



ABSTRACT

Tamil Nadu Health Systems Project – Facilitating Public Private Partnership in the improvements and upkeep of health facilities in the State – Enabling Chief Medical Officers of Primary Health Centres and hospitals, Hospitals Superintendents of District Hospitals and Deans of Medical College Hospitals to enter into Memorandum of Understanding (MOU) with Philanthropists, Public Trust, Public Bodies, Corporate Institutions, Non Governmental Organisations (NGO) and other public minded persons and institutions for improvement of premises, hospital building area, provision of infrastructure / equipment, general maintenance and equipment maintenance etc.– Expenditure Sanctioned – orders issued.

HEALTH AND FAMILY WELFARE (EAP 1) DEPARTMENT

G.O. (Ms.) No. 33

Dated: 31.1.2008,
Thiruvalluvar Aandu 2039,
Sarvajith Thai 17.

Read:

From the Project Director, Tamil Nadu Health Systems Project Letter No.6743 / E1 / HSP / 2007, dated 11.12.2007.

ORDER:

The Project Director, Tamil Nadu Health Systems Project, has stated that the Government of Tamil Nadu is committed to improving the Quality of Care in Secondary care hospitals and in all other medical institutions under its control. Predominantly, the poor are accessing medical services in the primary, secondary and tertiary sector and are helped in reducing morbidity, mortality and disability levels in the State. In order to ensure that the facilities available in the Government Health Care Institutions are maintained at a satisfactory level. Budgeted funds are made available every year for staff, equipment, civil works and other infrastructural support. However, considering the public demand in these facilities much requires to be done to maintain services and quality of care at a high level. Public Private Partnership and involvement is necessary to harness public minded individuals and institutions in upgrading the quality of care in primary, secondary and tertiary care facilities. On several occasions, big and small corporates have evinced keen interest in provision of infrastructure – both civil and otherwise and sometimes in maintenance aspects as well.

2. The Project Director, Tamil Nadu Health Systems Project has now stated that the following proposal on the above project have been placed to State Empowered Committee.

A. Scope of involvement:

The Project Director, Tamil Nadu Health Systems Project has proposed to ensure a concrete arrangement at the health care facility level to enable public private partnership and involvement in upgrading and maintenance of facilities at the institution itself (i.e. at the PHC / Government Hospital level). By authorizing the Medical Officer directly in charge of the health care facility, it provides the needed flexibility and enables early response to interested persons. The type of involvement may range from capital intensive to recurrent expenditures in the provision and maintenance of certain facilities. Some of the specific areas that are likely to attract such partnerships and involvement are:

- (a) Landscaping of entire / part of the premises of the Primary Health Centre (PHC) / Government Hospitals.
- (b) Tree planting and maintenance
- (c) Provision of drinking water booth / stand and maintenance within the premises – Provision of bore well and / or overhead tank.
- (d) Provision of Medical equipment and furniture to improve the quality of care.
- (e) Maintenance of Medical Equipment.
- (f) Routine maintenance of specific areas in the hospital / PHC inclusive of sanitation and cleaning the premises.
- (g) Improved amenities for patient welfare.
- (h) Provision of Library, Books, Magazines, Newspapers.
- (i) Maintenance of Patient waiting Hall and amenities therein.
- (j) Maintenance of ward, toilets and any other part of the premises
- (k) Renovation of ward / toilets or any other part of the premises.
- (l) Special functions within the hospital to encourage both the health care providers and patients.
- (m) Construction of compound wall / cattle trap / enclosures etc.,
- (n) Any other infrastructure or service that will support the PHC / General Hospital to improve the quality of care on the premises of the health facilities.

B. Methodology

- (a) Any interested person / Non Governmental Organisation / Company / Institution may approach the Chief Medical Officer / Medical Superintendent / PHC Medical Officer and submit an offer letter specifying the nature of partnership / involvement. The officer in charge of the Medical Institution (PHC / GH) may also request prospective sponsors for such Public Private Partnership (PPP) / involvement. Those who have volunteered to provide the infrastructure / service shall bear the cost. The Memorandum of Understanding shall be signed by the Chief Medical Officer / Medical Superintendent / PHC medical Officer as the first party on behalf of the Health care institution with the sponsor as the second party. The draft Memorandum of Understanding as found in the Annexure shall form the

main content of the Agreement and shall be suitably modified to suit the type of sponsorship.

- (b) A copy of the signed Memorandum of Understanding shall be sent to the
 - Deputy Director of Health Services (with reference to PHCs)
 - Joint Director of Health Services (with reference to GHs)
 - Deans (with reference to Medical College / GHs)
- (c) If the sponsor is unable to honor the commitment the Medical Officer shall terminate the agreement and inform the sponsor of the reason therein.
- (d) In the event of a termination of the Agreement that aggrieves the sponsor, an appeal shall be made to the District Collector whose decision shall be final.
- (e) The sponsor is permitted to display publicity boards in size 18" x 9" or smaller size at locations mutually agreed upon. Wherever landscaping is being done, an additional board of size 2" x 6 " may be displayed at the entrance of the GH.
- (f) Political and religious organizations shall not be permitted to display any publicity boards.
- (g) Wherever the nature of involvement is of a continuous nature as in providing a service and so on, the agreement may be renewed with mutual consent for a further period of five years at a time.
- (h) All monitoring contributions shall be channelised through the patient welfare society of the concerned institution. The non recurrent expenditure for advertisement cost for inviting expression of Public Private Partnership in hospital interest is Rs.4.00 lakh. This activity has been approved by the World Bank and the above expenditure is eligible for reimbursement from the World Bank.

3. The Project Director has circulated the above proposal to the members of the State Empowered Committee and State Empowered Committee has approved the proposal. The Project Director has requested the Government to issue orders in this matter.

4. The Government have examined the proposal of the Project Director, Tamil Nadu Health Systems Project, and have decided to accept it. Accordingly, the Project Director, Tamil Nadu Health Systems Project is permitted to incur a non recurring expenditure of Rs.4.00 lakh (Rupees Four lakh only) towards the advertisement cost for inviting expression of Public Private Partnership in hospital interest.

5. The Project Director, Tamil Nadu Health Systems Project is permitted to float the advertisement through the Tamil Nadu Medical Services Corporation and the Managing Director, Tamil Nadu Medical Services Corporation is permitted to utilize the savings in the Tamil Nadu Health Systems Project advertisement charges available in the Personal Deposit account.

6. The Government also issue the following orders:

- (i) The Chief Medical Officer of Primary Health Centre / Chief Medical Officer, Hospital Superintendents in General Hospitals / Deans of Medical College Hospitals are permitted to approach individuals / Non Governmental Organisations / Trusts / Companies / Institutions / Others in the district / State and request for their partnership / involvement in the manner as indicated in paragraph 2 above as suitable to them.
- (ii) The Chief Medical Officer of Primary Health Centre / Chief Medical Officer, Hospital superintendents in General Hospitals / Deans of Medical College Hospitals are permitted to sign a Memorandum of Understanding format annexed to this order with such persons accepting their request.
- (iii) The Government also permit minor alternations as appropriate to the type of partnership.
- (iv) The Project Director, Tamil Nadu Health Systems Project is permitted to implement this program through Joint Director of Medical and Rural Health Services and Family Welfare in the State.
- (v) The Government direct that the District Collector shall be the Appellate Authority in the event of a party being aggrieved by an order of cancellation.

7. This order issues with the concurrence of State Empowered Committee constituted in G.O.Ms.No.28, Health and Family Welfare Department, dated 28.2.2005 and Finance Department vide its U.O.No. 4299 / H I / 2008, dated 29.1.2008.

(BY ORDER OF THE GOVERNOR)

N.S. PALANIAPPAN
SECRETARY TO GOVERNMENT (INCHARGE)

To

The Project Director, Tamil Nadu Health Systems Project, Chennai – 6.

The Managing Director, Tamil Nadu Medical Services Corporation, Chennai – 8.

The Director of Medical and Rural Health Services, Chennai – 6.

The Director of Medical Education, Chennai – 10.

The Director of Public Health and Preventive Medicine, Chennai – 6.

The Principal Accountant General (A & E) Chennai – 18.

The Principal Accountant General (Audit I) Chennai – 18.

The Pay and Accounts Officer, (South), Chennai – 35.

All Collectors.

All Joint Directors of Medical and Rural Health and Family Welfare.

Copy to

The Secretary to Government of India, Ministry of Health and Family Welfare, New Delhi – 11.

The Country Director-India, The World Bank, New Delhi, 70, Lodhi Estate, New Delhi – 3.

The Finance (BG II / Health I) Department, Chennai – 9.

/ FORWARDED / BY ORDER /

SECTION OFFICER

Annexure – A**GOVERNMENT OF TAMILNADU****TAMIL NADU HEALTH SYSTEMS PROJECT****PUBLIC PRIVATE PARTNERSHIP / INVOLVEMENT
IN _____ PHC / HOSPITAL****MEMORANDUM OF UNDERSTANDING**

1. The agreement is signed between the CMO / Medical Superintendent/ PHC - MO of PHC / Hospital District hereinafter called First party and the Company / Institution / Trust / Philanthropist / hereinafter called Second party on this _____ day of (Month)(Year). The Second party agrees to provide the following infrastructure / service to the PHC / Hospital with the following terms and conditions.
2. Whereas the (Name of the Hospital) has requested firms / companies to provide the following infrastructure / service at the PHC / Government Hospital. (Name of the place) at their own cost and to display their Boards as mutually agreed upon in the determined size and agreed to this to provide the same.
3. Whereas (Name of the sponsor) Agree to maintain the Landscape Area at Government Hospital, (Name of the place), for a period of year (s) and also requested to display their board in the premises of the Government Hospital, (Name of the place). (This clause is only applicable to landscaping partnership / involvement)

THIS INDENTURE WITNESS :-

- (a) In Pursuance of the above, the request of CMO has been considered and the (Name of the sponsor) has agreed to provide the following infrastructure / service. (specify the type of infrastructure / service being offered by the sponsor).
- (b) The CMO hereby permits (Name of the Sponsor) to provide / maintain (specify the infrastructure / service) in PHC / Hospital for a period of years. (If it is a gift / one-time effort-then the period of years may be deleted).
- (c) The (Name of the sponsor) agrees to secure the agency required for the creation and maintenance of Landscape by employing required Gardeners for the PHC / Government Hospital, (Name of the place) for this purpose. (this clause is only for landscaping purposes).
- (d) The Government Hospital, (Name of the place) shall provide water and electricity.
4. CMO, GH (Place) agrees to the display of the publicity board in the premises of GH, (Place) where the infrastructure/ service is provided.
5. Once in a quarter the representatives of both parties shall jointly inspect to assess the service being provided PHC / GH, (Place). (wherever service is to be provided).
6. The GH, (Place) agreed to display their boards of Nos of size 18" x 9" at the locations mutually agreed upon, and also one board size 2' x 6' to display in from of the entrance of the GH, (Place). However, the second party agrees not to display any political / religious slogans etc. on such publicity board.

7. In the event of inability to maintain the required service, the Medical Officer incharge of the PHC / GH may terminate the MOU after communicating the reasons to the second party. The publicity boards if any, will then be removed.
8. This agreement shall come to an end on theday month year.
9. This agreement may be renewed with Mutual consent for a further period of five more years. (this clause is only for services or those where maintenance of a continued nature is involved).

In witness thereof, the parties hereunto subscribe their respective signatures not this day month year.

For (Name of the Firm),

For CMO, GH, (Place),

Authorised Signatory

N.S. PALANIAPPAN
SECRETARY TO GOVERNMENT (INCHARGE)

/ TRUE COPY /

SECTION OFFICER