CHAPTER-III: CONCLUSION

Ex-servicemen Contributory Health Scheme was envisaged to provide health care on cashless basis to all the Ex-servicemen and their dependents on the lines of CGHS. During the review we however observed that the Scheme was beset with deficiencies as given below:

- The enrollment of beneficiaries had various shortcomings including beneficiaries being charged for the smart card and instances of multiple enrollments of beneficiaries, ineligible beneficiaries and higher than entitled room types being allowed to beneficiaries.

- Many polyclinics, starting point for treatment of ESM are over-burdened with respect to their designed capacity. The supply of medicines to the polyclinics was inadequate. The MIS system was not functioning with reference to identification of beneficiary and for their pathological reports.

- ECHS lacked internal controls for verifying the cases of EIR, resulting in acceptance of referrals even after large delays of up to 584 days as against prescribed time limit of 48 hours. ECHS neither enforced the conditions of MoA nor penalized the hospitals indulging in overbilling. Claims were raised by empanelled hospitals and paid by ECHS for the overlapping period in which the same beneficiaries were admitted in other empanelled hospitals. There were delays in dissemination of revised rates resulting in overpayments.

- BPA responsible for online processing of claims was functioning without an MoA since inception in 2012. In absence of MoA, no performance parameters were enforceable on BPA. In 90 *per cent* of the delayed cases, BPA was also responsible for delay. These delays resulted in forfeiture of discount of ₹34.10 crore due to payment to the hospitals beyond prescribed period of 10 working days.

- Due to inadequate post audit of bills by the Regional PCsDA/CsDA, inflated bills of the empanelled hospitals could not be detected.

- The infrastructure created in terms of polyclinics was not being optimally utilised due to lack of manpower, equipment and medicines. Resultantly, polyclinics were forced to function as point of referral only to the empanelled facilities.

RECOMMENDATIONS

1. **Checks for unique enrollment of beneficiaries as per the entitlement followed by periodical verification/renewal to weed out ineligible beneficiaries should be enforced.**

2. **ECHS should ensure that rates and conditions prescribed by CGHS are scrupulously followed while processing the medical bills. Necessary internal controls need to be put in place.**

3. **Revised rates notified by CGHS should be implemented with immediate effect. MoA with the hospitals should include a specific clause about applicability of revised rates as notified by CGHS.**

4. **Workable and sufficient deterrents need to be incorporated in the MoA to discourage the hospitals from raising inflated bills, refusal of cashless service and non-adherence to other provisions of the MoA.**

5. **Provisions need to be included in the MoA to penalize the hospitals for raising EIR after the prescribed period of 48 hours. In no case, EIR should be accepted after the discharge of patients.**

6. **Strict adherence to the provisions of accounting of medicines/drugs procured for ECHS and Service hospitals separately and utilization for ECHS beneficiaries should be ensured.**

7. **Possibility may be explored to introduce a clause in MoA for availing discount on MRP of the medicines being provided by them to the patients.**

8. **Measures for authentication of beneficiaries should be put in place. All modules under MIS application at ECHS Polyclinics be made operational.**

9. Post Audit of paid vouchers should be done timely by the PCsDA to exercise the desired checks in time. Need for reconciliation for monthly bank and cash book balances be enforced.

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Date: 05 December 2015

Countersigned

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New Delhi
Date: 05 December 2015