



PUNJAB HEALTH SYSTEMS CORPORATION

State Institute of Health and Family Welfare Complex

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No. PHSC/GMFA/11/497-543

Dated: 4.5.2011

To

All the Civil Surgeons

In the State of Punjab,

Medical Superintendent

MKH Patiala & C.H. Jalandhar.

All the Dy. Medical Commissioners

In the State of Punjab.

SUBJECT: GUIDELINES FOR COLLECTIONS AND UTILIZATION OF USER CHARGES.

1. The PHSC has issued guidelines regarding collection and utilization of retained user charges from time to time. During the course of Internal Audit, it has been noticed that some hospitals in-charges are intentionally or unintentionally interpreting the guidelines in a wrong manner for which from time to time PHSC has been issuing Show Cause Notices as well as Explanations. On the other hand, the collection and utilization has increased manifolds and there are certain practical problems, which require modifications / clarifications. In supercession to all previous instructions and provision contained in guidelines, following instructions are issued to be followed with immediate effect.

2. COLLECTION OF USER CHARGES

- (i) Central collection in all the hospitals should be followed and for all such collections a duplicate receipt be issued to the patient. All the Receipt Books to be used should be got issued from the Headquarter. _
- (ii) The collections should be deposited on daily basis in a separate Savings Bank Account. Current Account should be closed if being operated in any hospital. Daily cash balance should not be more than ₹ 3000/- on any day.
- (iii) No expenditure should be made out of the cash collections. The expenditure should be incurred after depositing the collections in the bank.
- (iv) No advance to any employee should be given out of cash collections for the expenditure to be made.
- (v) The paramedics collecting charges on behalf of the hospital in the night / holiday should deposit the same by the next working day. Retention of the amount by any paramedics will be considered as a temporary embezzlement.

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- (vi) The drivers collecting the ambulance charges should be issued a separate Receipt Book (by name) and the daily collections should be deposited by all drivers by next working day at the central collection.
- iv) A separate cashbook should be maintained for recording receipt and expenditure and the MS/SMO In-charge will also be fully responsible for the maintenance of the cashbook and other required relating to expenditure.

3. UTILIZATION OF USER CHARGES

- (i) The retained user charges should be utilized as per following per centages.

1	Drugs consumables and Lab. Regents (45%)	Vital and essential medicines, consumables and Lab. regents as per the list communicated by the PHSC.
2	Improving facility of the patients (25%)	Washing or replacing of Bed sheets, Purchase of Mattresses etc. Repair/Painting of Hospital Furniture, and repair of Laboratory equipment, cleaning of wards, laboratory, toilets etc. Purchase of water coolers, Desert coolers, water filters, fans, waiting chairs, public address systems, minor hospital furniture, laboratory equipment, other equipment like AC (for hospital use), POL and minor repair to Ambulances for patients.
3	Maintenance of Building (15%)	Emergency repairs of Building, electrical items, Public Health Fittings, Maintenance of lawns etc. Purchase of CCTV cameras, Fire fighting equipment, internal signage, etc.
4	Maintenance of equipment (15%)	Minor maintenance of medical or non-medical equipments. Purchase of minor equipment like Stabilizer, minor equipment for laboratory, O.T., etc.

- (ii) No expenditure for which the Government Budget is being provided like: postage, electricity bills, telephone bills (other than allowed), should be made from the user charges. All endeavours should be made for recouping the amount for such expenditure if already paid. The Hospital In-charge will be fully responsible for making such expenditure, which are not a fit charge on user charges.

The instruction for utilization of funds under the above four categories / heads is given in the following paragraphs:

4. PURCHASES OF DRUGS, CONSUMABLES AND REGENTS BY THE HOSPITALS (45%)

- (i) Keeping in view the collection monthly, the requirement of medicines / drugs, consumables and laboratory regents will be assessed by a Committee consisting of MS/SMO/Hospital In-charge, 2 senior most doctors and one non official member of the Rogi Kalyan Samiti (hereinafter refer as Designated Committee).

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The Designated Committee should identify the items to be purchased along with the quantities keeping in view the availability of the user charges. The minutes of the meeting should be recorded in a separate register. Any purchase without authorization from this committee will be irregular. The committee should assess the requirement of medicines preferably 2-3 months in advance in any case one month in advance. The committee will ensure adequate stock of emergency and vital drugs of kit.

- (ii) At the first instance all drugs/consumables and lab regents manufactured by CPSU/HLL and required for hospitals should be met from the Jan Aushadhi Stores located at the district H.Q. Items other than CPSU / HLL shall not be purchased from JAS. It is made clear that all CPSUs/HLL items required in the hospitals should be arranged in the Jan Aushadhi Stores in adequate quantity so that Jan Aushadhi Stores can function in viable manner.
- (iii) If entire requirement is not met from the JAS then orders may be placed with the short-listed / empanelled chemists of the district through e.mail as per the procedures specified in the tender document. These chemists have been empanelled after open advertisement. It is again made clear that items manufacture by CPSU/HLL will be purchased through JAS. The Hospitals shall approach the empanelled chemists for (i) if CPSU/HLL items are not available in JAS (ii) items other than CPSU / HLL.
- (iv) The purchase of all the medicines/consumables/regents may be made in a very transparent manner i.e. either from JAS or from empanelled chemists. However, in case any emergency, natural calamities, the concerned hospital in-charge can made emergent purchase from any other chemist i.e. other than JAS and empanelled chemists up to ₹ 5000/- without calling the quotation and with the permission of the civil surgeon to the full extent till the requirement is met from the JAS / empanelled chemist. However, the record of purchase of emergency medicines would be maintained in the separate register. It is made clear that hospital incharge would ensure that adequate stock of emergency medicines / life saving drugs are stocked in the hospital while assessing the monthly / quarterly requirements.
- (v) Any other approved source for specialized procedure/equipment.
- (vi) The purchases of the medicines should not be made more than the 45% of the collections.
- (vii) All the payments to the supplier should be made through account payee cheque.
- (viii) All the expenditure should be placed before the Rogi Kalya Samiti for ratification.

FINANCIAL POWERS

Full powers to Designated Committee for purchase through above-mentioned mechanism subject to the following.

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- a) Only the vital and essential drugs, consumables and lab. reagents should be purchased as specified by the Headquarter.
- b) The purchases should not exceed more than 45% of the collections.
- c) No liability on this account should be created.
- d) No diversion from any other head should be made.

5 IMPROVING FACILITIES OF THE PATIENTS (25%)

FINANCIAL POWERS:

- SMO/Hospital Incharge up to ₹ 2000/- without calling the quotations.
 - Full powers to Designated Committee for the purchase / works over ₹ 2000/-.
- (1) The articles / works for less than ₹ 2000/-, can be got purchased / done without calling the quotations. The powers for getting such works done less than ₹ 2000/- without calling quotations, should only be used in emergent circumstances and on all such works / purchases the SMO should specify the emergency involved. Getting such types of repairs / purchases should not be made as a routine and no splitting of the bills should be done.
 - (2) For the purchases / maintenance following procedure should be adopted.
 - a) For equipment and services DGS&D and any other approved source by the PHSC.
 - b) The items or services not available on DGS&D and PHSC approved source, quotations should be called as under.
 - i) Quotations through Letters and Fax up to ₹ 25000/-.
 - ii) Over ₹ 25000/- quotations through publication in local papers.

No splitting should be done to avoid calling of the quotations through publication. For single work / purchase e.g. purchase of furnishing, hospital furniture, hospital equipment, cleanliness expenses. The power are for each component not for individual article under this component e.g. if painting of hospital furniture is to be done then bed should not be taken as one item. Furniture as a whole should be taken which should include beds, trolley, bed side lockers and other furniture etc.

6 MAINTENANCE OF BUILDING (15%)

FINANCIAL POWERS:

- SMO/Hospital Incharge up to ₹ 2000/- without calling the quotations.

- Full powers to Designated Committee for the purchase / works over ₹ 2000/-.

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- (1) Only the emergent repairs of building should be taken up without calling the quotations for the works less than ₹ 2000/-. The powers for getting such works done less than ₹ 2000/- without calling quotations, should only be used in emergent circumstances and on all such works / purchases the SMO should specify the emergency involved. Getting such types of repairs / purchases should not be made as a routine and no splitting of the bills should be done.
- (2) For the purchases / maintenance apart from emergency works estimates should be got prepared and quotations should be called. Following procedure should be adopted.
 - i) Quotations through Letters and Fax up to ₹ 25000/-.
 - ii) Over ₹ 25000/- quotations through publication in local papers.

No splitting should be done to avoid calling of the quotations through publication. Also splitting should not be done in a single work / purchase e.g. repair of Bathrooms/white washing/Painting. The powers are for each component not for individual article to be used for repair of Bathrooms/White washing/Painting.

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MAINTENANCE OF EQUIPMENT(15%)

For procedures as well as for financial powers, the instructions issued vide letter No. PHSC/BME/2010/2466-2507, dated 19.7.2010 may be followed. In brief, following procedure should be followed.

- a. Where the equipment is covered under AMC from authorized dealer, the financial powers will be as under;
 - i. MD PHSC.....Full powers
 - ii. Civil Surgeon/MS..... ₹ 50000/-
 - iii. DMC..... ₹ 25000/-
 - iv. SMO Incharge..... ₹ 10000/-
- b. Where the equipment is not covered under AMC, the efforts may be made to get it repaired from authorized dealer/original manufacturer. In case the authorized dealer / original manufacturer is not in position to repair the machine/equipment, the procedure will be as under;
 - i. By calling quotation from the repair agencies having experience in repair of such equipment.
 - ii. Constitution of Designated Committee to oversee the repair work of such machine/equipment.
 - iii. The financial powers will be same as mentioned in (i) above.

- c. In case any emergency repair can be done up to ₹ 2000/- without calling any quotation but in that case the emergency should be substantiated by documentary evidence.

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5. IMPORTANT GENERAL INSTRUCTIONS

- a. The SMO Incharge and DMC will be entirely responsible for any deficiencies / lack of material / drugs in his institution(s).
- b. The amount spent in case of natural calamities / disasters will be recouped by the State Headquarter of PHSC from Emergency Revolving Fund.
- d. Medical Superintendent of Civil Hospital Jalandhar and MKH Patiala will have the same powers to CS.
- e. Diversion from one head to another head should not be done without the prior approval of the headquarter.

6. All the collections and utilization of user charges are subject to internal audit. It is squarely the responsibility of the MS/SMO/Hospital Incharge to strictly follow the above guidelines.

7. These instructions will be applicable with immediate effect. These instructions should be circulated by CS / DMC to all the SMO / Hospital Incharge under copy of H.Q.

8. This issues with the concurrence of the Principal Secretary Health and Family Welfare.

GENERAL MANAGER (F&A)
For Managing Director

Cc to :

- i) The Principal Secretary to Government of Punjab, Department of Health & Family Welfare for information.
- ii) The Director Health and Family Welfare, Punjab, for information.
- iii) The Director Health Services (FW), Punjab, for information.
- iv) The Director PHSC for information.
- v) The ACFA / AMA PHSC for information.