



Memorandum of Understanding (MoU)

between

National Health Agency,

Government of India

And

Health and Family Welfare Department

Government of Tamil Nadu

for Implementation of

Pradhan Mantri Jan Arogya Yojana (PMJAY)

in association with

Chief Minister's Comprehensive Health Insurance Scheme

This Memorandum of Understanding is made into on the 11th day of September 2018 by and between

I. The Government of India duly represented by and acting through Dr. Indu Bhushan, Chief Executive Officer, Ayushman Bharat, Government of India and having its office at Ministry of Health & Family Welfare, Nirman Bhavan, New Delhi, which expression shall mean and include his successors – in-office and assigns of the one part; and

II. The Government of Tamil Nadu, duly represented by and acting through Dr. J. Radhakrishnan, I.A.S., Principal Secretary to Government, Health & Family Welfare Department, having its office at Secretariat, Chennai – 9, which expression shall mean and include his successors –in-office and assigns of other part.

AND WHEREAS, the Government of India (GoI) has announced the launch of a flagship scheme, called Pradhan Mantri Jan Arogya Yojana (PMJAY) to provide health cover initially to over 10 crore poor and vulnerable families or about 50 crore beneficiaries across the country, with coverage of upto Rs.Five lakh (INR 5 lakhs only) per family per year, for secondary and tertiary care hospitalization;

AND WHEREAS, Ministry of Health and Family Welfare (MoHFW) has set up National Health Agency (NHA) to manage the PMJAY at the national level;

AND WHEREAS, the State of Tamil Nadu is already implementing the Chief Minister's Comprehensive Health Insurance Scheme in the State providing financial coverage of Rs1 Lakh per family (up to Rs 2 Lakh for certain procedures) per annum for One Crore and forty seven Lakh families; and intends to implement PMJAY along with CMCHIS in association with Government of India;

AND WHEREAS, the role of the NHA is to provide guidance, oversight, operational guidelines, technical support and Central share of grant-in-aid to the States;

WHEREAS, the State Government is responsible for implementation of the mission and providing State share of grant-in-aid;

AND WHEREAS, NHA and Government of Tamil Nadu are now entering into this MoU to capture the terms and conditions for implementation of PMJAY in association with Government of India in the State of Tamil Nadu;

AND WHEREAS, this MoU captures the terms and conditions for this purpose;

1) DEFINITIONS :

- a) PMJAY shall refer to Pradhan Mantri Jan Arogya Yojana
- b) MoHFW shall mean the Ministry of Health and Family Welfare, Government of India.
- c) NHA shall mean the National Health Agency.
- d) SHA shall mean State Health Agency and refers to the agency/ body set up by the Department of Health and Family Welfare, Government of Tamil Nadu for the purpose of coordinating, managing and implementing the PMJAY in the State of Tamil Nadu.
- e) EHCP shall refer to Empanelled Health Care Provider, that is, public or private hospitals that have been empanelled across the country under PMJAY.
- f) RSBY shall refer to the Rashtriya Swasthya Bima Yojana.
- g) Basic Sum Insured shall mean the sum of Rs.5,00,000/- (INR Five lakhs only) per PMJAY Beneficiary Family Unit per annum or any other coverage as determined by the Government of India from time to time under PMJAY.

- h) Beneficiary Family Unit refers to those families including all its members figuring in the Socio-Economic Caste Census (SECC) database under the deprivation criteria specified or any additional categories as may be decided by the Government of India from time to time under PMJAY.
- i) Benefit Cover refers to the package of benefits that the insured families would receive under the PMJAY as may be decided by Government of India from time to time.

2) PREAMBLE :

- a) Over the past few decades, there have been significant improvements in various health indicators in the country. Despite this, the achievements of national and State / UT health programs are yet to reach a scale and scope that can translate into comprehensive assured health service for every Indian, particularly the poor and economically weak. In order to provide financial protection to poor and vulnerable families against catastrophic health expenditures and to reduce out of pocket expenditure for accessing health services due to hospitalization, Government of India has decided to roll out the Ayushman Bharat [Scheme] to provide holistic health care to all citizens including preventive health promotion as well as primary, secondary and tertiary care.
- b) Within this vision, the PMJAY aims to help achieve the Sustainable Development Goals (SDG) of providing Universal Health Care (UHC). It will provide for cashless hospitalization services of upto Rupees Five lakh per family per year to over ten crore poor and vulnerable families (approximately 50 crore) beneficiaries. To operationalize the scheme at the National level, and to rollout the scheme in coordination with the various State Governments, the NHA has been established.
- c) The State of Tamil Nadu is currently implementing Chief Minister's Comprehensive Health Insurance Scheme, which provides coverage of Rs.1 Lakh per family (up to Rs 2 Lakh for certain procedures) per annum for One

Crore and forty seven Lakh families, covering 1027 Medical, Surgical and Diagnostic Procedures (combined) and 154 follow-up procedures. The State intends to implement PMJAY in association with Government of India.

d) In furtherance of the above objectives, NHA and the State of Tamil Nadu intend to sign this Memorandum of Understanding to implement PMJAY in association with CMCHIS.

3) DURATION OF THE MOU

a) This MoU shall come into force immediately upon signing and shall be applicable till such date when either of the Parties decide to withdraw from it or both Parties agree to terminate it as per Clause 8 of this MoU.

4) OBJECTIVES OF THE MOU :

The aims and objectives of the MoU are as follows:

- a) To enable the NHA and the State Of Tamil Nadu to work together to implement PMJAY in association with CMCHIS;
- b) To clearly define roles and responsibilities of both the Parties with respect to implementation of PMJAY in association with CMCHIS;

5) ROLE AND RESPONSIBILITIES OF NHA :

Having agreed to provide assistance for the implementation of PMJAY in association with Chief Minister's Comprehensive Health Insurance Scheme; in the State of Tamil Nadu the NHA shall do the following:

a) Premium/ Cost contribution:

- i) [Insurance mode] The NHA shall release Central share of grant-in-aid under PMJAY as its corresponding contribution as per the premium already determined through the open tendering process as per the State's legislative framework for the ongoing CMCHIS, subject to the national

ceiling determined by GOI, for the coverage of up to Rs. 1 Lakh (up to Rs 2 Lakh for certain procedures) per family per annum.

- ii) [Assurance mode] The NHA agrees to release Central share of grant-in-aid as actual cost of claims or the ceiling determined by the Government of India, whichever is lower for all such claims which are covered under the scheme, for costs between Rs.1 Lakh (upto Rs. 2 Lakh for certain procedures) and Rs.5 Lakhs.

b) **Transfer of Premium/ cost as grant-in-aid:** The Premium grant-in-aid may be directed to the State Health Agency, i.e. TNHSP (Society) already setup and dealing with the CMCHIS funds and payment. The payment modalities of the existing tender will continue undisturbed during its tenure. The central share for the eligible beneficiaries will be suitably adjusted.

c) **Transfer of administrative expense:** The NHA shall provide Central Governments share of contribution with respect to administrative expenses to the SHA based on fulfillment of such conditions as may be prescribed by NHA and the payment may be directed to the society.

d) **Database of beneficiaries:** The NHA shall provide the database of eligible beneficiary families to the States and shall allot a unique national ID for each PMJAY beneficiary. The NHA will also provide flexibility to States to use their own database of beneficiaries as mentioned in clause 6(f) of this MoU on the condition that all PMJAY eligible Beneficiary Family Units are included in this database.

e) **Operational Guidelines:** The NHA shall provide guidance to the States through operational guidelines for implementation of PMJAY.

- f) **Providing model tender document:** The NHA shall provide model tender documents to the State pertaining to the implementation of the PMJAY including but not restricted to the provision of documentation for the model Request for Proposal for Selection of Insurance Companies.
- g) **Bid management process and Price Discovery:** The discovered price and conditionalities as per the existing contract for CMCHIS between the Government of Tamil Nadu and the vendor may be treated as applicable for the period as allowed by the contract.
- h) **National Portability:** The NHA shall lay down the process and terms for extending portability of benefits to all PMJAY beneficiaries across the EHCP network in India.
- i) **IT System and Technical Support:** The NHA shall provide an IT platform with functional modules for identification of eligible beneficiaries, transaction and claim management and provision of all services under PMJAY. The NHA will also allow the State of Tamil Nadu to use their own IT system as per the conditions mentioned in clause 6(I) of this MoU.
- j) **Information, Education and Communication (IEC) materials:** The NHA shall provide standard IEC material and branding for dissemination to ensure uniformity in messaging to the beneficiaries.
- k) **Training and Capacity Building:** The NHA shall provide standard training manuals for stakeholders and support the State in organizing training of trainers and other capacity building activities including for EHCP accreditation in the State.
- l) **Review and monitor the progress made under PMJAY:** The NHA shall review the performance of the scheme and monitor it on a regular basis and issue necessary directions from time to time.

6) ROLE AND RESPONSIBILITIES OF STATE OF TAMIL NADU:

The State shall be responsible for the following with respect to implementation of PMJAY in association with CMCHIS under this MoU :-

a. **Setting up of State Health Agency:** The State shall set-up a dedicated State Health Agency (SHA) or designate this function to any existing agency/ trust/ society, under the administrative control of Department of Health and Family Welfare in the State designated for this purpose which will be responsible for the implementation of PMJAY in association with CMCHIS.

b. **Coverage:** The State shall provide health protection coverage of Rs.5 lakh per family per year benefit cover for secondary and tertiary care hospitalizations to all eligible PMJAY families.

c. Premium/ Cost contribution:

(i) [Insurance mode] The State shall release State share of grant-in-aid as its corresponding contribution as per the premium already determined through the open tendering process as per the State's legislative framework for the ongoing CMCHIS for the coverage up to Rs.1 Lakh (upto Rs.2 Lakh for certain procedures) including any contributions to be made over and above the national ceiling determined by Government of India [and for any additional coverage/benefit cover/beneficiary family category covered under the Chief Minister's Comprehensive Health Insurance Scheme in association with PMJAY];

(ii) [Assurance mode] The State shall release State share of grant-in-aid as actual cost of claims for all such claims which are covered under the scheme, for cost between Rs.1 Lakh Rs. 2 Lakh for certain procedures and Rs.5 Lakh or any additional claims, beyond the ceiling determined by the Government of India, [and for any additional coverage/benefit cover/ beneficiary family category covered under the CMCHIS in association with PMJAY];

- d) **Transfer of State and central share:** The grant –in-aid may be directed to the State Health Agency. i.e. TNHSP (Society) already setup and dealing with the CMCHIS funds and payments as per conditions specified by the NHA and communicated to the State from time to time.
- e) **Administrative cost contribution:** The State shall contribute towards the State share of administrative cost for the implementation of PMJAY and shall also receive the Central share for this purpose subject to its fulfilling its role and responsibilities as set out in this MoU. The payment to be directed to the society.
- f) **Database of beneficiaries:** The State shall ensure that the eligible beneficiary families in the PMJAY beneficiary database provided by NHA including those already covered with RSBY are covered under PMJAY and are provided the benefits accruing under the same. [Given that CMCHIS covers a much larger population compared to PMJAY Beneficiary List, the State may take a reasonable period of time within which it shall identify all PMJAY beneficiary families within CMCHIS beneficiary family units.] The State shall further ensure that all families eligible for PMJAY as per Socio Economic Caste Census (SECC) data or existing enrolled RSBY beneficiaries or otherwise are provided benefits under the PMJAY and to identify such families mandatorily by the unique PMJAY ID assigned to the family by NHA.
- g) **Bid Management Process and Price Discovery:** The discovered price and conditionalities as per the existing contract for CMCHIS between the Government of Tamil Nadu and the vendor may be treated as applicable for the period as allowed by the contract. (Insurance mode)
- h) **Packages and Benefits:** The State agrees to provide all medical and surgical packages as decided by NHA to all eligible families and to use standardized codes for procedure packages covered under PMJAY as

mandated by NHA free of cost through insurance / assurance model and Public Health Institutions.

- i) **Make available public health facilities for mission:** The State shall make available the public health care facilities with in-patient care facilities, for deemed empanelment as EHCP under PMJAY. The State may frame policies and guidelines to allow public hospitals to retain and utilize funds at the hospital and consider providing a part of this as incentive to the staff of the hospital.
- j) **Portability:** The State agrees to extend national portability of benefits to all PMJAY beneficiaries as per the guidelines laid down by NHA.
- k) **Empanelment of Hospitals:** The State shall be responsible for empanelment of the hospitals in the State under the empanelment guidelines [provided by NHA] and the State through the existing Empanelment & Disciplinary Committee. The State shall ensure that all EHCPs under the PMJAY are empanelled through the online empanelment portal provided by NHA / SHA and use standardized unique IDs for EHCPs as mandated by NHA;
- l) **IT System:** The State can continue to use the existing IT platform developed for the implementation of CMCHIS customized for implementation of PMJAY. However, in such cases, the State agrees to provide inter-operability of PMJAY beneficiaries of India over all PMJAY empanelled facilities in the State through the IT platform. Moreover, the State also agrees to share all data related to PMJAY beneficiaries to the NHA in a format prescribed by the NHA. Nothing in this clause shall prevent the State from sharing additional information to NHA in a manner NHA may deem fit in order to augment fraud detection and standardization of procedures and other such purposes.

- m) **Grievance Redressal System:** Grievance calls on the toll free helpline may be first directed to the existing call centre already established and may be linked to the national helpline as decided by NHA and communicated by it to the State.
- n) **IEC:** The State shall be responsible for conducting IEC activities, in line with the NHA guidelines, to inform the eligible beneficiaries about the benefits and process of availing services under PMJAY. Also co-branding with the State Scheme shall be done.
- o) **Training and Capacity Building:** The State shall be responsible for carrying out training of stakeholders and building their capacities to carry out designated tasks under PMJAY guidelines.
- p) **Facilitate, monitor and evaluate the scheme:** The State shall facilitate, monitor and evaluate the implementation of the scheme as per the guidelines issued from time to time by the Central Government or NHA as the case may be and such additional guidelines as the State itself shall adopt from time to time in relation to the scheme.
- q) **Provide information and reports:** The State shall provide such information, in prescribed format and in such manner, as is desired by the Central Government and/or NHA from time to time.

7. MAINTENANCE OF ACCOUNTS AND AUDIT :

- a. Funds allocated in terms of this MoU will be kept separately along with the share of funds provided by the State. The State will organize the audit of the funds immediately on the close of every financial year and will prepare and provide to the NHA a consolidated Statement of expenditure, including the interest that may have accrued.

- b. The funds routed through the escrow account will be liable to statutory audit by the NHA at the NHA's sole discretion. (Not Applicable)

8. EXIT AND TERMINATION:

- a) Either party of the MoU can invoke the exit clause to withdraw from the MoU, provided that the exiting party gives a notice of its intent to terminate in writing atleast 90 days in advance, and citing the reasons for the termination. The Parties shall conduct as many coordination and conciliation meetings as possible during this period to explore ways to continue the MoU, if needed.
- b) This MoU can also be terminated for cause by providing 60 days prior notice in writing, and such cause for termination shall be if either party commits a material breach of its obligations under this MoU.

9. ASSIGNMENT :

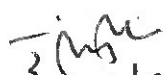
It is accepted and understood by the parties to this MoU that the rights, responsibilities and obligations of the State of Tamil Nadu may be assigned in their entirety to the State Health Agency (SHA);

10. MISCELLANEOUS :

- a) This MoU should be read together with the Guidelines for PMJAY issued by the NHA, Government of India and shall not be amended unless agreed to in writing by both the parties.
- b) This MoU shall become effective after it has been duly approved and signed by the parties and shall not be amended except in writing by both the parties.
- NOW, THEREFORE, both Parties agree to enter this MoU for the purposes set out above.

IN WITNESS WHEREOF, the Authorities hereto have signed this MoU as of the 11th day of September 2018.

FOR NHA, Government of India


11/9/18

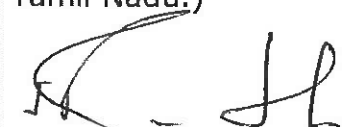
Authorised Signatory

Name: Dr. Indu Bhushan,

Designation: Chief Executive Officer,
Ayushman Bharat

FOR the Government of Tamil Nadu

(Acting for and on behalf and by the
order and direction of the Governor of
Tamil Nadu.)


11/9/2018

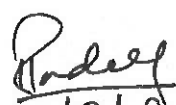

Authorised Signatory

Name: Dr. J. Radhakrishnan, I.A.S.,

Designation: Principal Secretary to
Government,
Health & Family Welfare Department

Witnessed by

1. RAHUL PANDEY
2. UMA MAHESWARI P


11/9/18

11.9.18

