

Proceedings of the 12th Trust Board Meeting held under the Chairmanship of the Chief Secretary, Government of Karnataka in Committee Room No. 313, Vidhana Soudha, Bangalore on 13/5/2019.

Members Present:

1. The Chief Secretary to Government, Government of Karnataka, Vidhana Soudha, Bangalore - Chairman
2. The Principal Secretary to Government, Health & Family Welfare Department, Vikasa Soudha, Bangalore - Deputy Chairman
3. The Principal Secretary to Government, Medical Education Department - Trustee
4. The Secretary to Government, Dept. of Housing - Member
5. Representative from Labour Department - Trustee
6. The Director, Medical Education Dept. Trustee
7. The Executive Director, Suvarna Arogya Suraksha Trust - Secretary to the Trust
8. Representative from Finance Department, Vidhana Soudha, Bangalore.
9. Representative from Dept. of Rural Development & Panchayat Raj - Member
10. Representative from Dept. of Urban Development- Member
11. Representative from Dept. of Information and Technology- Member
12. The Director, Kidwai Institute of Oncology, Bangalore. - Trustee
13. Dr. Devi Shetty, Cardio Thoracic Surgeon, Narayana Hrudayalaya, Bangalore -Trustee
14. Dr. C.N. Manjunath, Director, Jayadeva Institute of Cardiology, Bangalore -Trustee
15. Representative from NIMHANS, Bangalore - Trustee
16. Dr. H. Sudarshan, Karuna Trust, Bangalore - Trustee

Members absent:

1. The Secretary to Government, Co-operation Department, M.S. Building, Bangalore. - Trustee
2. The Commissioner, Health & Family Welfare Services, Ananda Rao Circle, Bangalore. Chief Executive -Trustee

3. The Director, Health & Family Welfare Services, Ananda Rao Circle, Bangalore -Trustee
4. The Mission Director, National Health Mission - Trustee

The Executive Director welcomed the Chairperson and the members of the Trust for the Meeting.

12.1 Registration of Supplementary Deed of Trust

- The Executive Director briefed the Board that the Government had included four new members to the Trust Board, to fulfil the requirements of Ayushman Bharat- PMJAY for constituting the State Health Agency. Suvarna Arogya Suraksha Trust is designated as the State Health Agency. Consequently the Chief Secretary to Government is designated the Chairman of the Trust and Principal Secretary the Deputy Chairman. Therefore a supplementary Trust Deed was registered.
- It was also informed that Dr. K V Raju, Trustee had resigned from the Trust membership.

Decision:

The Board ratified the registration of supplementary Deed of Trust and permitted to invite the representative of Ayushman Bharath-PMJAY, National Health Agency to all future Trust Board meetings as Special Invitee.

12.2 Confirmation of the Proceedings of the Eleventh Trust Board Meeting held on 1/6/2017

The Proceedings of the Eleventh Trust Board Meeting held on 1/6/2017 were confirmed.



12.3 Action taken report of the proceedings of Eleventh Trust Board Meeting held on 1/6/2017

The Executive Director presented the action taken report of the proceedings of the 11th Trust Board meeting and the same has been noted.

For the following subjects the Trust Board suggested further action;

Action taken report from 11th Trust Board Meeting

SI No.	Decision Point	Action Taken	Remarks of the Board
11.14	The Board ratified the appointment and continuation of Consultants/ Officers and after obtaining reasons for withhold employees, the Board authorized Executive Director SAST to resolve the issues. As KIPA has undertaken a revision of staff pattern and salary structure, the hike recommended may be put on hold till a report is obtained from them.	KIPA report has been rejected as it is unsatisfactory. 23rd EC has given approval to appoint Sri. Ramanathan to entrust following tasks; i) amendments to the Trust Deed ii) drafting the narrative portion of the regulations. Prescribing the scales of pay, the source and the method of recruitment qualification and experience iii) Drafting various aspects of the regulations.	The Chairman directed that the drafting of regulations, scales of pay and amendment to Trust Deed should be sent to Finance Dept. for its concurrence/opinion.
11.26	Board a) ratified the action taken for revision of benefit package rates b) informed to send the procedures details of all specialities which exceed limit to the Consultative Committee and Review Committee members and include under unspecific codes.	Presently, Integrated Ayushman Bharat- Arogya Karnataka Scheme is implemented in the State with revised procedures.	As discussed in Agenda item No. 12.5

	c) Create unspecified codes option for all Tertiary, Secondary care ailments like organ transplantation, Bone Marrow Treatment etc.	Organ Transplantation is a separate scheme introduced vide Government Order No. HFW 64 FPE 2018, dated 3.12.2018.	
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12.4 Confirmation of the proceedings of 22nd to 24th Executive Committee Meeting

The Proceedings of 22nd, 23rd and 24th EC meeting held on 10/1/2017, 2/6/2018 and 31/10/2018 were confirmed.

12.5 Implementation of integrated Ayushman Bharat–Arogya Karnataka Scheme

The Executive Director briefed about the introduction of integrated scheme from Oct 30 2018. The members discussed the issues of the scheme in detail. The gist of the discussions is as under:

- Director, Jayadeva Institute of Cardiology stated that the cost of implants is higher than the package rate; added to it GST is also leading to escalation of treatment cost. Therefore the package rates needs revision. He also suggested while revising the rates a sufficient buffer for cross subsidy should be provisioned.
- Director SJICR also informed that certain rare procedures were left out and proposed that these should be added to the existing approved packages list.

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- Dr. Devi Shetty from Narayana Hrudayalaya stated that private hospitals have an obligation as part of their mandate to serve the society; partnering with the Government in its schemes for the poor would achieve this end. So the private hospitals are presently cross subsidizing the scheme patients, but he warned that due to the unsustainable costing of the procedures where even 50% of the cost is not met with the present pricing of the packages, private hospitals in tier II cities will be forced to close down.
- Dr. Sudarshan differed and commented that the package rates are fairly good and only about 13 to 14 packages needed revision.

Decision :

The Trust Board directed that the procedures which are at present not in the packages of the AB-Ark scheme and the packages which deserve revision of cost should be placed before the relevant KPME committee and thereafter should be recommended to Government of India early.

12.6 Funding for Ayushman Bharat – Arogya Karnataka &

12.7 Financial status of all schemes of SAST

After reviewing the financial statement for the year 2017-18 and 2018-19, the Chief Secretary remarked that secondary treatment in PHIs should be improved.

- Dr. Devi Shetty remarked that due to an acute shortage of Surgeons, Radiologists, Anaesthetists in almost 80% of the hospitals across the country, it would be very difficult for PHIs to improve their performance.



- The Principal Secretary, HFW stated that efforts have been made to resolve the problem by introducing DNB and CPS courses for in service candidates. This year there are 80 DNB seats available in the State and by 2020-21 this number will go up to 200, 50% of which will be reserved for in service candidates of the HFW department. Further all CPS seats available in Government medical colleges are reserved for in service candidates.
- Principal Secretary also informed that introduction of CPS has been done in Karnataka but a formal Government recognition of these courses is yet to be issued. Once these courses are recognized it will bring relief to the acute shortage being faced in Government hospitals. Even though there is an overall increase of 14% from the previous year's achievement, Chief Secretary noted that there was a declining trend from October 2018 in pre-authorizations in comparison to 2017-18.
- Dr. Sudarshan observed that this decline may be attributed to frequent changes in the scheme within the year, wherein first many schemes were subsumed in Arogya Karnataka and the integration with Ayushman Bharat causing uncertainty as the scheme had not stabilized owing to which the numbers were varying.
- The Executive Director brought to the notice of the Board that claims of Rs. 122.32 crores were yet to be submitted by hospitals, for eg. Kidwai Institute of Oncology had unsubmitted claims of Rs.23.51 crores, K.R hospital of Rs.5.89 crores. ED offered to depute a finance assistant from SAST for a week, to help Kidwai Institute of Oncology in uploading the pending claims.



- Director of Kidwai Institute of Oncology explained that patients had a habit of absconding with the files because of which the mandatory documents were not available for submitting the claims, and also pointed out to the time consuming procedure of Tumour Board certification required from SAST. If this condition was relaxed then claims could be submitted early. He also undertook to submit the claims within two months.
- Dr. Sudarshan strongly objected to waiving the requirement of Tumour Board certification, as it brought in transparency and is one of the best practices for patient care.

Decision:

- a) Board directed that action to recognize the CPS courses early should be initiated by the department to alleviate the problem.**
- b) Ensure that number of patients availing treatment should not be less than those of previous years.**
- c) SAST to simplify the process of payment for Oncology patients.**

D) Organ transplant

The Board discussed in detail with the members of the Trust about the Organ Transplant scenario as detailed below:

- Dr. Manjunath, Director, SJICR stated that since patients from remote corners of the State come to Bangalore for treatment, it would be difficult for them to go through the tedious process of getting referral from the PHIs and hence he suggested to relax referral only for organ transplantation.

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- For kidney transplantation, he suggested to enhance the rate to Rs. 2.5 lakh.
- The Executive Director suggested that the follow up drugs that is part of the package could be disbursed from the PHIs after the transplant in private hospitals, to the patients who availed this scheme.

Decision:

- a) The Board directed that the enhancement of rates should be placed before the KPME Committee to work out the enhancement of cost.
- b) Board approved that for the implementation of organ transplantation scheme for live related transplants only, (and not for unrelated transplants or cadaveric) the necessity of referral from PHIs to private empanelled hospitals shall be exempted.
- c) To that extent Board has suggested to amend the organ transplant scheme regulations.

12.8 Budget for the year 2019-20

- Dr Sudarsdhan remarked that SAST was the first state in the country to implement Universal Health Coverage programme and to be implementing it in an assurance mode, wherein the administrative cost of implementation is just about 4-5% of the expenditure, while it is about 20% for implementation in an Insurance mode. There are many best practices in SAST that have been emulated by Ayushman Bharat but no recognition has been given to the State.
- Dr Devi Shetty of Narayana Hrudayalaya raised the issue of patients who had BPL cards but ostensibly did not come under the BPL category, and opined that such patients were not really deserving of the government subsidy. Therefore private hospitals must be permitted to seek declaration from them that they do not possess assets higher than Rs. 10 lakh.

While acknowledging that there are beneficiaries that strictly speaking may not come under the definition of below poverty line but do possess a BPL card and turn up in private hospitals to avail the subsidized treatment, the Trust Board members debated on the practicality and do-ability of the suggestion of mandating an affidavit.

Decision :

- a) Board suggested that in the eventuality of the expenditure going out of control, to examine the suggestion of getting an affidavit from a patient that he/she does not own assets above Rs. 25 lakh, at the government level and place it before Cabinet for decision.
- b) After detailed discussion, the Board directed that in this year efforts should be made to utilize the total budget of Rs. 950 crores.

12.9 Statutory Audit Report of the Trust for the year 2016-17 & 2017-18

Chairman sought clarification on the noting of the Auditor in “emphasis of the matter” in the Statutory Audit Report for the year 2016-17, regarding the payment of Rs. 14,70,000/-as NABH consultation charges, to a few employees of the Trust including the then Executive Director. It was explained that as per the decision of the Audit and Finance Committee, as the amount was not from the funds of the Trust but was in the nature of Fee paid by private hospitals for training on NABH guidelines, only TDS was deducted from two employees and communication was on with the others who have left the Trust to recover the TDS.



Decision:

The Board noted the action initiated and as there were no objections from the trustees and members it unanimously accepted the audit reports for the Financial years 2016-17 and 2017-18..

12.10 Separate Bank Account for operating Ayushman Bharat-Arogya Karnataka Scheme

The Trust members perused the Escrow account details opened for Ayushman Bharat-Arogya Karnataka Scheme (AB-ARK) and noted.

Decision:

The Board noted.

12.11 Procurement of Desktops, Laptops & Tabs to SAST Office

The Executive Director briefed that an amount of Rs. 122.10 lakh was made for procurement of 39 desktops, 63 laptops and 600 tablets from M/s. Intellic Solutions & M/s. Prminear IT Solutions for implementation of the Yeshaswini scheme.

Decision:

The Board ratified the payment of Rs. 122.10 lakhs for procurement of 39 desktops, 63 laptops and 600 tablets subject to the condition that the provisions of KTPP Act had been followed for procurement.

12.12 Revision of salary/remuneration of SAST employees appointed on contract and outsource basis

On the proposal the Chief Secretary and Chairman SAST noted that the proposed enhancement of remuneration for outsourced employees was



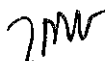
double i.e 104% of the existing salaries, which was very high and the financial implication of such a steep rise will have a domino effect as all other Board and Corporations will want to follow suit, therefore the opinion/concurrence of the Finance Department was mandatory.

- Executive Director explained that the Administrative expenditure for the year 2017-18 and 18-19 was 4.33% and 4.24% respectively of the total expenditure. With the proposed hike it was not likely to go beyond 8% of the budget.
- Principal Secretary HFW clarified that the proposed hike was suggested following the extant guidelines to allow for pay in tandem with the existing State Government pay minus Rs. 100/-, particularly as many of the employees employed on Outsourcing basis have put in more than three years of service without any yearly increase.
- Dr. Manjunath SJICR opined that slab system should be worked out wherein after three years experience there will be an overall increase of 10 percent by giving DA additions every year.

Decision:

The Board directed to rework the enhancement of the salaries for outsource employees based on Minimum wages Act with a provision of annually increase in DA and first get the opinion/concurrence of Finance Department.

12.13 Enhancement of remuneration for doctors work from Home and Office for processing of Preauth and claims panel of doctors


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The Executive Director briefed the Board that presently Rs. 70/- is being paid for each preauthorization and claim processing and the proposal to increase the pro-rata fee to doctors to Rs. 100/- for tertiary care and emergency procedures due to the technical nature of the work and the time consumed.

Decision:

The Board approved the enhancement of rates to be paid to doctors for each preauthorization and claims of tertiary and emergency procedures from Rs. 70 to Rs. 100.

12.14 Modification of recruitment policy in SAST and Procurement of Man Power Agency

The Executive Director explained to the Board that there was a practice of an internal Performance Appraisal Committee that reviewed the performance of employees appointed on contract basis annually. In the 23rd EC meeting it was decided to close the contract of the employees after three years and conduct fresh recruitment, in which the employees whose contract had been terminated normally after three years could also compete. Based on this decision SAST has been appointing new employees.

Decision:

- a) **The Board ratified the decision of 23rd Executive Committee meeting relating, to closing of the contract of employees after every 3 years and make fresh appointments for the respective posts through an open competition.**



- b) The Board ratified the appointment of 30 doctors made by SAST to work from home.
- c) The Board permitted to float a tender to procure a Manpower Agency under KTPP Act, for outsourcing the appointment of 1167 staff and permitted Executive Director to be the Tender Inviting Authority and Executive Committee to be the Tender Accepting Authority.

12.15 Special cases received from Government for consideration

1. The Executive Director explained to the Board that the treatment of patient Sahil Ayaan, Kolar for bone marrow transplant at an estimated cost of Rs. 13 lakhs, was not available under AB-ArK scheme. The proposal to assist the patient financially from SAST was recommended by the Hon'ble Speaker. As KIDWAI Institute of Oncology has newly set up a facility for bone marrow transplant the patient can be referred to KIDWAI Institute of Oncology.
2. Patient Sri S.A Sattar, Srinivasapura Taluk, Kolar District suffering from Kidney failure admitted at M.S Ramaiah Hospital Bangalore and died due to Acute decompensated heart failure, chronic kidney disease. The request was sent by Hon'ble Speaker for consideration of payment of Rs.1,06,000/-incurred for treatment provided by the hospital. The hospital is empanelled under SAST but the procedure is not available under Ayushman Bharat-Arogya Karnataka scheme.
3. For patients Sri Manjunath, from Kolar District and Patient Diwakar from Bangalore the Board declined approval of payment for treatment of those patients to an extent of cost Rs. 2,37,000/- and 3,00,000/- as it would open a flood gate of such requests particularly as the hospitals are not empanelled and such treatments should be covered under the CM's relief fund.

Decision

- a) Request of patient Saahil Ayaan for financial assistance to an extent of Rs.13 lakh for bone marrow transplant is rejected.
- b) As a special case on humanitarian ground that should not be cited as a precedent the Trust Board approved payment of Rs. 1,06,000/- for the treatment of patient incurred on Sri S.A Sattar, Kolar district.
- c) Request of financial assistance to Shri Manjunath from Kolar and Shri. Diwakar from Bangalore to an extent of Rs.2.37.000/- and Rs.3,00,000/- is rejected.
- d) The Board suggested that a proposal be submitted that the applications coming to CM relief fund may be managed by SAST and anything other than designated procedures in AB-Ark or from un-empanelled hospitals can be covered by the CM relief fund.

Subject No. 12.16

Proposal for Section to be established in SAST to undertake "Clarification of admissible amount for Medical Reimbursement bills"

The Executive Director explained the proposal for a Section to be established in SAST to undertake "Clarification of admissible amount for Medical Reimbursement bills" and sought approval to add this to the activities of SAST and sought approval for appointing additional staff to work in this section.

Decision :

The Board approved the proposal.



Subject No. 12.17

Concluded RSBY Scheme – Concluded on 31st August 2018

Individual Insurance Company Performance Status

The Executive Director briefed the Board that performance status of the individual Insurance companies as on 31/8/2018.

Decision:

The Board noted the status of RSBY.

Additional Subjects:

Subject No. 12.18

Issues of AB-Ark (Ayushman Bharat-Arogya Karnataka) Cards

The Board noted the measures that have been initiated to prevent the irregularities in the issue of Arkid cards.

- Dr Manjunath raised the issue of large number of patients from other States coming for treatment to their hospitals and whether claims could be made for them.
- The Executive Director explained that under national portability of Ayushman Bharat the respective States from which patients come have to give authorization for which, hospitals will have to access the Beneficiary Management System of the NHA and claims will be settled directly to the hospitals by the respective states to which the patients belong. ED also informed that a training programme on the use of the BIS has been organized for the hospitals from 20th May 2018.



Decision:

- a) The Board directed to issue a circular to all hospitals detailing the step by step procedure and guidelines for getting approval on BIS to cater to patients that seek treatment under the National Portability facility of Ayushman Bharat.
- b) The Principal Secretary to write to the Secretaries of those States from where more number of patients are coming to activate the Beneficiary Identification System (BIS) and ensure timely authorizations and claims settlement.

The Meeting concluded with Vote of Thanks.


(T.M. Vijay Bhaskar)

**Chief Secretary, Government of Karnataka &
Chairperson, Suvarna Arogya Suraksha Trust.**