

Executive Summary

Health, Medical & Family Welfare (HM&FW) Department is one of the vital Departments of the State Government and is responsible for providing essential healthcare services to the people of Telangana. The Secretary (HM&FW) is the Head of the Department at the Government Level. The Secretary is entrusted with the responsibility of providing directions and coordinating the general functioning of the Department within the Operational Guidelines of Government policies and ensuring the effective delivery of its mandate.

The Performance Audit was carried out with a view to assess the adequacy of funding for health care, the availability and management of healthcare infrastructure and the availability of Drugs, Medicine, Equipment and other consumables. The Performance Audit also sought to examine the availability of necessary Human Resources at all levels, e.g., Doctors, Nurses, Paramedics etc., the implementation of various schemes of the Government of India including the assistance/grants/equipment received by the States and the State spending on Health and improvement of wellbeing conditions of people as per Sustainable Development Goal 3.

Audit was conducted covering the period from 2016-17 to 2021-22 through a test-check of records in the Offices of the Secretary, Department of Health, Medical & Family Welfare; Managing Director, Telangana State Medical Services & Infrastructure Development Corporation; Commissioner, HM&FW and Mission Director, National Health Mission; Director of Public Health (DOPH); Director of Medical Education (DME); Commissioner, Telangana Vaidya Vidhana Parishad, Director of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy; District Hospitals (DHs) in the State; other test checked healthcare facilities included Sub Centres (SCs), Primary Health Centres (PHCs), Urban Primary Health Centres (UPHCs), Community Health Centres (CHCs), Area Hospitals (AHs), Super Specialty Hospitals. Audit also covered Central Medicine Stores (CMSs); Hospitals of AYUSH; Pharmacies; Dispensaries and Government Medical Colleges with attached Teaching Hospitals in the test checked three Districts of Hyderabad, Mahabubnagar and Warangal. A Patients' Survey, a Doctors' Survey and a Joint Physical Verification of Health Institutions were undertaken during the course of the audit.

Significant audit findings, conclusions and recommendations of the Performance Audit are given below:

Chapter 2 – Human Resources

Department had not furnished Human Resources policy for the appointment of Specialist Doctors, Medical Officers and other supporting Paramedical staff to meet the requirement of the healthcare facilities according to the IPHS norms though it was stated to had been prepared.

Department of Health and Family Welfare had not maintained a centralised database of sanctioned strength, actual personnel in positions and District-wise deployment data of Doctors, Nurses and Other Paramedical Staff in healthcare facilities across the state.

As per the norms of WHO, a Doctor is to be available for every 1,000 persons. The availability of Doctors showed an increasing trend from 2017-18 to 2021-22 and the ratio was 1:881 in the State of Telangana which compares favourably with WHO norms.

There were huge gaps between sanctioned posts and the actual position of healthcare staff in the health facilities with the overall vacancies being 45 *per cent*.

Out of six HODs under the HM&FW Department, the highest vacancy was in Director of Medical Education (56 *per cent*) and the lowest was in Drugs Control Administration (34 *per cent*).

Acute shortages of teaching staff were observed in nine Medical Colleges with overall vacancies in the cadre of Associate Professors (48 *per cent*) and Assistant Professors/Tutors (40 *per cent*). Vacancies in the positions of Associate Professors and Assistant Professors have an impact on the quality of education provided to medical students.

Recommendations

- *State Government should formulate a Human Resource Policy with emphasis on short, medium and long term goals to address the shortage of Human Resources in various cadres.*
- *State Government should review the availability of manpower in all the health institutions and ensure availability of staff as per the IPHS norms.*
- *Government should develop a Human Resource Management System (HRMS) to know the deployment of staff in all health facilities across all HODs on real time basis.*

Chapter 3 – Healthcare Services

Fixed Day Health Services (FDHS) program, which aimed to provide comprehensive healthcare services to rural communities, were not being extended to the rural poor as envisaged. The 3206 SCs were converted as Health Wellness Centres (HWCs) and were renamed as Palle Dawakhanas. Of these, Medical Officers were not available in 122 Palle Dawakhanas. Non-provision of some Out-Patient Department Services was observed in the DHs, AH, CHCs and PHCs.

The performance of the State with regard to maternity services like ANC received in the first trimester and consumption of Iron Folic Acid tablets has improved in 2019-20 as compared to 2015-16, while it had not shown any improvement in respect of pregnant women receiving at least four ANC. Patient Satisfaction Survey was not conducted in majority of the test checked Health institutions.

In all the test checked health institutions MNJ Institute of Oncology and Regional Cancer Centre, Osmania General Hospital, Niloufer Hospital, AHs Golconda and Malakpet, CHCs Amberpet, Wardhannapet and Badepally the Bed strength for the Nurses was more than the

required norm of six beds per Nurse. In Niloufer Hospital, the Bed strength per Nurse was almost four times the norm.

Imaging Equipment available with healthcare institutions did not have the requisite licence from Atomic Energy Regulatory Board (AERB) authorities while Thermo Luminescent Dosimeter (TLD)-Badges were not provided to personnel working with X-ray units in some of the DHs. Microbiology services were not available in any of the DHs except DH Narsampet.

In the absence of Fire-Fighting equipment like Fire Hydrants and Smoke Detectors, the Hospitals were non-compliant with the fire safety norms.

Recommendations

- *Government may ensure Medical Officers are posted in all Palle Dawakhanas so as to achieve the objective of providing healthcare services at the doorstep.*
- *Government may ensure that all District Hospitals are equipped with imaging equipment and services relating to endoscopy and blood banks in a time bound manner.*
- *Government may ensure adequate facilities like the availability of adequate fire fighting equipment at all health institutions to ensure safety of patients and uninterrupted power supply.*
- *Patient Satisfaction Survey Report may be maintained by every health institution to know the level of patient satisfaction and also to initiate remedial measures wherever necessary.*
- *Government may provide the protective Thermo Luminescent Dosimeter (TLD) badges to personnel working with X-ray unit to protect them from radiation.*

Chapter 4 - Availability of Drugs, Medicines, Equipment and other Consumables

Although the Corporation was to get the EML/AML reviewed and updated once in two years, it was observed that the review of EML/AML was done only twice i.e., in 2015 and 2019 till date.

As against 530 items required to be procured as per the approved EML list-2015, items procured were 396, 336 and 266 during 2017-18, 2018-19 and 2019-20 respectively. Similarly, out of 338 items required to be procured as per the approved EML list-2019, items procured were 209 and 197 during 2020-21 and 2021-22 respectively.

All the Health facilities were not implementing e-Aushadhi up to the Medicine Distribution Centre (MDC) level. There were also gaps and inadequate validation controls in e-Aushadhi application.

Essential drugs and medicines are those which address the priority healthcare requirements of a given population and our scrutiny in the District Hospitals revealed that out of 39 therapeutic medicine groups, medicine related to 20 groups were not available across 11 out of 14 District Hospitals.

Out of 16,016 POs issued by the Corporation, drugs were supplied for 13,950 POs leaving 2,066 POs unsupplied. However, no penalty on the suppliers were levied by the Corporation as per tender conditions.

Contrary to the agreement conditions, the Corporation issued 19 Purchase orders beyond the agreed Rate Contract (RC) resulting in an excess payment of ₹1.65 crore to nine suppliers.

Drugs and Medicines (706 numbers) worth ₹17.13 crore having leftover shelf life ranging from 1 to 89 days were issued by Central Medicine Stores to 1,259 health facilities during the period 2016-17 to 2021-22.

As per e-Aushadhi data, expired drugs valued ₹390.26 crore were not got replaced timely with the suppliers causing huge monetary loss to the Government.

Out of the 39,258 batches of drugs/ surgical/ CTS items, the Corporation had not sent 2,392 batches for Quality Check, (6 per cent) not being tested for their quality.

CMS issued 32 batches of drugs without the mandatory testing to Health institutions. Audit observed that 84 samples had been declared as NSQ by DCA/CDSCO of which 13 batches had been issued to the Health Facilities.

In violation of the condition of keeping the batches prior to receipt of reports as quarantined, out of 204 batches of drugs for which reports not received, 158 batches of drugs were issued by CMSs to health facilities during the period April 2016 to November 2021. Delays were also observed in receipt of 426 QC reports with delays ranging from 1 to 1,441 days.

Deficiencies in drugs storage facilities were observed in all the three test checked Central Medical Stores., Hyderabad, Mahabubnagar and Warangal making the drugs susceptible to damages, contamination and theft and risk to the patients.

Against the Minimum Non-Negotiable Outputs of ECRP-II, which required the establishment of 33 DPCUs and LMO Plants, 31 DPCUs have been established so far, with no Liquid Medical Oxygen (LMO) Plants being established. As LMO plants were not established, an amount of ₹35.57 crore was utilised from Emergency Response and Health System Preparedness (ECRP-II) funds towards procurement of Oxygen Gas for use in State-run Hospitals and NIMS during 2021-22 to treat COVID patients. Upgradation of the RT-PCR labs had been achieved by incurring an additional of ₹18.95 crore.

Recommendations

- *Government may ensure implementation of e-Aushadhi application at all levels as envisaged and efforts may be made to strengthen validation controls in e-Aushadhi system.*
- *Government may ensure that storage of drugs in CMS stores and health facilities are done appropriately to protect the drugs from deterioration.*
- *Government may ensure that rules regarding near expiry drugs and its return to supplier timely for replacement of stock are followed by CMSs strictly.*

- *Essential Medicines List (EML) and Additional Medicines List (AML) should be reviewed and updated at least once in two years or more frequently as needed.*

Chapter 5: Healthcare Infrastructure

Shortage in the number of Community Health Centres (CHCs), Primary Health Centres (PHCs/UPHCs) and Sub-centres/Basti Dawakhanas (SCs) available in the State, as against the prescribed population norms was nearly 69 per cent, 25 per cent and 29 per cent respectively. There were no CHCs in the Districts of Jangaon, Rajanna Sircilla and Hanumakonda. In majority of the Districts, the number of persons who are being served by PHCs and SCs were not as per norms.

Against the requirement of 35,004 beds for the population as per Census 2011, available beds in Government hospitals were only 27,996 beds which resulted in shortage of 7,008 beds. Except for the Districts of Adilabad, Hyderabad and Hanumakonda, shortage of beds was noticed in all the other Districts.

Of the 1,113 Sub-Centre works sanctioned during 2016-22, 331 (30 per cent) have been completed, 454 (41 per cent) are in various stages of completion, 148 (13 per cent) are in the tendering stage and 180 (16 per cent) have not been taken up. TSMSIDC has not maintained a comprehensive database of the construction activities since 2019 and as a result, it could not ensure effective monitoring.

The envisaged 50 bedded Integrated AYUSH Hospitals had not materialised in any of the three Districts, viz., Vikarabad, Siddipet and Jayashankar Bhupalpally and the State also lost central funding of ₹7.20 crore.

The Academic building at Osmania Medical College (OMC) constructed and handed over in October 2016 was not put to use as of April 2022, for want of required equipment and furniture. Thus, the expenditure of ₹17.35 crore incurred on the construction remained unfruitful.

The completed Nursing School building at Nizamabad (other than the additional items) was not handed over to the user Department till June 2022, resulting in unfruitful expenditure of ₹14.44 crore. Due to non-completion of the work Nursing College, Jagtial, Nursing College is functioning in an incomplete building, since July 2019 and also without providing hostel facilities to the students.

Recommendations

- *Government may take necessary steps for establishment of CHCs, PHCs and SCs as per norms.*
- *Government may take measures to upgrade all PHCs/ SCs as HWCs by providing necessary Human Resources and infrastructure as per norms.*
- *Government may take necessary measures to increase beds in Government hospitals and provide necessary equipment in accordance with IPHS norms in all the health facilities.*
- *Government may take steps to maintain a holistic real time database to monitor all construction related activities.*

- *Government may ensure availability of land, funds and Human Resources while sanctioning new or upgrading existing health facilities.*

Chapter 6: Financial Management

The State Government had not formulated a Specific Comprehensive Policy/Plan with reference to National Health Policy (NHP) 2017 to achieve Universal Health Coverage and deliver quality healthcare services to all at affordable cost. Government had not conducted health, demographic and epidemiological surveys and had only conducted disease survey.

Although as per the NHP 2017, the spending on the Health sector in the State should be more than 8 per cent of the total State budget by 2020, during the period 2016-17 to 2021-22, the expenditure in respect of the Health sector ranged between 2.53 per cent to 3.47 per cent, which was less than 50 per cent of the specified norm. The expenditure on Health Sector remained less, i.e., less than one per cent w.r.t State GSDP as against the norm of 1.15 per cent to be achieved by 2025 as envisaged in the NHP 2017. The actual expenditure on primary healthcare in the State ranged between 15.56 per cent (2019-20) to 20.27 per cent (2017-18) which was far below the set target of 66.67 per cent of the total Health Budget. Under National Health Mission (NHM) Scheme, the State share was not released fully within the same financial year during 2016-22. The release of the State share within the same financial year is showing a decreasing trend from 73 per cent (2016-17) to 14 per cent (2021-22). Out of the available funds for NHM, utilisation of funds ranged from 36 to 63 per cent. Due to the non-provision of funds, required mandatory trainings were not imparted to the members of VHSNCs during the period 2017-22

State Government had accorded administrative sanctions to the extent of ₹144.17 crore during December 2020 – September 2021 for the management of COVID-19 and had directed to meet the expenditure from NHM interest funds subject to reimbursement from COVID funds. The amount was not recouped to NHM till date.

Recommendations

- *State Government may consider increasing Health sector spending to move closer to NHP targets in terms of 8 per cent of State budget and at least 2.5 per cent of State Gross Domestic Product as specified in NHP 2017 by 2025 to reduce Out of Pocket Expenditure.*
- *State Government may consider allocation of up to two thirds of the total health budget for primary healthcare in terms of the norms prescribed by NHP 2017.*
- *Government should ensure that at least budgetary allocations are fully utilised by the Departments and timely and proper utilisation of NHM funds.*
- *Government may conduct health, demographic and epidemiological surveys as stipulated in NHP 2017.*

Chapter 7 – Implementation of Centrally Sponsored and State Schemes

The State Government implemented all the Centrally sponsored schemes in Telangana under National Health Mission (NHM). As against the targets fixed by GoI, the notification

of TB cases were showing an increasing trend during the years 2018 and 2019 and a decreasing trend in the years 2017, 2020 and 2021 in respect of public health institutions. Under the National Malaria Eradication Programme, Annual Blood Examination Rate (ABER) was less than 10 *per cent* continuously during 2017-21 in eight Districts.

GoI has prioritised approved Patient-Provider Support Agency (PPSA) in the ROP 2019-20. An amount of ₹176.35 lakh was approved for implementation of PPSA in the five Districts of Khammam, Nizamabad, Karimnagar, Nalgonda and Hanumakonda and while the amount was released, it was kept unutilised to the end of March 2022.

In respect of Oral Polio Vaccines 2 & 3, the percentage was less than 50 which shows the coverage was very poor in the Districts which needs focussed attention.

The achievement of targets under Measles I/Measles Rubella 1 (MR1) which had shown a downward trend during the years 2017-18 and 2018-19, however, increased and was 95 *per cent* during the year 2020-21.

C-Section Deliveries in Telangana are higher than the National Average. C-Section Deliveries in the State increased from 56 *per cent* to 62 *per cent* of Total Institutional Deliveries during the period 2017- 18 to 2021-22. However, C-Section deliveries in Government Health facilities decreased from 60 (2017-18) to 39 *per cent* (2021-22), while C-Section deliveries in Private Health facilities increased from 40 (2017-18) to 61 *per cent* (2021-22).

Funds of ₹65.20 crore received under PM Matru Vandana Yojana during the year 2017-18 were not utilised as of June 2022 and remained in the ESCROW account.

Out of the total population of 3.56 crore (as of June 2019), under Kanti Velugu Scheme, screening was conducted in respect of 1.55 crore people and the requirement of reading glasses was identified in respect of 24.67 lakh; Surgeries in respect of 9.59 lakh beneficiaries were identified; prescription glasses were provided for 14.36 lakh beneficiaries.

Recommendations

- *State Government may make resolute efforts to minimise C-section deliveries.*
- *State Government may ensure that payments under MCH Kit are distributed to the eligible beneficiaries after bio-metric authentication of beneficiary.*
- *State Government should ensure that funds received from GoI for implementation of programmes are utilised on priority basis.*

Chapter 8 – Sustainable Development Goals - 3

Telangana had already achieved the required target of Maternal Mortality Rate (MMR) of less than 70. Telangana had also met the target Infant Mortality Rate (IMR) of 28 per 1000 live births in urban areas, but fell short in rural areas. Similarly, while achieving the target Under 5 Mortality Rate (U5MR) of 25 per 1000 live births in urban areas, Telangana fell short of this goal in rural areas.

Monthly Per Capita Out-of-pocket Expenditure on health in the State is higher than the National Average. Against the target of 45 health professionals per 10,000 population to be achieved, the availability of health professionals was only 10 per 10,000 and thus, Telangana was far behind the target.

As per the NITI Aayog SDG Index 2021, Telangana had a score of 67. Telangana has performed well in aspects of Maternal Mortality Rate (MMR), Immunisation, IMR, U5MR, Neonatal Mortality Rate (NMR), Institutional Deliveries. However, still there is scope for improvement in respect of certain indicators, viz., Total Physicians, Nurses and Midwives per 10000 population, Suicide Mortality Rate, Death Rate due to Road Traffic Accidents, Caesarian Deliveries etc.

Recommendations

- *State Government may ensure achievement of targets and plans by the Health Department and associated line Departments to achieve the goals of SDG – 3.*
- *State Government may take all the necessary measures to address the issues of higher Infant Mortality Rate, U5MR and Neonatal Mortality rate in rural areas, Suicide Mortality Rate and Deaths due to Road Traffic Accidents in Telangana.*