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20-04-19

**ABSTRACT**

Health and Family Welfare Department - Insurance – New Comprehensive Health Insurance Scheme – Framing of Scheme - Orders - Issued.

**HEALTH AND FAMILY WELFARE (EAP-II(2)) DEPARTMENT**

G.O. (Ms) No.169

Dated : 11.7.2011

Thiruvalluvar Aandu - 2042

Aani - 26

Read :

1. G.O. (Ms) No. 49, Health and Family Welfare (EAP-II(2)) Department, dated 4.2.2009.
2. G.O. (Ms) No.72, Health and Family Welfare (EAP-II(2)) Department dated 16.2.2009.
3. G.O.(Ms)No.146,Health and Family Welfare (EAP-II(2)) Department, dated 3.6.2011
4. From the Project Director, Tamil Nadu Health Systems Project Letter No.2182/TNHSP/Insurance/2011 dated 13.6.2011.

**ORDER:-**

The Governor of Tamil Nadu in his address in the Legislative Assembly on 3.6.2011 has made the following announcement

"Providing affordable and quality health service to the people is the objective of this Government. A new Comprehensive Health Insurance Scheme will be launched by this Government shortly to achieve the objective of universal health care by terminating the existing health insurance scheme as it is not comprehensive and effective in fulfilling public aspirations."

2. In the G.O 3<sup>rd</sup> read above, orders were issued terminating the Chief Ministers Insurance Scheme for Life Saving Treatments introduced in the G.O 1<sup>st</sup> and 2<sup>nd</sup> read above and it was also ordered that the Government would launch a new Comprehensive Health Insurance Scheme shortly to achieve the objective of universal health care.

3. Accordingly, the Government direct that a new "Comprehensive Health Insurance Scheme" be launched to achieve the objective of universal health care to the people of Tamil Nadu.

4. The new "Comprehensive Health Insurance Scheme" shall be implemented on the following pattern :-

- (i) The Tamil Nadu Health Systems Society is designated as the implementing agency for this Insurance Scheme. The entire premium shall be paid by the Government to the insurance company on behalf of the beneficiaries.
- (ii) The sum assured is Rs 1 lakh per year per family along with a provision to pay upto Rs 1.5 lakh per year per family for certain specified procedures like renal transplantation, more than one cardiac valve replacement etc.
- (iii) The eligibility income ceiling limit will be Rs 72,000/- per annum per family which is to be certified by the VAO.
- (iv) The Insurance Company approved by the Government to implement this Insurance Scheme shall do the Empanelment of Hospitals by following the standard prescribed for the hospitals with regard to the availability of physical facilities, equipments for diagnoses / treatment and the qualified specialists and other staff for the diseases identified for the assistance.
- (v) The new scheme will cover more than 900 procedures including life saving medical management of cardiac, renal, neurological procedures, neonatal / paediatric procedures which were hitherto not covered.
- (vi) The package cost for each procedure will be standardized and fixed. The package rates will include bed charges in General ward, Nursing and boarding charges, Surgeons, Anesthetists, Medical Practitioner, Consultants fees, Anesthesia, Blood, Oxygen, O.T. Charges, Cost of Surgical Appliances, Medicines and Drugs, Cost of Prosthetic Devices, implants, X-Ray and Diagnostic Tests, food to inpatient, one time transport cost etc. Expenses incurred for diagnostic test and medicines upto 1 day before the admission of the patient and cost of diagnostic test and medicine upto 5 days after the discharge from the hospital for the same ailment/ surgery including transport expenses will also be the part of the package. In instance of death, the carriage of dead body from network hospital to the village/township would also be part of the package. In addition, for the identified 120 procedures, follow up medicines will be provided for extended period of time.
- (vii) With regard to diagnostic procedures
- The reports of the Government Institutions should be accepted as evidence by the empanelled hospitals. In addition, any other diagnostic procedure specified/approved by the Government like ECHO, USG, angiogram etc for inclusion under insurance can be undertaken by the private hospital if needed and will be covered by the package cost.
  - The diagnostic procedures leading to surgery / medical management under this insurance scheme will be part of the package.
  - For the patients referred through Government facility/screening camps and require to undergo further diagnostic procedures specified/approved by the Government like ECHO, USG,

angiogram etc at the empanelled hospitals, the cost for the diagnostic procedures will also be reimbursed. If those diagnostic procedures are not leading to surgery/medical management also, the cost of diagnostic test shall be reimbursed to the hospital. This facility is not available to the patients who are directly approaching the private hospitals without referral/screening camps.

- (viii) A new health insurance card for identification of beneficiary will be generated using the existing database and distributed through district administration / Insurance Company. For new enrollment, district level kiosk will be established at each district collectorate.
- (ix) Under the new Insurance Scheme, the performance of Government Hospitals will be improved as follows:-
- a. Full package cost will be given to the Government hospitals along with incentive to the operating team. The sharing of funds for the cost of consumables, institutional development and incentive to operating team, shall be in the ratio of 60:25:15 respectively. This will be facilitated through the Tamil Nadu Health Systems Society, Directorate of Medical Education and Directorate of Medical and Rural Health Services.
  - b. The capacity of the participating hospitals shall be strengthened to handle the fund management under insurance.
  - c. The Government / Tamil Nadu Health Systems Society / Directorate of Medical Education should ensure creation of separate ward for patients covered under this scheme in the medical colleges with additional logistics and specific and trained manpower on the lines of the pay wards in Stanley Medical College Gastro Intestinal Department and Institute of Obstetrics and Gynaecology, Egmore, Chennai.
  - d. Initial advance shall be given to Government institutions to create such facilities which can be adjusted later from the claim amount.
  - e. Some procedures will be reserved for Government hospitals which will be decided by the Government / Tamil Nadu Health Systems Society.
- (x) An open tender will be floated as per the provisions of Tamil Nadu Transparency in Tender Act 1998 and the rules made thereunder to select an IRDA approved insurance company for implementing the new insurance scheme in all the districts of Tamil Nadu. The tender will be valid for 3 years subject to renewal of the contract on yearly basis based on the performance indicators like claim ratio of more than 80% and annual IRDA renewal, with a provision for refund as per guidelines.
- (xi) The Project Director, Tamil Nadu Health System Society is permitted to float the tender as per Tamil Nadu Transparency in Tenders Act 1998 and the rules framed thereunder.

5. Sanction is accorded for a sum of Rs. 750 crores (Rupees Seven hundred and fifty crores only) towards payment of premium to the Insurance Company for implementation of the scheme during the current year 2011-12, for which the sum of Rs.750 crores already provided in the B.E 2011-12 shall be utilized for implementing the scheme during the year 2011-12.

6. The expenditure sanctioned in para 5 above shall be debited to the following heads of account:-

- (i) 2210 Medical and Public Health  
 80 General  
 800 Other Expenditure  
     Schemes in the Eleventh Five Year Plan  
     ii State Plan  
     JJ Comprehensive Health Scheme Insurance Scheme  
     10 Contributions  
     02 Insurance Premium  
     (DPC 2210 80 800 JJ 1020)
- (ii) 2210 Medical and Public Health  
 80 General  
 789 Special Component Plan for Scheduled Castes  
     Schemes in the Eleventh Five Year Plan  
     ii State Plan  
     JC Comprehensive Health Insurance Scheme under Special  
     Component Plan  
     10 Contributions  
     02 Insurance Premium  
     (DPC 2210 80 789 JC 1020)
- (iii) 2210 Medical and Public Health  
 80 General  
 796 Tribal Area Sub Plan Schemes in the Eleventh Five Year Plan  
     ii State Plan  
     JB Comprehensive Health Insurance Scheme under Tribal Sub Plan  
     10 Contributions  
     02 Insurance Premium  
     (DPC 2210 80 796 JB 1027)

The amount sanctioned above shall not be paid in cash but contra credited to the P.D Account of Tamil Nadu Health Systems Societies as detailed below

" K Deposits and Advances (b) Deposits not bearing interest – 8443. 00.  
 Civil Deposits – 800 – Other Deposits – DJ – Deposits of Tamil Nadu  
 Health Systems Society"

Data Processing Code

Receipts	Outgoing
(8443-00-800-DJ-0001)	(8443-00-800-DJ-0002)

7. The Government constitutes a State Empowered Committee under the chairpersonship of the Chief Secretary to Government of Tamil Nadu with the

following members to process and finalize the tender, approval of various procedures, review the implementation of the Insurance Scheme periodically and also to provide operational guidelines for the implementation of the scheme whenever required:

1	Chief Secretary to Government	Chairperson
2	Principal Secretary to Government, Health and Family Welfare Department	Member
3	Principal Secretary/ Commissioner for Revenue Administration	Member
4	Principal Secretary to Government, Finance Department	Member
5	Principal Secretary to Government, Revenue Department	Member
6	Principal Secretary to Government, Labour and Employment Department	Member
7	Principal Secretary to Government, Municipal Administration and Water Supply Department	Member
8	Mission Director, State Health Society	Member
9	Project Director, Tamil Nadu Health Systems Society	Member Convener
10	Commissioner of Municipal Administration	Member
11	Director of Medical Education	Member
12	Director of Medical and Rural Health Services	Member
13	Director of Public Health and Preventive Medicine	Member

8. This order is issued with the concurrence of Finance Department vide its U.O.No. 157/DS(NK)/2011-1, dated 8.7.2011.

**(BY ORDER OF THE GOVERNOR)**

**GIRIJA VAIDYANATHAN**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

To :

The Project Director, Tamil Nadu Health Systems Society, Chennai-6.  
Private Secretary to Chief Secretary to Government, Chennai - 9.  
Principal Secretary / Commissioner for Revenue Administration, Chennai - 5  
Principal Secretary to Government, Finance Department, Chennai - 9.  
Principal Secretary to Government, Revenue Department, Chennai - 9.  
Principal Secretary to Government, Labour and Employment Department, Chennai-9,  
Principal Secretary to Government, Municipal Administration and Water Supply Department, Chennai -9.  
The Mission Director, State Health Society, Chennai - 8.



Commissioner of Municipal Administration, Chennai - 10.  
The Director of Public Health and Preventive Medicine, Chennai-6.  
The Director of Medical and Rural Health Services, Chennai - 6.  
The Director of Medical Education, Chennai - 10.  
All District Collectors  
All Joint Directors of Medical and Rural  
Health Services / Deputy Director of Health Services  
Accountant General, Chennai - 6/18  
The Pay and Accounts Officer (South), Chennai - 35.  
Copy to  
The Hon'ble Chief Minister's Office, Chennai - 9  
The Senior P.A to Hon'ble Minister (Finance) / (Health), Chennai - 9.  
The Finance (Health-I) Department, Chennai-9.  
SF/SC.

/ FORWARDED BY ORDER /

P. Parvathi 11/7/11  
SECTION OFFICER

SS-200  
11/7/11