailable medicines. The Committee had further recommended that the supply of essential drugs listed by ECHS and the common drug list be assured. Further, the number of Direct Demanding Officers be suitably increased to improve coverage alongwith a further increase in the financial powers of all Competent Financial Authorities (CFAs) for better inventory management of medicines. Also, the Committee had recommended that the concept of Authorized Local Chemists (ALCs) be introduced and made functional at the earliest in line with CGHS. The Committee had also desired that the existing system of budgeting, procurement, stocking, distribution and disposal of medicines be analyzed and simplified for being made less time consuming and client-friendly. The Committee, noting that the Ministry have formed a Committee to minimize dissatisfaction over

availability of medicines and for suggesting suitable measures in this behalf, had desired to be apprised of the suggestions made by the Committee appointed by the Government and the action taken within the timeframe given.

1.19 In their reply to the points raised by the Committee, the Ministry responded that the Authorised Local Chemist (ALC) concept is being re-examined in view of introduction of DFPDS 2016 and DPM 2009 and CVC guidelines on the issue.

1.20 The Committee had recommended for a comprehensive set of reforms with the objective of ensuring that the system of dispensing medicines from the Polyclinics is streamlined in favour of beneficiaries so that they do not have to suffer due to lack of availability of medicines and equipments. The Committee are disappointed to note that the Ministry has responded to just one of the issues related to Authorised Local Chemist (ALC), in respect of which it is stated that ALC concept is being re-examined in view of introduction of DFPDS 2016 and DPM 2009 and CVC guidelines on the issue. On other important suggestions viz. (i) immediate provision for reimbursement of medicines on the lines of CGHS for prescribed but unavailable medicines; (ii) assuring supply of essential drugs listed by ECHS and the common drug list; (iii) increase in the number of Direct Demand Officers; and (iv) to analyse and simplify the existing system of budgeting, procurement, stocking, distribution and disposal of medicines so as to make it less time consuming and client-friendly, the Ministry has chosen not to respond at all. Not only that the Ministry has opted not to even apprise the Committee about the suggestions/action taken by the Committee appointed to minimize dissatisfaction over availability of medicines and for suggesting suitable measures. The Committee take strong exception to the way their recommendation has been dealt with by the Ministry. While reiterating their recommendation, the Committee would like the Ministry to take urgent and immediate steps on the suggestions made which would definitely improve the existing system of dispensing medicines in Polyclinics and make the processes less cumbersome and beneficiary friendly. With regard to the issue of

ALC, the Committee would like the Ministry to take the decision immediately so as to help ECHS beneficiaries.

F. Issue of Domiciliary Equipment

Observation/Recommendation (Sl. No. 10)

1.21 Noting the lack of timely availability of medical equipment for domiciliary use leading to delay in providing of such equipment to the beneficiaries, the Committee had recommended that the clause of five years for use of medical equipment be done away with, on production of a certificate regarding faultiness of the equipment outside of warranty period and the need for issue of a new or better equipment. The Committee had also desired that procedural modalities be smoothened for early procurement and timely supply of medical equipment.

1.22 In their reply, the Ministry has stated that the life of medical equipments for domiciliary use like CPAP, BiPAP, Oxygen Concentrator etc. have been fixed by Ministry of Health and Family Welfare as 5 years. There is provision as per existing orders to replace the said equipment on completion of life cycle. The Ministry has stated that it is in consonance with the Committee to formulate procedure for replacement before completion of life of equipment. They have informed that the logistics of declaring the equipment unserviceable and depositing/withdrawal of equipment is being worked out with concerned agencies. The Ministry has further intimated that the procedure of procurement and supply of these items starts with Station Headquarters entering into a price agreement with vendors for the whole year and issuing supply orders as and when required. They have also communicated that though the procedures and provisions are in place but the delays occur when the beneficiaries wish to collect the equipment from Polyclinics other than their parent Polyclinics either due to ease of accessibility or due to non-availability of supplying vendors. In such a situation, the extra migrant workload is difficult to assess and leads to budgetary mismatch and resultant delays. This issue is being addressed by persuading veterans to collect the equipment from parent Polyclinic

only. Emergency requirement is being processed through treating hospitals from their medicine procurement budgets.

1.23 The Committee appreciate that the Ministry has taken cognizance of the problems being faced by the beneficiaries and has agreed to formulate procedure for replacement of medical equipments before completion of life i.e. five years. The Committee hope that logistics for declaring the equipment unserviceable and depositing/withdrawal of equipment would be worked out expeditiously thereby helping the ECHS beneficiaries.

With regard to the issue of timely supply of medical equipment, the Committee understand the concerns expressed by the Ministry regarding 'migrant workload' which leads to the estimates going haywire. However, a sympathetic view needs to be taken in this regard, and the reasons for beneficiaries choosing a particular Polyclinic has to be properly understood in order to find an effective solution. The Committee, therefore, desire that the issue should be addressed in the true spirit of the recommendation of the Committee and the outcome of the efforts being made in this regard be apprised to the Committee.

G. Overcharging for Health Smart Card

Observation/Recommendation (Sl. No. 13)

1.24 Noting that approximately `50 Crore has been collected from the beneficiaries of ECHS since 2004 until the expiry of the contract, whereas the Department of Ex-Servicemen Welfare (DESW) has claimed that the cost of health smart card is included in the IT backbone itself meaning thereby that the firm might have included the cost of provision of smart card also in their price quoted for the contract, the Committee had desired to be apprised of the rationale for charging the beneficiaries of ECHS separately.

1.25 In their response, the Ministry has stated that the ECHS has benefitted on the contract to the extent that a large number of IT assets deployed at Polyclinics have been provided by the firm supplying Smart Cards as part of the project and that the ECHS has not paid for any of these IT Hardware since it was part of the contract. The Government has not paid the firm for the cost of card as the payment is made by the individuals.

1.26 The Committee had categorically desired to know the reasons for charging the cost of Health Smart Cards from the beneficiaries as the cost of these Cards was included in the IT backbone itself. Even when the Ministry has acknowledged in the action taken note that a large number of IT assets deployed at Polyclinics have been provided by the firm supplying Smart Cards as part of the project and that the ECHS has not paid for any of these IT Hardware being part of the contract, the Ministry has tried to avoid the specific concern of the Committee with regard to charging beneficiaries the cost of the Health Smart Cards. While expressing their strong displeasure at the way the Ministry has tried to side-track their recommendation, the Committee would like the categorical response in this regard.

CHAPTER - II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation/Observation (Sl. No. 1)

Need for greater geographical coverage: The Committee note that at the time of inception of the Ex-Servicemen Contributory Health Scheme (ECHS), 227 polyclinics under 13 Regional Centres were sanctioned to provide 'out patient care' to the beneficiaries. However, in 2010, 182 additional polyclinics under 15 more regional centres along with 17 mobile clinics were sanctioned, making a total of 426 ECHS polyclinics. The Committee are concerned to note that the scheme has so far covered only a total of 339 districts out of 659 districts in the country restricting the geographical coverage to a mere 51 per cent. Further, the Committee also note that out of total 426 ECHS polyclinics, 418 are operational. Notably, any further expansion shall be undertaken only upon making the already sanctioned polyclinics operational, taking the coverage to 59 per cent instead of 51 per cent. The Committee are dismayed to note the non-judicious distribution of polyclinics in some States. Due to excess load on already existing polyclinics with respect to their designated capacity and inadequacy of resources, the Committee express their serious concern over the lack of efficient medicare being provided to ESM. The Committee therefore recommend that effective steps be taken to operationalize the 426 polyclinics already sanctioned and measures be taken expeditiously to further increase geographical coverage of the scheme by taking up the next phase of expansion to 67 stations. The Committee also recommend that the expenditure incurred on public transport by the remote area designated beneficiaries for visiting ECHS centres upto the rank of non-JCOs and below be reimbursed till such designated remote geographical coverage of ECHS centres is completed. The Committee further recommend that a precise plan be drawn up for subsequent expansion of the polyclinics network and thereby better geographical coverage of ECHS considering the incremental increase in the number of beneficiaries

and the mounting load on the existing polyclinics and the Committee be apprised of the same.

Reply of the Government

The Government has sanctioned 227 Polyclinics in Dec 2002 and thereafter the Scheme was expanded in 2010, wherein 199 additional Polyclinics were sanctioned. This makes a total of 426 ECHS Polyclinics across the Country. Presently, out of 684 districts in the Country, 358 districts are covered by ECHS. These Polyclinics cover approx 52% districts in the Country. Out of 426 ECHS Polyclinics, 421 are operational and remaining five Polyclinics will be made functional shortly. The opening of new ECHS Polyclinics is considered based on the population of ESM, availability of Medical, Para Medical Staff and also Empanelled Hospital. The case is deliberated at Command Headquarters level and forwarded to Central Organisation ECHS with recommendations for projection. The case for opening of 84 additional Polyclinics is under consideration. With these 84 Polyclinics, coverage will be 59% of the Districts countrywide. It is stated that a graduated approach has been adopted to ensure that optimum utilization of resources / Polyclinics sanctioned is ensured based on inputs from already operational Polyclinics in the proximity. The ultimate aim is that the places where the no. of Ex-servicemen residing in the area meets the requirement of no. of ESM and other provisions of the scheme, in such places opening of polyclinic will be considered. In case of ESMs who do not have accessibility to polyclinics or empanelled hospitals provision exists to avail facilities in any Govt Hospital for which sanction has been issued vide MoD ID No 22D(09)/2013/US(WE)/D(Res) dated 26 Jul 2016 (copy attached as **Annexure-I**). In addition, a case is under consideration to grant FMA to ESM residing in District not covered by ECHS Polyclinic. The recommendation of the committee to reimburse transport expenditure for remote area personnel upto Non JCO or below would be examined.

Comments of the Committee

(*Please see para no. 1.8 of Chapter - I*)

Recommendation/Observation (Sl. No. 2)

Acquisition of land for polyclinics: The Committee note that of the total 409 polyclinics sanctioned, land has been acquired for 221 locations and buildings have been constructed for 140 locations. Land is yet to be acquired for non-military clinics in case of 188 sites. The total non-military polyclinics stand at 297 of which only 109 are operating from permanent locations. The Committee are of the considered view that major difficulties are faced where land is to be acquired from State Governments or individuals. The Committee further note that even where land is acquired, a considerable amount of time is taken at the end of the Ministry of Defence (DESW) to complete formalities and construct a permanent building as 68 locations are such where land has been acquired but a permanent building is yet awaited. The Committee also note that despite some efforts being made to coordinate with the States to expedite acquisition, there is inordinate delay in acquisition and consequently in construction of clinics. They, therefore, recommend that concerted efforts be made to accelerate the process for acquisition of land and early construction of medical infrastructure for ESMs. The Committee would like to be apprised of the action taken in this regard.

Reply of the Government

Present status of acquisition of land/construction of polyclinics out of 182 locations, where land was yet to be acquired, when the report was finalised is as follows:-

(a) Land Acquired. Status of Construction of Polyclinics

1	2	3
(i)	Amaravati(Maharashtra)	Acquisitioned on 4th May 2016. Board of Officers for construction is under process.
(ii)	Villupuram (TamilNadu).	Land taken over from State Govt. on 8th March 2016. Board of Officers in progress.
(iii)	Chittoor (Andhra Pradesh).	Land taken over by Deputy Executive Officer (DEO). Board proceedings in progress for

		construction.
(iv)	Tambaram (Tamilnadu).	Land earmarked in Defence land and construction under Air Force Station, Tambaram. Board of Officers is in progress.
(v)	Vijaywada (Andhra Pradesh).	Land taken over by Deputy Executive Officer (DEO) in July 2016. Further action is under process.
(vi)	Karimnagar (Telangana).	Land taken over by Deputy Executive Officer. (DEO). Board proceedings in progress for construction.
(vii)	Dungerpur. (Rajasthan)	Land taken over from civil administration. Convening order for construction is under process.
(viii)	Nagapattinam (Tamil Nadu)	Land acquired in April, 2016. Board of Officers is in progress.

(b) Sanction Received. Status regarding acquisition of land

1	2	3
(i)	Tuticorin (TamilNadu).	Eight cent of land allotted by State Govt. in Oct. 2016. Further action in hand by Station Commander.
(ii)	Ananthpur (Andhra Pradesh).	Payment made to District Authority in Mar. 2017. Land acquisition is under process.
(iii)	Gulbarga (Karnataka).	Sanction received in Sep. 2016. Action to take over land by Deputy Executive Officer (DEO) in progress.

(c) Case for Acquisition Under Progress.

(i) Sonipat (Haryana) with DDG (Lands)/MoD from 07 Jan 14.

(ii) Etawah (Uttar Pradesh) with DGDE from 29 May 12.

(iii) Ghazipur (Utttar Pradesh) with US (WE) from 21 Mar 11.

(iv) Angul (Odisha) with US (WE) from 15 Feb 16.

(v) Dehra Gopipur (HP) with US (WE) from 04 May 16.

(vi) Greater Noida (Delhi) with US (WE) from 09 Jun 16.

(vii) Cuddalore (Tamilnadu) with US (WE) from 02 Sep 16.

(viii) Shimoga (Karnataka) with US (WE) from 15 Sep 16.

(ix) Bijapur (Karnataka) with US (WE) from 21 Nov 16.

(x) COD Kandivali (Mumbai) with QMG Branch from 14 Oct 16.

The procedure for acquisition of land for construction of buildings of ECHS Polyclinics is laid down vide MoD letter No 24(14)/03/US/(WE)/D(Res) dated 31 January 05. Efforts are being made to acquire land for construction of Polyclinic buildings at all the location where defence land is not available. Towards acquisition of land of ECHS Polyclinics, Defence Minister and Secretary, ESW have written to all the Chief Ministers and Chief Secretaries of the State Government respectively vide MoD ID No 24(14)/03/US(WE)/D(Res)/4800-F/RM dated 21 Aug 07 and 22D (02)/12/US (WE)/D(Res) dated 28 Feb 2012 (copy attached as **Annexure-II**) with a request to allot a piece of land for construction of building of ECHS Polyclinics as a welfare measure for Ex-Servicemen residing in the State. Regular liaison is carried out by formation HQs with Revenue authorities. The Kendriya Sainik Board (KSB) has also been requested to assist in identifying the land for ECHS Polyclinics and the KSB raised the issue during 30th Meeting of KSB held on 21 Jul 16 at Vigyan Bhawan, New Delhi, which was Presided over by Hon'ble RM, which was attended by functionaries of State Govt. Specific case for integrated complex of Ex-servicemen Hostel, CSD Canteen and ECHS

Polyclinic is also being explored so that requirement of land and construction is reduced to some extent.

Recommendation/Observation (Sl. No. 3)

Empanelment of Hospitals: The Committee note that a total of 1268 private hospitals have been empanelled under ECHS. The Committee further note that due to delayed clearance of bills, as many as 407 empanelled hospitals withdrew from the empanelment and despite the introduction of online billing only 46 hospitals have rejoined ECHS. The Committee are dismayed to note that 71 polyclinics out of a total of 418 functional polyclinics did not have any empanelled facility in its location. This reflects poorly on the reach of the scheme. The mere 51 per cent geographical coverage of the scheme in the country and further non-availability of empanelled facility in another 71 polyclinics indicates lack of services and the resultant hardships being faced by the beneficiaries. Taking a serious view of the hardships being faced by ex-servicemen, the Committee recommend that along with increasing the geographical coverage of the scheme, immediate steps be also taken to ensure that adequate hospitals are empanelled with every polyclinic. The concerns of private hospitals for not empanelling with ECHS be addressed at the earliest and station headquarters be directed to give wide publicity of the scheme to ensure that more hospitals volunteer to be empanelled with the ECHS. The Committee also recommend that the existing CFA financial powers be adequately enhanced from time to time to ensure speedy settlement of bills. Taking note of excessive load of ECHS beneficiaries on polyclinics and army hospitals and the avoidable shuttling of ECHS beneficiaries between polyclinics and hospitals especially at non-military stations, the Committee recommend that the referral procedure for going to an empanelled facility be simplified and made beneficiary friendly.

Reply of the Government

860 hospitals have been empanelled with ECHS in last three years (Jan 2014 – Dec 2016) alongwith 53 Prosthetic Centre (Endolite & Ottobock). Advertisement have been published in local news paper of Andhra Pradesh, Tamil Nadu and Eastern State of India in every district to cover all Polyclinic with empanelled facilities. The financial

powers for online billing have been issued in 2011 and revised in 2014. The referral procedure will further be simplified once complete automation takes place.

Observation/Recommendation (Sl. No. 6)

Shortage of Manpower in posts reserved for ESM: The Committee note severe shortages of manpower to the tune of 78 per cent for medical staff, 72 per cent for paramedical staff and 70 per cent for non-medical staff in posts reserved for the ESM. The Committee believe that such a huge shortfall cannot be due to mere recent developments but due to prolonged neglect. In the first place, the posts reserved, if not filled, can be filled up by civilian candidates but only after an endorsement to such effect is issued by the General Officer Commanding (GOC) Area/Sub Area. The huge backlog reflects poorly on the performance and flawed policies of the Ministry. Further, as for doctors, the shortage also exists in unreserved posts, but the same is not true for paramedical and non-medical staff, which could have been filled well in time if opened for civilian candidates. The action plan of the Ministry merely talks of wide publicity and a proposal to increase the remuneration of medical staff. However, no proposal for revision of remuneration of paramedical and non-medical staff was brought to the notice of the Committee. Therefore, the Committee recommend that such posts be filled by available candidates at the earliest after receiving endorsement from the concerned GOC's and the proposal to revise remuneration of medical staff be considered and adopted without any delay. An action plan to fill up these posts from available candidates, civilian or ex-servicemen, should be drafted considering the need for introducing special incentives/allowances especially in remote areas. The Committee would like to be apprised of action taken in this regard.

Reply of the Government

The posts reserved for the Ex-serviceman are being filled up by civilian candidates after an endorsement to such effect issued by the General Officer Commanding (GOC) resulting in 5906 vacancies out of 6800 i.e. 86% being filled up.

The consideration as mentioned in Para 5 & 6 for the need of introducing special incentives/allowances especially in remote areas for Med/Para/Non Med Staff is endorsed to fill up the vacancies. The recommendation would be examined.

Observation/Recommendation (Sl. No. 11)

Provisioning of Smart Cards: The Committee note that Smart Cards were provisioned to ECHS beneficiaries from the year 2003 and the contract for the same was provided to a private firm. Up till 31 May, 2015, the contract was operational with the firm. However, the Committee are perturbed to note that on culmination of the contract, no internal control system to weed out unaccounted cards and to check multiple enrolments of cards and beneficiaries is in place resulting in raising of fake bills in the name of ineligible persons with expired cards or with fraudulent membership. The Committee were further informed during evidence regarding instructions issued to Central Organization (CO), ECHS to check any misuse of smart cards that should have been ideally deactivated but in absence of any mechanism continue to avail the facility/service. The Committee are anguished to note the inability of the Ministry for not contracting a new agency for supply of smart cards despite the expiry of contract in May, 2015. Such delay on the part of the Ministry not only causes loss to the public exchequer due to raising of ineligible bills but also causes serious inconvenience to the beneficiaries. The Committee also take a strong view of the lack of adequate checks and balances to prevent multiple enrolments in the scheme and recommend immediate action to rectify the anomaly and ensure timely awarding of contracts for smooth functioning of the scheme.

Reply of the Government

Action for finalising the new contract for making Smart Card has been taken. Technical bid has been completed. Price bid has been opened. PNC has been completed. The case is being processed for final approval of the CFA and MoD(Fin./Pen) before issue of letter of Acceptance of Tender. Points/ concerns noticed by the Estimate Committee are being paid due attention during the ensuing contract.

Observation/Recommendation (Sl. No. 12)

Unauthorised extensions: The Committee observe that CAG in the performance audit has found irregularities in renewal of the agreement for supply of smart cards with the same firm with increased cost without sanction of CFA. When asked as to the reasons for the same, DESW instead of furnishing the rationale, merely stated that the extension was given by the then Competent Financial Authority (CFA), the Adjutant General and the ECHS was placed as an attached office of DESW only in October, 2009 for only executive role (policy formulation). Further, the Department stated that AG's Branch is still responsible for administrative and technical control. Prior to that, the Committee were informed that AG's Branch was authorised by the Ministry to enter into any agreement/renew or termination in respect to the Scheme. Taking serious note of the delay on the part of DESW to furnish specific reply, the Committee, therefore, recommend that they be furnished the basis of renewal of the contract with the same firm with increased cost at the earliest but positively within three months of the presentation of this Report.

Reply of the Government

The basis for extension of the contract with the same firm was arrived at after analysing the proposal submitted by firm and various options suggested (copy attached as **Annexure IV**).

Observation/Recommendation (Sl. No. 14)

Revamping of internal audit: The Committee are surprised to find that there is no post audit mechanism in ECHS despite having budgetary allocations of `2200 crore approximately. There does not appear to be concurrent audit also. The Committee, therefore, recommend that a robust audit module should be put in place at the earliest to detect malpractices concurrently such as unauthorized use of ECHS, double payment of the bills, etc and the Committee be apprised.

Reply of the Government

Strengthening measures for curbing malpractices with multilayered auditing has been made possible with introduction of online billing system. All Polyclinics and Regional Centres pan India are online wef 1st April, 2015

(a) Internal Audit measures

(i) **Rate Integration Module** Hospitals cannot enter more than authorised amount for package rates.

(ii) **Multilayered Scrutiny of Bills** The bills are scrutinized at three stages in Bill Processing Agency (BPA) levels, two stages at Competent Financial Authority (CFA) level with need were information facility to hospital at all stages.

(b) External Audit PCDA/CDAs have been doing post audit of bills manually. Online audit module has been introduced to facilitate post audit by PCDAs/CDAs online in a fixed time frame.

(c) On a regular basis, CDAs, LAOs and PCDAs are carrying out performance audit, internal audit checks and special audits. These audits are being supplemented by audits by CAG.

CHAPTER - III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLY

Observation/Recommendation (Sl. No. 8)

Retention of doctors passing out from AFMC: The Committee note that the 130 students admitted for the MBBS programme in AFMS are liable to serve in the medical services of the Armed Forces on successful completion of MBBS for at least seven years failing which the bond money amounting to `25 lakhs to `30 Lakhs is forfeited. However, despite such deterrent measures to retain the passing out students and a substantial increase in bond money from `15 lakhs to `25 lakhs in academic session 2014, the percentage of MBBS doctors passing out of AFMC and opting to pay bond money has substantially increased. For instance, from 2006 to 2015, the percentage of MBBS doctors opting to pay bond money increased from 6 percent to 18 percent respectively creating trouble for the scheme already struggling with deficiency of medical officers due to premature retirement and release/resignation after Short Service Commission. The Committee also note that though the bond amount has been revised as students found it relatively convenient to pay a lesser amount to move to lucrative medical practices, the high stress and hazardous working environment involving service by MO's in remote areas, bad terrains and war zones at a pay lower than that being offered in private corporate hospitals and no further avenues of upgrading of education after MBBS for 7 years of services in case of Short Service Commission and 4 years in case of permanent commissioned cannot be overlooked as major deterrents for MBBS students to serve in the Armed Forces Medical Services. The Committee further observe that such a trend has the potential to affect the plans of AFMS to roll out trained candidates as doctors to serve in the Armed Forces Medical Services and hence needs to be contained at the earliest. The scheme, therefore, calls for a revisit and the Committee recommend that a revision of the compulsory period of service expected from an MBBS pass out as Medical Officer and introduction of better incentives and opportunities for further education be

considered to contain the growing attrition rate. The Committee would like to be apprised of action taken in this regard.

Reply of the Government

Ample opportunities are available for Post Graduation (specialization) for Short Service Commissioned officers in AFMS on completion of minimum mandatory service period as given below :

a) Between 4-7 years of service eligible for applying for DNB course.

b) Between 7-10 years services eligible for applying for MD/MS courses

c) After completion of SSC tenure, an officer can also apply for PG seats as an ex-SSC officer

CHAPTER - IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT'S REPLIES HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Observation/Recommendation (Sl. No. 9)

Shortage of Medicines & Lack of Medical Equipment at ECHS Polyclinics and Army Hospitals: The Committee are dismayed to note that a major difficulty being faced by ECHS beneficiary is of non-availability of medicines at ECHS polyclinics leading to a dismal 60 percent level of satisfaction amongst the beneficiaries. Having regard to the fact that about 90 per cent beneficiaries are treated at polyclinic level, non-availability of medicines affects the clientele hugely. The Committee are further perturbed to note that the medicines prescribed in OPD are not reimbursable as is the case with CGHS, leading to considerable inconvenience to veterans in absence of both lack of empanelled authorized local chemists and no provision for reimbursement. The Committee view such a serious lacunae in service provision as major hurdle for ECHS and therefore recommend immediate provision for reimbursement of medicines on the lines of CGHS for prescribed but unavailable medicines. Further, the Committee recommend that the supply of essential drugs listed by ECHS and the common drug list be assured. Further, the number of Direct Demanding Officers be suitably increased to improve coverage along with a further increase in the financial powers of all Competent Financial Authorities (CFAs) for better inventory management of medicines. Further, the concept of Authorized Local Chemists (ALCs) be introduced and made functional at the earliest in line with CGHS. The Committee desire that the existing system of budgeting, procurement, stocking, distribution and disposal of medicines be analyzed and simplified for being made less time consuming and veteran friendly. The Committee also note that the Ministry formed a Committee to minimise dissatisfaction over availability of medicines and to suggest suitable measures in this behalf. They would like to be apprised of the suggestions made by the Committee appointed by the Government and the action taken to implement them within the timeframe given.

Reply of the Government

The Authorised Local Chemist (ALC) concept is being re-examined in view of introduction of DFPDS 2016 and DPM 2009 and CVC guidelines on the issue.

Comments of the Committee

(*Please see para no. 1.20 of Chapter - I*)

Observation/Recommendation (Sl. No. 13)

Overcharging for health smart card: The Committee note that approximately `50 crore was collected from the beneficiaries of ECHS since 2004 until the expiry of the contract. On the one hand, DESW states that charging the beneficiaries for the card has not resulted in any loss to the exchequer, on the other, it submits that ECHS has benefited in terms of automation as the cost of card included the IT backbone to be provided by the vendor. The Committee are of the considered view that since the cost of card is stated to have been included in the IT backbone itself, the firm might have included the cost of provision of smart card also in their price quoted for the contract. They, therefore, may be apprised of the rationale for charging the beneficiaries of ECHS separately since it is claimed that the cost of card is included in the IT backbone itself, which was paid for by ECHS.

Reply of the Government

It is submitted that ECHS has benefitted on the contract to the extent that a large no of IT assets deployed at Polyclinics have been provided by the firm supplying Smart Cards as part of project. ECHS has not paid for any of these IT Hardware since it was part of the contract. The Government has not paid the firm for the cost of card as the payment is made by the individuals.

Comments of the Committee

(*Please see para no. 1.26 of Chapter - I*)

CHAPTER - V

RECOMMENDATION/OBSERVATION IN RESPECT OF WHICH FINAL REPLIES ARE STILL AWAITED

Observation/Recommendation (Sl. No. 4)

Treatment provided to beneficiaries at empanelled facilities: The Committee note that the treatment meted out to the ECHS beneficiaries at the empanelled hospitals is the main cause of dissatisfaction amongst the beneficiaries. The representative of Ministry of Defence conceded before the Committee that many private hospitals refuse to honour ECHS patients despite signing of MoA with the Ministry, thereby causing a lot of inconvenience to the beneficiaries. Further, the Committee also note that despite clear instructions at the time of empanelment, many doctors at private facilities take to prescribing of 'branded medicines' in place of generic in the name of lack of time. Such a conduct on the part of private facilities and doctors causes further dissatisfaction amongst beneficiaries. The Committee, therefore, recommend that a written clause to the effect of prescribing generic medicines be incorporated in the agreement at the time of empanelment with a provision for debarring of such a hospital and also for legal action against such doctors and hospitals who refuse to treat ECHS patients or delay their treatment.

Reply of the Government

MoA with Empanelled Hospitals is under revision in line with CGHS MoA and this clause of prescribing generic medicines and debarring hospitals and legal action will be suitably addressed.

Comments of the Committee

(*Please see para no. 1.11 of Chapter - I*)

Observation/Recommendation (Sl. No. 5)

Shortage of Manpower: The Committee note that the present strength of 760 medical officers and 168 medical superintendents is against 953 and 322 authorized strength respectively. Further, the existing strength of 168 medical specialists for 418 operational polyclinics indicates the apparent hardships being faced by the beneficiaries in the polyclinics, especially those 71 polyclinics which do not even have the facility of an empanelled hospital. The Committee seek reasons as to why 1709 interim contractual vacancies have been sanctioned in 2013 despite the already existing 6800 contractual standing partially unfilled. The Committee, therefore, recommend that the proposed hike in remuneration be made applicable without any further delay. Further, the Committee also feel that the hike from `46,000 to `60,000 and from `60,000 to `72,000 for Medical Officers and Medical Specialists respectively may not be adequate enough an incentive to retain the doctors. Further incentivization in the form of special hardship allowance may also be considered for doctors and specialists posted in remote areas. Also on the lines of the provision for specialists, Medical Officers may also be allowed to continue with private practice for some hours after fulfilling of contractual commitments towards ECHS in far flung and remote districts.

Reply of the Government

There are five types of Polyclinics, i.e. Type 'A', 'B', 'C', 'D' and 'E' (Mobile). Specialist are authorised in Type 'A', 'B' and 'C' Polyclinics only, thus total authorization of Specialists in 426 Polyclinics is 322 only. Majority of Polyclinic are Type 'D' (270), which are not authorized Medical Specialist. The reasons for vacancies of authorised Specialists and Doctors remaining vacant in remote Area is their non availability.

In 2003, when the Scheme came into being a total of 5091 contractual employ were authorised. It is only after 1709 interim contractual post was sanctioned in 2013 based on case taken up for authorizing additional staff, the strength became 6800. At present, 760 Doctors and 168 Specialist Doctors are employed in ECHS. This is a

dynamic figure due to ongoing hiring process, superannuation and Doctors resigning from employment due to various reasons.

To incentivize the contractual staff, case for enhancement of pay scale was taken up and upward revision of contractual fees (salary) was sanctioned wef Sep 2015. It is intimated that the beside hike in pay working hours of specialist is 30 hours in comparison to the Medical Officers (48 hours). Notwithstanding the same, a case for further incerntivization for Medical Specialist and Doctors in remote area Polyclinics will be taken up with MoD.

It is clarified that Doctors and Medical Specialists are not allowed private practice only during working hours as per Govt of India letter No. 24(6)/03/US(WE)/D(Res)/Pt III dt 15 Jun 2006 (copy attached as **Annexure III**). The recommendation of special hardship allowance will be examined.

Comments of the Committee

(*Please see para no. 1.14 of Chapter - I*)

Observation/Recommendation (Sl. No. 7)

Armed Forces Medical College: The Committee note that there is some shortage of medical officers and medical specialists in the Armed Forces Medical Services. The annual average intake is from the AFMC and rest from pan Indian Colleges. However, the Committee are surprised to note that the annual intake of 120 students sanctioned in 1962 was revised only in 1999 to 130 students. Considering the shortage of medical officers in the various polyclinics, also around 4 percent shortage in AFMS and the rising number of beneficiaries, the Committee recommend that the intake of AFMC be suitably enhanced. Further, the Committee urge the Government to look into the timely revision of manpower in the AFMS to overcome chronic shortages.

Reply of the Government

a) Armed Forces Medical College :

i) AFMC Pune currently has an annual intake of 135 students for MBBS every year. Out of these 130 seats (105 boys and 25 girls) are for admission of eligible Indian citizens and 05 seats are earmarked for students from friendly foreign countries.

ii) Sanction exists vide MCI letter No. MCI-6(107)/77-Med/278 dated 5th April, 1978 for annual intake of 140 students for MBBS course at AFMC Pune though vide MoD letter No.32572/DGAFMS/DG-ID/7801/99/D(Med) dated 10th May 1999, only 135 students are being admitted.

iii) Infrastructure requirements for admission in a block of 100 to 150 students remain same as per Medical Council of India. Hence, for optimal utilization of the infrastructure and human resources available, the proposal for according concurrence to enhance the annual intake to 150 is under consideration.

b) **Overcome Chronic Shortages**

i) The Govt. of India, MoD on reviewing the requirement approved augmenting the manpower of AFMS by 10590 in three phases. Augmentation of manpower of AFMS in two phases has already been carried out. Phase three of the augmentation is under process.

ii) An initial allocation of additional 557 posts for Medical Officers and Dental Officers for Army and Air Force have been sanctioned by the Govt. as part of Training Drafting and Leave Reserve (TDLR). The remaining posts of TDLR i.e. 704 medical officers and 45 dental officers will be sanctioned by the Govt. after filing up these posts.

iii) In order to overcome the deficiency in AFMS, doctors are being recruited from the civil in addition to the intake from AFMC. Currently recruitment process for filing up the vacant posts is in progress.

Comments of the Committee

(Please *see para no. 1.17 of Chapter - I*)

Observation/Recommendation (Sl. No. 10)

Issue of domiciliary equipment: The Committee note that lack of timely availability of medical equipment for domiciliary use is another area of concern for the veteran clientele. The Committee are dismayed to note that a major dichotomy exists in providing of medical equipment to the beneficiaries as not only the procedural impediments lead to delay in providing of such equipment but also the prescribed minimum period of five years for use of such equipment. The Committee recommend that the clause of five years for use of medical equipment be done away with, on production of a certificate regarding faultiness of the equipment outside of warranty period and the need for issue of a new or better equipment. Further, the Committee also desire that procedural modalities be smoothened for early procurement and timely supply of medical equipment.

Reply of the Government

Life of medical equipment for domiciliary use like CPAP, BiPAP, Oxygen Concentrator etc have been fixed by MoH&FW as 5 years. There is provision as per existing orders to replace the said equipment on completion of life cycle. The Ministry is in consonance with the Committee to formulate procedure for replacement before completion of life of equipment. The logistics of declaring the equipment unserviceable and depositing/withdrawal of equipment is being worked out with concerned agencies.

The procedure of procurement and supply of these items usually starts with Station Headquarters entering into a price agreement with vendors for the whole year and issuing supply orders as and when required.

The procedures and provisions are all in place but the delays occur when veterans wish to collect the equipment from Polyclinics other than their parent Polyclinics either due to ease of accessibility or due to non availability of supplying

vendors. Then the extra migrant workload is difficult to assess and leads to budgetary mismatch and resultant delays. This issue is being addressed by persuading veterans to collect the equipment from parent Polyclinic only. Emergency requirement is being processed through treating hospitals from their medicine procurement budgets.

Comments of the Committee

(*Please see para 1.23 of Chapter - I*)

NEW DELHI;
01 February, 2018
12 Magha, 1939 (Saka)

DR. MURLI MANOHAR JOSHI,
CHAIRPERSON,
ESTIMATES COMMITTEE.

ANNEXURE-I

Ex Servicemen Contributory Health Scheme
27 JUL 2016
ECHS
IHQ of MoD (Army)

File No.22D(09)/2013/US(WE)/D(Res)
Government of India
Ministry of Defence
(Deptt. of Ex-Servicemen Welfare)
Sena Bhavan, New Delhi

Dated : 26th July 2016

To

The Chief of Army Staff
The Chief of Naval Staff
The Chief of Air Staff

Subject : Medical facilities for in-patient treatment and post-operative follow-up treatment to ECHS beneficiaries.

Sir,

In supersession to Ministry of Defence letter of even No. dated 21st August, 2013, the undersigned is directed to convey approval of Competent Authority to the policy on reimbursement of treatment taken in Govt.(Central/State/ local self Govt.) hospitals and Regional Cancer Centres recognized by Ministry of Health & family Welfare under National Cancer Control programmes.

2. All Govt. (Central/State/local Self Govt.) hospitals and Regional Cancer Centres are considered to be deemed empanelled.

3. ECHS beneficiaries who are holding a valid ECHS card on which they are dependent shall be eligible to obtain treatment from Govt. (Central/State/ local self Govt.) hospitals and Regional Cancer Centres (Cancer treatment only) and submit the medical reimbursement claim to the ECHS Polyclinic (i.e. they can avail the treatment without obtaining referral from polyclinic)

4. ECHS beneficiaries holding a valid ECHS card shall be eligible to obtain treatment and post operative follow-up treatment from Govt. (Central/State /Local self Govt.) hospitals and Regional Cancer Centres in cases of Organ transplant surgery, Knee and Hip Joint replacement, cancer treatment , neurosurgery and cardiac surgery. However, referral from ECHS polyclinic will be required for the specified treatment at these hospitals and shall be issued for 3 to 6 months for follow up treatment at a time and may be extended based on medical requirement as advised by the medical superintendent of the hospitals. List of Regional Cancer Centres is attached as Appendix to this letter.

5. OPD medicines shall be obtained from the concerned ECHS polyclinic for a maximum period of 3 months at a time.

6 Those Govt. (Central/State/ local self Govt.) hospitals and Regional Cancer Centres who opt to sign a MoA on prescribed format with ECHS shall provide Cashless treatment. Existing system will continue in respect of Hospitals not opting for MoA with ECHS. Following conditions will be applicable when MoA for cashless treatment has been signed:-

a) Hospital shall enclose the Bills in original, copy of ECHS Card, Discharge summary, investigation reports and copy of invoice and identification sticker in case of implants and identification sticker and outer pouch in case of stent. The bills will be submitted to respective Regional Centre ECHS.

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b) The bills will be scanned and uploaded by hospital on the UTI-ITSL website. UTI-ITSL shall provide user name and password to the hospitals for uploading the data and provide initial training.

c) 2% discount for early payment within ten days shall not be made against payments to government hospitals.

c) ECHS shall pay the processing charges to UTI-ITSL, wherever applicable.

7. CGHS Package rates are not applicable for the treatment at these hospitals. Expenditure incurred on account of the treatment of ECHS beneficiaries at these hospitals is reimbursable as per rates of respective hospital according to the ward entitlements except for the items for which ceiling rates are prescribed under ECHS (like IOL, Knee, Joint implants, Cardiac implants etc.).

8. In case of expenditure more than ceiling rates and/or ward entitlements, the ECHS beneficiaries will have to pay the difference of the amount from own resources and is not reimbursable. The ceiling rates applicable are available on www.echs.gov.in website. In case of implants which are not listed, the beneficiaries shall be advised to obtain approval of competent authority before undergoing treatment.

9. The policy shall be effective from date of issue of this letter.

10. Sanction of Competent Authority is hereby accorded as a onetime measure to process all the pending bills under process of the above mentioned hospitals as per conditions of this letter. Settled bills will not be reopened.

8. This issues with the concurrence of Def/Fin vide their UO No.33(75)/2013/Fin/Pen Dated 25-7-2016.

Yours faithfully,

(H.K. Mallick)
Under Secretary to the Govt. of India

Copy to :

1. PPS to RM
2. PPS to RRM
3. CGDA, New Delhi
5. AG, IHQ of MoD (Army)
6. COP, IHQ of MoD (Navy)
7. AOA, IHA of MoD (IAF)
8. MD ECHS

Copy for information to :

1. PPS to Secretary, ESW
2. PPS to JS (ESW)
3. PPS to Addl. FA & JS(DR)

Copy signed in Ink to :

Appendix to GoI/ MoD letter No.
22D(09)/2013/US(WE)/D(Res)
Dated 26.7.2016

The following lists may be amended as per notifications of concerned ministries:

A. **Regional Cancer Centres** for cancer treatment only. Notified by Ministry of Health & Family Welfare under National Cancer Control Programme.

1. Mehdi Nawaz Jung (MNJ) Institute of Oncology, Red Hills, Hyderabad
2. Dr. Bhubaneshwar Borooah (B.B.) Cancer Institute, Gopinath Nagar, Guwahati
3. Indira Gandhi Institute of Medical Sciences, Sheikhpura, Patna
4. Post Graduate Institute of Medical Education and Research (PGIMER), Chandigarh
5. Pt. J.N.M. Medical College & RCC, Raipur
6. Indian Rotary Cancer Institute, (A.I.I.M.S.), Ansari Nagar, New Delhi
7. Gujarat Cancer Research Institute, New Civil Hospital Compound, Aswara, Ahmedabad
8. Regional Cancer Centre, Pt. B.D. Sharma Post Graduate Institute of Medical Sciences (PGIMS), Rohtak
9. Regional Cancer Centre, Indira Gandhi Medical College,Shimla.
10. Sher-I-Kashmir Institute of Medical Sciences (SKIMS),Soura, Srinagar
11. Govt.Medical College, Jammu & Kashmir
12. Kidwai Memorial Institute of Oncology, Hosur Road, Bangalore.
13. Regional Cancer Centre, Medical College Compound, P.O. No. 2417 Thiruvananthapuram
14. Cancer Hospital & Research Centre, Jan Vikas Nyas, Mandre Ki Mata, Gwalior
15. Tata Memorial Hospital, Earnest Borges Marg, Parel, Mumbai
16. Rashtra Sant Tukdoji (RST), Regional Cancer Hospital, Tukdoji Chowk, Manewada Road, Nagpur
17. Regional Institute of Medical Sciences (RIMS), Lamphelpat, Imphal
18. Civil Hospital, Aizawl
19. Acharya Harihar Regional Cancer for Cancer Research & Treatment, Manglabag, Cuttack
20. JIPMER, Puducherry Cancer Care Society, Puducherry.
21. Acharya Tulsi Regional Cancer Trust & Research Institute (Regional Cancer Centres), S.P. Medical College, Bikaner
22. Regional Cancer Institute (WIA), Adyar, Chennai
23. Govt. Arignar Anna Memorial Cancer Hospital, Karapet, Kacheepuram.
24. Civil Hospital, Agratala
25. Kamala Nehru Memorial Hospital, Hasimpur Road, Allahabad.
26. Sanjay Gandhi Post-Graduate Institute of Medical Sciences (SGPGIMS), Raebareli Road, Lucknow
27. Chittaranjan National Cancer Institute, S.P. Mukherjee Road, Kolkata

ANNEXURE-II

Annexure-II

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रक्षा मंत्री
भारत
MINISTER OF DEFENCE
INDIA

DO No. 24(14)/03/US(WE)/D(Res) /4507/07 21st August, 2007

Dear

I am writing to you to share my deep concern regarding the non-availability of land for polyclinics located in non-military stations. As you are aware the Ex-Servicemen Contributory Health Scheme was introduced from 1st April, 2003 to provide comprehensive health care to Armed Forces pensioners and their dependents. The scheme envisages establishment of 227 polyclinics by 31st March, 2008, out of which 106 are to be in military stations on Defence land. The remaining polyclinics are located in non-military stations, out of which land has been acquired by the Central Organization of ECH only for 35 polyclinics.

2. Despite correspondence with the Chief Secretaries of the concerned States at the level of senior officials of the Ex-Servicemen Welfare Department, the progress on procurement of land is extremely slow.

3. You will kindly recall that the subject was discussed in detail, during the XXVII Meeting of the Kendriya Sainik Board (KSB) held in May, 2007. State Governments had been requested to set up ECHS polyclinics in the same complexes as the RSB and ZSB offices. This would also address the concern expressed by the Prime Minister at the same meeting regarding improved access to medical facilities for ex-servicemen and their families.

4. I shall be grateful if you could kindly instruct the civil authorities to take up urgent and expeditious action in order that the bare minimum number of polyclinics may be set up without further delay.

With regards,

Yours sincerely,

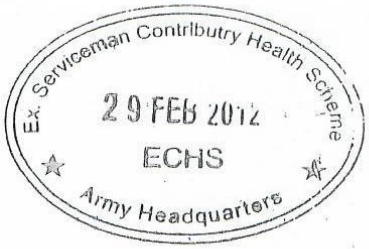
(A.K. Antony)

Chief Ministers of:

1. Andhra Pradesh
2. Bihar
3. Chhattisgarh
4. Haryana
5. Himachal Pradesh
6. Jharkhand
7. Karnataka
8. Kerala
9. Maharashtra
10. Manipur
11. Mizoram
12. Madhya Pradesh
13. Nagaland
14. Orissa
15. Punjab
16. Rajasthan
17. Tamil Nadu
18. Uttar Pradesh
19. Uttarakhand
20. West Bengal

Copy to HD, ECHS for Land Ver
FA-No. 2-5684946

Office : 104, South Block, New Delhi-110011, Ph. : 23012286, 23019030 Fax : 23015403
Resi. : 9, Krishna Menon Marg, New Delhi - 110011, Ph. : 23013611, Fax : 23013612



303

22D (02)/12/US(WE)/D(Res
Government of Indi
Ministry of Defenc
Deptt of Ex-Servicemen Welfar

New Delhi, the 28th Feb, 201

Subject: - DO letter from Secretary (ESW) to Chief Secretary of States for allotment of land for ECHS Polyclinics.

Please find enclosed herewith copy of DO letter from SEC (ESW) to Chief Secretary of following States for allotment of land for construction of ECHS polyclinics.

Andhra Pradesh
Assam
Chattisgarh
Delhi
Himachal Pradesh
Haryana
Jharkhand
Jammu & Kashmir
Karnataka
Kerala
Madhya Pradesh
Maharashtra
Manipur
Mizorum
Nagaland
Orissa
Punjab
Pondichery
Rajasthan
Tamil Nadu
Uttar Pradesh
UK
WB

CO, ECHS is requested to take necessary action on para 07.

Yours faithfully,

(H.K. Mallick)
Under Secretary to the Govt of India

MD ECHS

सूचना का
अधिकार
समीरेन्द्र चैटर्जी
Samirendra Chatterjee
सचिव
Secretary
Tel. : 23792913
Fax : 23792914

सत्यमेव जयते

भारत सरकार
रक्षा मंत्रालय
पूर्व सैनिक कल्याण विभाग
साउथ ब्लाक, नई दिल्ली - 110 011
Government of India
Ministry of Defence
Department of Ex-Servicemen Welfare
South Block, New Delhi - 110 011

304

D.O. No.B/49705-L/Gen/AG/ECHS

February 14, 2012

The Ex-Servicemen Contributory Health Scheme (ECHS) was introduced from Ist April, 2003 to provide comprehensive health care to armed forces personnel and their dependents. Under this scheme polyclinics are set up by the Ministry of Defence wherein medical facilities are provided to the Ex-Servicemen (ESMs) and their dependents. The Polyclinics provide medical examination, conduct various tests and also supply medicines. In case of serious ailments, such ESMs are also referred to empanelled hospitals where they can get quality care.

2. In order to provide these facilities, efforts are made to construct these polyclinics in the military areas wherever polyclinics are in the vicinity of such facilities. The polyclinics are set up primarily in the areas having the concentration of ESMs residing there.

3. In the non-military areas, we have to be provided land by the State Governments so that such polyclinics can be constructed and may operationalise. It is in this regard we request that the State Government may provide adequate land for setting up of these polyclinics in the locations that are approved for such polyclinics. I am enclosing a list of locations where government approval have been received for constructing the polyclinics.

4. However, due to non-availability of land, several polyclinics have not been set up and in other cases are running from rented buildings. As you are aware this is one of the welfare measures for the ESMs and benefits them and their families.

5. We would request that wherever the Zila Sainik Boards are located, the State Government may kindly provide us land near the site of Zila Sainik Boards so that ESMs while travelling to the polyclinics may also visit the Zila Sainik Boards for their various requirements. It would also be beneficial if the Sainik Rest Houses are set up either in the Zila Sainik Board premises or ECHS premises, so that all the facilities are located in

one place and the ESMs coming from long distance to polyclinics can also avail the facilities of the Sainik Rest House, if they have to stay there overnight and complete their works, if any, in ZSBs. We also have proposal to have canteen facilities at such locations, so that ESMs can get all benefits under one roof.

6: In this regard, I am enclosing the letter written by the Hon'ble Raksha Mantri to the Chief Ministers of various States on the issue of providing land for the setting up of polyclinics.

7. I shall be grateful if you could kindly direct the concerned authorities where such polyclinics are proposed (copy of the list enclosed) to enable our Department to construct such polyclinics as quickly as possible to benefit the ESMs. Our officers will get in touch with the local district administration in this regard.

8: I shall be grateful for a prompt action from you in the matter.

With regards,

Yours sincerely,

(Samirendra Chatterjee)

Encl: as above.

Haryana

1	Bhiwani
2	Fatehabad
3	Palwal
4	Narwana
5	Sampla
6	Meham
7	Loharu
8	Kosli
9	Charki Dadri
10	Mahendragarh
11	Hansi
12	Dharuhera
13	Bahadurgarh
14	Narayangarh
15	Gohana
16	Gurgaon(Sohana Rd)
17	Kharkhoda
18	Nuh

HP

1	Kullu
2	Jogindernagar
3	Sarakaghat
4	Shahpur
5	Deragopipur
6	Ghumarvin
7	Barsar

J&K

1	Doda
2	Nagrota (Gujroo)
3	Baribrahmna

Jharkhand

1	Deoghar
2	Dhanbad
3	Chaibasa
4	Gumla
5	Dalatganj

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STATE WISE LIST OF LOCATIONS WHERE LAND IS REQUIRED FOR ECHS POLYCLINICS

AP

Ser	Location of Polyclinics
1	Giddalur
2	Kakinada
3	Vijayawada
4	Srikakulam
5	Eluru
6	Ananthapur
7	Kurnool
8	Cuddapah
9	Nellore
10	Karimnagar
11	Secunderabad (2nd)
12	Khammam
13	Mehbubnagar

Assam

1	Lanka
2	Goalpara
3	Dhubri
4	Bongaigaon
5	Tezpur
6	Tinsukia
7	Dibrugarh
8	Lakhimpur

Chhatishgarh

1	Raipur
2	Jagdalpur
3	Bilashpur
4	Raigarh

Delhi

1	East Delhi (Preet Vihar)

Karnataka

1	Madekeri
2	Mysore
3	Bijapur
4	Dharwad
5	Kolar
6	Tumkur
7	Hassan
8	Shimoga
9	Gulbarga
10	Virarajendrapet
11	MEG Bangalore

Kerala

1	Perintalmanna
2	Alleppey (Alapuzha)
3	Kottayam
4	Pathanamthitta
5	Quilon (Kollam)
6	Thodupuzha
7	Moovattupuzha
8	Kanhagad
9	Iritti
10	Kunnamkulam
11	Changanacherry
12	Kalpetta
13	Mavelikara
14	Trivandrum (Med College)
15	Kottarakara
16	Ranni
17	Kilimanur

Maharashtra

1	Osmanabad
2	Buldana
3	Jalgaon
4	Miraj (Sangli)
5	Chiplun
6	Amravati
7	Navi Mumbai (COD Kandivali)
8	Wardha
9	Yavatmal
10	Nanded
11	Pune/Khadki
12	South Pune (Lohegaon)
13	Beed
14	Karad

Manipur

1	Chura Chandrapur

Mizoram

1	Lunglei

MP

1	Morena
2	Satna
3	Indore

Nagaland

1	Mokokchung

Orissa

1	Sambalpur
2	Angul
3	Dhenkanal
4	Puri
5	Koraput
6	Bhawanipatna

Puducherry

1	Puducherry

Punjab

1	Barnala
2	Ajnala
3	Tarantaran/Patti
4	Beas
5	Sri Hargovindpur
6	Batala
7	Suranassi
8	Garhshankar (Mahalpur)
9	Nawansahar
10	Sultanpur Lodhi
11	Phagwara
12	Doraha
13	Jagraon
14	Samarala
15	Samana
16	Uchi Bassi
17	Talwara
18	Mohali

UP

1	Noida
2	Etawah
3	Mainpuri
4	Firozabad
5	Etah
6	Bulandshahar
7	Badaun
8	Akbarpur Matti (Kanpur Dehat)
9	Raebareli
10	Muzaffarnagar
11	Fatehpur
12	Azamgarh
13	Sultanpur
14	Deoria
15	Balia
16	Orai
17	Gonda
18	Basti
19	Banda
20	Moradabad
21	Rampur
22	Lakhimpur
23	Hardoi
24	Barabanki
25	Unnao
26	Bijnor
27	Baghpat
28	Hathras
29	Jaunpur
30	Mirzapur
31	Greater Noida

WB

1	Krishnanagar
2	Burdwan
3	Cooch Behar
4	Raiganj
5	Baruipur
6	Howrah
7	Bankura
8	Behrampur

ANNEXER-III
Annexure-II

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No 24(6)/03/US (WE)/D(Res)/Pt III
Government of India
Ministry of Defence
Deptt of Ex-Servicemen Welfare
New Delhi, the 15th June, 2006

The Chief of Army Staff
The Chief of Naval Staff
The Chief of Air Staff

Subject : Agreement between contractually Engaged Person and Station Commander for rendering services in ECHS Polyclinics

Sir,

I am directed to refer to Government of India, Ministry of Defence letter No. 24(6)/03/US(WE)/D(Res) dated 22nd September, 2003 and to convey the sanction of the Government to the adoption of a standard agreement form to be followed/executed while appointing ECHS Polyclinic staff. The copy of the standard agreement form is placed as appendix to this letter.

2. This issues with the approval of Ministry of Law & Justice vide their Dy. No. 1868/ALA dated 03.05.2006 and Defence (Finance) vide their U.O. No. 552/PD/06 dated 30.5.2006.

Yours faithfully,

V.K. Jain

(V.K. JAIN)
Under Secretary to the Govt. of India

Copy to :-

1. CGDA, New Delhi
2. SO to Defence Secretary
3. PPS to Secretary (Defence /Finance)
4. PPS to DG (Acquisition)
5. PPS to AS(B) /PPS to AS (J)
6. Addl FA (H)
7. JS (ESW)
8. JS (O/N)
9. Addl FA (M)
10. Dir (Finance /AG)
11. Defence (Finance /AG/PD)
12. DFA (B)/DFA (N)/ DFA (Air Force)
13. AFA (B-1)
14. D (Works)/ D (Mov)/ D (Med)
15. O & M Unit

Also to :

16. DGAFMS
17. DGDE, New Delhi
18. DG DC &W
19. QMG
20. DGMS
21. DGMS (Air Force)
22. DGMS (Navy)
23. AOA
24. DESA
25. MD Central Organisation ECHS
26 ADG C&W
27. DG (Works), E-in-C Branch
28. ADG (FP)
29. All Command Headquarters
30. AG's Branch / CW-3
31. Naval Headquarters (PS Dte)
32. Air Headquarters

AGREEMENT

BETWEEN CONTRACTUALLY ENGAGED PERSON AND STATION COMMANDER FOR RENDERING SERVICES TO ECHS POLYCLINICS

THIS AGREEMENT made at _____(Place) on this _____(date) day of _____(Month) _____(year) Between the President of India acting through Station Commander _____(Place with full address if no security risk) for the Ex-Servicemen Contributory Health Scheme (ECHS), Adjutant General's Branch, Army Headquarters, Maude Lines, Delhi Cantt-110010, hereinafter called the ECHS, of the ONE PART and Dr/Shri/Smt _____(Name of the Engaged Person) son/daughter/wife of _____resident of _____(give address), hereinafter called the "Engaged Person" of the OTHER PART. When the Engaged Person is a female the expression he, him and his shall be read as she and her.

(A) The ECHS is engaged in providing comprehensive medical care to Ex-Servicemen Pensioners and their authorised dependents and is having its Polyclinic at _____ (place).

(B) The ECHS intends to hire services of a _____(designation or nature of work) for its Polyclinic at _____(place) on contractual basis for a period of 12 months and for that purpose had advertised the requirement in the leading _____(National/Local) newspapers and after interviewing all the eligible and/or short listed applicants, has found Dr/Shri/Smt

_____, Engaged Person suitable for performing duties of _____(designation or nature of work).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS :-

1. The ECHS hires the professional services of Dr/Shri/Smt _____, the Engaged Person, as the _____(designation or nature of work) for its Polyclinic at _____(place) and Dr/Shri/Smt _____(Name of Engaged Person)has agreed to provide his professional services in that capacity at the above mentioned Polyclinic for a period of 12 months from the date he/she joins duties.

2. The engagement of the Engaged Person for rendering his/her professional services shall be entirely contractual in nature and will be for a period of 12 months initially and thereafter renewable for 12 months at a time upto and subject to attaining the maximum age prescribed/indicated in Appendix A to Government of India, Ministry of Defence letter No 24(6)/03/US(WE)/D(Res) dated 22 Sep 2003 or as amended from time to time. The renewal of contract will be subject to continued good conduct and performance of the Engaged Person during the preceeding 12 months and existence of the requirement for services of the Engaged Person at the ECHS Polyclinic. A fresh contract will be executed for each renewal.

3. The Engaged Person will be paid the total consideration for his services in the form of a consolidated (compensation) of Rs _____ (amount) per month and no other financial gain, assistance, facilities, perks, allowances, non practicing allowance

etc. will be admissible to him/her. The said Engaged Person hired on contractual basis will not be entitled for any gratuity or terminal benefits whatsoever.

4. The payment of consideration shall be made by ECHS to the Engaged Person upto the _____th day of each succeeding month.

5. The Engaged Person will devote full time of tenure of his/her duty, skill and attention to promote the interests of the ECHS. He/She shall be bound to work for 48/30 hours a week and adhere to the timings, working hours and other discipline of the Polyclinic as laid down by the Station Commander. In addition, the Engaged Person shall promptly attend to any emergency duty outside ordinary working hours when 'on call' at his/her residence.

6. During his/her tenure of contractual engagement with the ECHS Polyclinic the Engaged Person shall NOT have any association or dealing, direct or indirect, in any manner with any ECHS empanelled Hospitals/Nursing Homes/Diagnostic Centres and supplies of goods or services or facilities etc.

7. During the period of contract, the Engaged Person shall not engage in any private (Medical) practice or professional consultation during working hours on working days.

8. The Engaged Person will be eligible for a leave of absence upto 10 days with full consideration as per clause 3 above on completion of his/her tenure of contractual engagement for services of 12 months with prior written sanction of the same by the Station Commander for ECHS. Pro-rata deduction in total monthly consideration shall be made for any excessive absence with prior notice/approval. Services of the Engaged

Person may be terminated by the appointing authority, in case the leave period exceeds 60 days.

9. If the Engaged Person shall at any time be in-capacitated by illness or accident arising out of any act, default, negligence on the part of Engaged Person or other unavoidable causes from efficiently performing his/her duties pursuant to this Agreement, his/her monthly consideration on pro rata basis shall not be payable during the time of such incapacity or absence from duty.

10. The Engaged Person shall always perform duties under the directions and supervision of the Station Commander acting through the Officer-in-Charge Polyclinic and he/she will carry out the assignments and duties as detailed in the charter of duties issued with this agreement and any other duties associated with his/her profession as may be entrusted to him/her by the Station Commander or by the other Officer-in-Charge Polyclinic from time to time.

11. The ECHS shall have the right to terminate this agreement by giving one month's notice to the Engaged Person or one month's consideration as compensation in lieu thereof without prejudice to the generality of the right of termination may be on any of the following grounds for which an opportunity to show cause will be afforded to him/her:-

(a) Professional incompetence or misconduct or an act of moral turpitude.

(b) Unsatisfactory performance of duty.

(c) Arrest or conviction by a court of law for any offence.

(d) Any act prejudicial to security or interest of the Organisation (ECHS).

(e) Absence of leave beyond 60 days

(f) Prolonged or habitual absence from duty prior permission of the competent authority including prolonged absence due to medical illness.

(g) Inadequate work load.

(h) Breach/violation of any provision of this agreement by the Engaged Persons.

(i) Any other ground warranting his/her removal from the contractual arrangement.

12. The Engaged Person will also have the right to terminate this agreement before the expiry of tenure of contractual appointment by giving one month's notice or by foregoing one month's contractual amount as consideration for engagement of services.

13. The Engaged Person will conduct himself/herself in a professional manner with highest ethical, moral and financial standards. The Engaged Person shall handle all equipment, instruments, machinery, tools and other assets with adequate professional care and condition and shall be responsible for any loss caused by lack of care, negligence or recklessness on his part and will not indulge in any malpractices, unethical practice, and financial misappropriation, misuse of organisation's property or administrative irresponsibility.

14. The Engaged Person declares and acknowledges that this agreement does not amount to employment with the ECHS or the Army, Navy, Air Force or Govt of India nor confer any right on the Engaged Person nor any representation or obligation on ECHS or the Army, Navy, Air Force or Govt of India as to possibility or performance in employment or any further engagement in ECHS or elsewhere at any time in future.

15. The Engaged Person shall indemnify ECHS against all third party claims or proceedings in respect of his professional negligence, misconduct or deficiency in service.

IN WITNESS whereof the parties aforementioned have executed this agreement on this day and year first above mentioned.

WITNESSES

1. _____

(Signature)

_____

_____

_____

(Name and Address of Witness No. 1&2)

_____

Signed by Station Commander

as authorised official for ECHS

For and on behalf of

The President of India

Address _____

_____

1. _____

(Signature)

2. _____

_____

_____

(Name and address of witness No. 1 &2)

_____

Signed by the within named

Engaged Person

Shri/Smt_____

Address_____

_____

WHEREAS the ECHS entered into an Agreement dated .....with the Engaged Person (hereinafter called the Principal Agreement) for availing the services of the Engaged Person as .....from .....to .....with a provision of renewal.

AND WHEREAS the Parties are desirous to renew the Principal Agreement for another period of 12 months.

Now, this Agreement witnesses :-

That the parties hereby renew the Principal Agreement for a period of 12 months with effect from.....to.....With the same terms and conditions as mentioned therein except the following :-

_____

_____

_____

Provided that any services actually provided from the date of expiry of the Principal Agreement to the date of signing of this Agreement shall be deemed to have been rendered under this Agreement.

WITNESSES

1. _____

(Signature)

_____

2. _____

_____

(Name and Address of Witness No. 1&2)

1. _____

(Signature)

2. _____

_____

_____

(Name and address of witness No. 1 &2)

_____

Signed by Station Commander
as authorised official for ECHS
For and on behalf of
The President of India

Address _____

_____

_____

Signed by the within named
Engaged Person

Shri/Smt _____

Address _____

_____

ANNEXURE- IV
Annexure-IV
(18)

score
Information Technologies Ltd

KLJ Complex 1,
B-39/70, Najafgarh Road,
New Delhi 110015 India
p: +91-11-25161388
f: +91-11-25161389
e: sales@score.co.in
w: www.score.co.in

Ex-Servicemen Contributory Health Scheme
22 JAN 2009
ECHS
Army Headquarters

SITL/ SALES/ ECHS/ SG/ 73/ 2009

January 21, 2009

The Managing Director
Central Organization ECHS,
Adjutant General's Branch,
Integrated HQ of MOD (Army), Maude Lines,
Delhi Cantt- 110010.

Sub: Regularization of ECHS Smart Card Rate w.e.f 1st Feb 2009

Respected Sir,

We thank you for the letter of intent issued to us vide letter no. B/49711-SITL/AG/ECHS dated 02 Jan 09, thereby giving us an opportunity to serve ECHS for further tenure of five years commencing February 2009.

We are enlightened by our interaction with Adjutant General and Director General, which has enhanced our understanding of your automation requirements in the new tenure. During the presentations it was agreed that the rate of each ECHS Smart Card shall be Rs.135/- plus taxes for next five years. We have proposed the same vide our proposal dated 16th January 2009.

Since the new tenure will commence from 1 February 2009, therefore we wish to submit that from 1st February 2009, the new rates for ECHS Smart Cards shall be regularized.

We assure you of our best services at all times.

Thanking you,
Yours truly,

Sumit Goswami
Vice President

Score
Information Technologies Ltd
KLJ Complex 1,
B-39/70, Najafgarh Road,
New Delhi 110015 India
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f: +91-11-25161389
e: sales@score.co.in
w: www.score.co.in

SITL/ SALES/ ECHS/ SG/ 45/ 2008

November 21, 2008

The Managing Director
Central Organization ECHS,
Adjutant General's Branch,
Integrated HQ of MOD (Army), Maude Lines,
Delhi Cantt-110010.

Sub: Revised commercial proposal for renewal of Smart Card Issuance Contract for a period of five years effective from February 2009.

Respected Sir,

We thank you for your reply vide letter no. B/49711-SC/SITL/AG/ECHS dated 20th Nov 2008 to our proposal for renewal of smart card issuance contract.

Your observations are answered as follows:

a. The existing 16KB cards will be compatible and usable with the new software designed for full tenure of five years commencing February 2009.
b. Each ESM and their dependents will be issued 32KB Smart Card from February 2009 onwards as per the policy defined by ECHS.
c. The price quoted is inclusive of taxes.

Kindly note that we are absorbing the following costs which makes the quoted price very competitive:

1. Rs.5/- on account of taxes which is now inclusive
2. Rs.2/- on account of expenditure being amortized over lesser volume refer observation (b) of above referred letter of ECHS.

We look forward to have long term relationship with ECHS.

Thanking you,
Yours truly,

Sunil Goswami
Vice President

SCORE
Information Technologies Ltd
KLJ Complex 1,
B-39/70, Najafgarh Road,
New Delhi 110015 India
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e: sales@score.co.in
w: www.score.co.in

15 October 2008

The Managing Director,
Ex-Servicemen Contributory Health Scheme (ECHS)
Central Organization, Delhi Cantt.
New Delhi 110010.

Sub: Commercial proposal for renewal of Smart Card Issuance Contract from: 2009 – 2014

Respected Sir,

At the outset, we thank you for having given us the opportunity to serve ECHS, which is being governed and managed proficiently to service the men and their families who dedicated their lives to protect the sovereignty of India.

ECHS is a well thought out scheme which has come a long way and has further scope of improvisation that can bolster the decision making process, till now ECHS was more focused on authenticating the beneficiary and providing uninterrupted services to it's members. Our team has learnt the needs of ECHS through the operational experience and has been updating the systems and processes to overcome challenges. We are grateful to the ECHS management for having the vision to permit us re-engineer it's business processes continuously for ensuring adherence to Service Level Agreements and enable higher working efficiencies.

We would like to continue our journey with ECHS management and crave to share the limelight of ushering into the new era of more technologically advanced automation. We feel that time has come now for ECHS to graduate to the next phase of automation by adding new functionalities which will result in enhancing the efficiency of the scheme.

The new Application Software aims at;

- Reduce the waiting time at Polyclinic by the ESM;
- Availability of information at CO & RC's for better monitoring & management of the polyclinics;
- Capturing all patient-touch points for improved service
- Enable flexibility of immediate decision making through availability of new records

Please find enclosed following enclosures:

a) SITL Advantage
b) Commercial Proposal
c) SCOSTA Certification
d) ISO Certification

We look forward to have long term relationship with ECHS and assure you of our best services at all times.

Thanking you,
Yours truly,

Sunil Goswami
Vice President

Score
Information Technologies Ltd

SITL ADVANTAGE

SITL to its credit has following advantages over all other system integrators in India:

1. **Delivery Experience of SCOSTA compliant Smart Cards:**

   SITL has issued more than **Three million** SCOSTA compliant Smart Cards, one of the highest by any player in the market. This experience has helped SITL to gain an in-depth insight of technology challenges.

2. **SITL is the First Company to have received all the three SCOSTA Certification in 4KB, 16KB & 32KB. SITL is also the 1st Company in the world to be SCOSTA certified by Govt. Of India.**

3. **BOOT Experience:**

   SITL has in depth understanding of the BOOT Model and has managed to provide efficient services across the country in over 300 locations in these last 5 years. SITL has manged the requirements of hardware ,software, networking, maintenance etc for ECHS for almost half a decade covering 241 locations spread over the length and breadth of India.

4. **Supply Chain Assurance:**

   SITL outsources on contract manufacturing to established players for sourcing smart cards. SITL works with VCT, USA and G&D, Germany for smart card manufacturing. SITL has ported SCOSTA on NXP Samsung chipset for uninterrupted supplies.

5. **Operating System Development:**

   SITL has dedicated R&D team which ensures compliance to the latest SCOSTA standards. SITL has developed the SCOSTA Operating System for Smart Cards itself and was the first company to acquire SCOSTA certificate. SITL has SCOSTA certificate issued by NIC for 4KB, 16KB and 32KB Smart Cards thus giving an advantage of flexibility.

6. **ISO 9001:2000 Certification:**

   SITL has acquired ISO 9001:2000 certification on Citizen Centric e-Governance projects, BOO/ BOOT projects across large geographic locations, Design & Development of Smart Card, software development and Smart Card based Solutions & Services including Card Service Bureau besides IT services. SITL has cleared audits on live projects over the last few years and has gained insight about project sensitivities.

7. **Our Customers:** SITL has vast customer base and few major names include:

   a. ECHS, Ministry of Defense, Government of India for Smart Card based Health Insurance Management

   b. ECIL, ITI & BEL for Smart Card based National ID.

   c. Transport Department, Government of NCT of Delhi for Smart Card based Driving License through NICSI.

   d. Transport Department, Government of Andhra Pradesh for Smart Card based Driving License and Registration Certificate through NICSI.

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e. Transport Department, Government of Uttaranchal for Smart Card based Driving License & Vehicle Registration Certificate through HILTRON

f. Transport Department, Government of Punjab for Smart Card based Driving License & Vehicle Registration Certificate.

g. Transport Department, Government of Jammu & Kashmir for Smart Card based Driving License & Vehicle Registration Certificate through NICSI.

h. Rashtriya Swastha Bima Yojana (RSBY) for National Insurance Company for the Government of Punjab

a. The cost per Smart Card will be charged as per below mentioned price structure :

Effective Duration	Cost Per Smart Card (32KB)*
Feb 2009 – Dec 2009	190/-
Jan 2010 – Dec 2011	220/-
Jan 2012 – End of Tenure	250/-

*The above escalation of the card cost is required towards meeting inflation and manpower costs.

b. ECHS will make it mandatory for the hospitals to procure patient identification kit for authenticating referral cases and subscribe exclusively to website hosted by SITL for uploading and tracking their bill and payment information. ECHS will not permit any other alternate source for the same.

c. ECHS will ensure that 16KB smart cards are discontinued for all card requests made by fresh applicants and existing cardholders after Jan 2009. Cards issued from 1st Feb 2009 onwards will be 32KB smart cards at the new prescribed rate so that the advanced functionalities of the new software can be optimally utilised. The existing 16KB smart cards will be usable only for a period of 12 months from the date of roll out of the new proposed software designed for 32KB smart cards for the ECHS scheme.

d. SITL recommends that to maintain the technical uniformity and to optimise the benefits of 32KB, the current 16KB card holders be migrated to 32KB cards at the above prescribed cost.

e. The rest of the terms and conditions be the same as per the contract agreement signed earlier.

f. SITL will provide the following resources free of charge to ECHS for a tenure of five years starting Feb 2009:

i. Hardware

Description	Quantity
Servers	229
Computers	1200
Dot Matrix Printers	227
Finger Print Devices	227
Smart Card Readers	227
UPS	227

ii. Application Software

Description
Polyclinic Level Web Enabled Application for Polyclinic Information Management
Central Organization Level Web Enabled Application to be accessible by RC & CO
Complaint Management Web Enabled Application for Logging & Tracking Complaints
Bill & Payment Tracking Web Enabled Application for Hospitals

iii. System Software

Description
Windows Server & Clients
Database Server & Clients

iv. Technical Support Manpower

Description	Number @ Each Location	Total Number to be Deployed
Polyclinic	01	227
Regional Centres	01	13
Central Organization	01	01

v. Maintenance of New & Existing Hardware

Description	
Servers	**Provided by SITL**
Computers	
Finger Print Devices	
Smart Card Readers	
UPS	
Dot Matrix Printers	

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October 1, 2008

The Managing Director
Central Organization ECHS
Adjt General's Branch, Army Headquarters
Maude Lines, Delhi Cantt – 110010

Sub: Escalation Matrix: ECHS Smart Cards.

Dear Sir,

In continuation to our discussion on renewal of smart card issuance contract, we are pleased to offer the following cost escalation matrix for escalating the Smart Card Cost:

Year	Cost Per Smart Card (32KB)
Feb 2009 – Dec 2009	135/-
Jan 2010 – Dec 2011	152/-
Jan 2012 – End of Tenure	190/-

Since the initial phase is more concerned with stabilizing the new arrangement therefore we have kept the initial cost low.

We look forward to your approval on the same.

Yours truly,
For Score Information Technologies Limited

Sunil Goswami
Vice President

MINUTES OF THE TWENTY-THIRD SITTING OF THE COMMITTEE ON ESTIMATES (2017-18)

The Committee sat on Tuesday, the 20th February, 2018 from 1130 hrs. to 1300 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Dr. Murli Manohar Joshi – Chairperson

Members

2. Shri George Baker
3. Shri Kalyan Banerjee
4. Shri Ramesh Bidhuri
5. Dr. (Smt.) Ratne De (Nag)
6. Smt. Kavitha Kalvakuntla
7. Shri Ravindra Kumar Pandey
8. Shri Konakalla Narayan Rao
9. Shri Arvind Sawant
10. Shri Janardan Singh Sirgriwal
11. Shri Jugal Kishore Sharma
12. Shri Jai Prakash Narayan Yadav

SECRETARIAT

1.	Smt. Sudesh Luthra	-	Additional Secretary
2.	Shri N.C. Gupta	-	Joint Secretary
3.	Shri Vipin Kumar	-	Director
4.	Shri Santosh Kumar	-	Additional Director
5.	Shri Sujay Kumar	-	Under Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee then took up consideration of the following draft Reports one by one.

(i) Action Taken Report on the recommendations/observations contained in the 20th Report (16th Lok Sabha) of the Committee on Estimates (2016-17) on the

subject Ex-Servicemen Contributory Health Scheme' pertaining to the Ministry of Defence (Department of Ex-Servicemen Welfare) was deliberated and adopted without any modification; and

(ii) ***

The Committee, then, adjourned.

APPENDIX - II

ANALYSIS OF THE ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FIFTEENTH REPORT OF THE COMMITTEE ON ESTIMATES (SIXTEENTH LOK SABHA)

(i)	Total number of recommendations/observations	14
(ii)	Recommendations/Observations which have been accepted by the Government Sl. Nos. 1, 2, 3, 6, 11, 12 & 14	7
	Percentage of total recommendations	50.00%
(iii)	Recommendation/Observation which the Committee do not desire to pursue in view of the Government's reply Percentage of total recommendations	1
	Sl. No. 8	7.14%
(iv)	Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee Sl. Nos. 9 & 13	2
	Percentage of total recommendations	14.28%
(v)	Recommendation/Observation in respect of which final replies of Government is still awaited. Sl. Nos. 4, 5, 7 & 10	4
	Percentage of total recommendations	28.57%