

FEEDBACK / SUGGESTIONS ON POLICY

(Scheme for Government Support to attract Private Investment in the Development of Hospitals in the State of Uttar Pradesh)

If you have any suggestions or Feedback on Draft Policy to attract Private investment, you may send an email to

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UTTAR PRADESH

DEPARTMENT OF HEALTH & FAMILY
WELFARE



DRAFT

**SCHEME FOR
GOVERNMENT SUPPORT
TO ATTRACT PRIVATE
INVESTMENT IN THE
DEVELOPMENT OF
HOSPITALS IN THE STATE
OF UTTAR PRADESH**

Chapter 1: Introduction

1.1. Background

Government of Uttar Pradesh (“Government”) has been focused on ensuring improvements in the healthcare sector. The efforts of the Department of Health & Family Welfare have been at the forefront of all such initiatives. The Department is committed to ensuring the availability of quality healthcare service providers in every district of Uttar Pradesh. While a lot of effort has been put towards strengthening healthcare services provided by the Government, there is a desire to supplement these services with private sector participation across the state, especially in difficult districts of the state of Uttar Pradesh.

This document details the incentives which may be provided to the private sector for investment in the healthcare infrastructure and services.

1.2. Models for Private Sector Investment in Hospital Development:

I. Model 1: Leveraging Viability Gap Funding by Government of India:

- **Mode A:** The Government shall provide land for the development of hospitals at subsidized rate and provide such incentives as detailed in this document for the private sector to construct, operate, and maintain the hospital for a specified period and thereafter transfer back to the Government at zero cost. The development shall be at least of 50 (fifty) beds for each hospital.

II. Model 2: State Government funded incentives:

- **Mode B:** The Government provides land for the development of hospitals at subsidized rate. Private sector shall construct, operate, maintain for a specified period, and transfer back the hospital to the Government at zero cost. Government shall also provide incentives as detailed in this document to the private sector. The development shall be at least of 50 (fifty) beds for each hospital
- **Mode C:** Private sector shall procure land for the development of hospitals and shall construct, operate, and maintain the hospital. Government shall provide such incentives as detailed in this document for the private sector. The development shall be at least of 50 (fifty) beds for each hospital. For avoidance of doubt, it is clarified that the land and hospital owned by PSE **shall not be** transferred back to the Government.
- **Mode D:** Private sector shall procure land for the development of hospitals and shall construct, operate, and maintain the hospital. Government shall provide such incentives as detailed in this document for the private sector. The development shall be at least of 200 (two hundred) new beds for each hospital. For avoidance of doubt, it is clarified that the land and hospital owned by PSE **shall not be** transferred back to the Government.

Note: Mode A; Mode B and Mode C are applicable to all areas across the state except areas to which Mode D is applicable (Municipal Corporation areas of 17 districts, Noida and Greater Noida as mentioned in Appendix I)

The incentives could be fiscal and/or non-fiscal and may include other support (collectively hereafter as “Support”) as described in this document to incentivize private sector as per the model(s) of investment in accordance with this Policy.

Now, therefore, the Government has decided to put into effect the following scheme (“Scheme”) for providing Support to private sector entity for undertaking development of hospitals in the State. The State Government of Uttar Pradesh has accordingly notified this Scheme. Each of the modes have been dealt with individually in subsequent chapters of this Scheme.

1.3.Short Title and Extent

This Scheme will be called the: “**Scheme for Government Support to attract Private Investment in the Development of Hospitals in the State of Uttar Pradesh**”. Suitable budgetary provisions will be made in the Annual Plans of the State Government. The Scheme shall come into force from such date as is notified by the Government.

1.4. Basis of Benefits

The Scheme aims to bring synergies, as may be applicable, from various schemes such as U.P. Industrial Investment & Employment Promotion Policy-2017; and Promulgation of Micro, Small & Medium Enterprise & Export Promotion Policy-2017, and the Scheme for Financial Assistance by Government of India (for Viability Gap Funding) subject to the approval by Government of India on project-to-project basis for the investors in the hospital projects. It also brings in leading practices across the country to ensure financial viability of the projects.

1.5. Implementing Agency

The Director General Medical & Health Services (“**DGMH**”) shall be responsible for implementation of the Scheme, once notified. The selection of bidders under the different models in the scheme shall be through a transparent bidding process. For the purposes of this Scheme, the DGMH shall with required approval from competent authorities, publish one or more Tender Documents in respect of one or more Mode(s), inviting bids from interested private entities.

1.6. Eligible Entities Under the Scheme

The Scheme will apply to the initiatives in the state and priority shall be given to difficult Districts for the development of hospitals and provisioning of services in accordance with this document by a Private Sector Entity (“**PSE**”). For the purposes of this Guidelines, a PSE shall mean a society registered under the Societies Registration Act, 1860 (21 of 1860) or corresponding Acts in other States or a public religious or charitable trust registered under the Trust Act, 1882 (2 of 1882) or the WAKFS Act, 1954 (29 of 1954); an autonomous body promoted by Central or State Government by or under a Statute for the purpose of healthcare service provisioning; or a company registered under the Companies Act, 2013, or any Consortium of eligible entities.

Chapter 2: Mode A

2.1 Description

Under this mode, Government shall provide land for the development of hospital at concessional rate. Private sector to construct, operate, and maintain the hospital for a fixed period of 50 years. At the end of the concession period, the hospital shall be transferred back to the state government at zero cost.

2.2. Key Role of Parties

- i. Government shall provide land for the development of hospital at concessional rates.
- ii. PSE shall design and build the hospital infrastructure, hire the requisite human resources to operate the hospital of at least 50 beds. The PSE may also construct residential quarters as a part of the project to facilitate smooth functioning of the hospital.
- iii. PSE shall also ensure installation of Health Management Information System (HMIS) should be technologically compliant to interface with Ayushman Bharat Digital Mission (ABDM) in the hospital. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID.
- iv. Under this Mode of development, the PSE shall be eligible for such fiscal and/or non-fiscal incentives as are set forth in section 2.3 of this Scheme.
- v. At the end of the concession period or in case of early termination, the PSE shall handover the Hospital with all the project assets including all equipment in compliance with the safety requirements, service requirements and maintenance requirements; and in safe and good working condition, save normal wear and tear occurring during the undertaking of the Project. All materials, stores, and consumables required for the continued functioning of the Hospital shall also be ensured by the PSE for a period of three months from the time of handover of the Hospital back to the Government. The provision to this effect shall form part of the contract arrangement that shall be entered between the Department and the PSE.
- vi. At the end of the concession period or in case of early termination, the Authority shall have no obligation to take over or deal with manpower deployed by the PSE at the Hospital. The provision to this effect shall form part of the contract arrangement with the PSE.

2.3 Fiscal and Non-Fiscal Incentives

Under this mode, the Government of Uttar Pradesh shall create convergence with the VGF Funding Scheme of the Government of India for financial support to PPP projects in Infrastructure [Sub-Scheme II: 80% of total project cost as capital grant and 50% of annual expenditure as the operational grant (lower of actual audited amount and bidders estimated annual amount) for first five years post commercial operation date (“VGF Scheme”)]. Therefore, the selection of the PSE shall be in accordance with the VGF guidelines of Government of India and Guidelines for Selection of Consultants & Developers for PPP in Uttar Pradesh 2016 as amended from time to time. The PSE shall be eligible for the following support:

S.N.	Parameter	Payment	Description
1.	Capital Grant	Up to 80% of the total project cost as per VGF Scheme.(of which amount equivalent to 40% of the expenditure may be availed under the VGF Scheme).	The exact amount shall be discovered based on the bidding process. Disbursement shall be as per VGF Scheme
2.	Operational Grant ¹	Up to 50% of the operational expenditure for the first 5 years (of which amount equivalent to 25% of the expenditure may be availed under the VGF Scheme).	The annual amount shall be discovered based on the bidding process. Disbursement shall be as per the guidelines of VGF Scheme
3.	Interest subsidy	Interest subsidy of 5% out of the Interest Rate (IR) on the capital cost for construction, funded from scheduled bank for an interest subsidy period of 5 (five) years, subject to maximum ceiling of Rs 1 (one) Crore per annum per hospital	Payable at the end of the year on furnishing the Bank/lender certificate. <i>[Illustration: if IR is 9% then 5% will be borne/reimbursed by Govt and balance 4% will be borne by PSE]</i>
4.	Exemption on stamp duty	Rates as notified for Industries covered under UP Industrial Policy	The exemption will be granted only in the name of the PSE.
5.	Other incentives	As per the extant policies by respective department	The exemption will be granted only in the name of the PSE and shall be taken from the respective departments.
6.	Land	Nominal rate of Re 1/- for lease	Land and the hospital infrastructure shall revert back to the Government after 50 years

2.4 Payments for Healthcare Services

PSE shall provide services to **all patients** at the Hospital **on a no charge basis**. For all services, the Government shall **reimburse** the PSE as per the following provisions:

The Service Level Agreements Monitoring & grievance redressal mechanism to ensure healthcare services delivery to patients shall be detailed in the RFP documents.

2.4.1 Outpatient Services

The Authority shall pay to the Concessionaire, fee for OPD services rendered to the patients, which shall be equivalent to the applicable per patient OPD rate under relevant CGHS scheme applicable in Lucknow. It shall be payable on a monthly basis (for the

¹ This incentive shall be paid over and above the reimbursement for healthcare services by the Government

OPD Services rendered in the preceding month) commencing from the Commercial Operation Date (COD) of the Project. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID. The authority reserves the right to verify and reconcile the records.

2.4.2 Diagnostic Services

The Government shall pay to the PSE, fee for OPD related diagnostic services rendered to the patients, which shall be subject to a maximum of 2 (two) times of the aggregate amount of OPD Fee payable for relevant month. For avoidance of doubt, its clarified that Fee for Diagnostic Services shall be paid two times of applicable CGHS Rate in Lucknow for the actual number of diagnostic cases conducted in a month by PSE or the total number of OPD patients whichever is lower. This fee shall be payable along with OPD Fee on a monthly basis. For illustration purpose, the Fee for a particular month for Diagnostic Services will be **lower of the two (i)** $[2 \times (\text{OPD Fee} \times 'n')]$ **or (ii)** $[2 \times (\text{OPD Fee} \times \text{'Actual Number of Diagnostic Cases in such month'})]$, where n is number of OPD patients rendered clinical consultation in the immediately preceding month.

2.4.3 Inpatient Services

The Government shall reimburse the PSE for the cost of Healthcare Services availed by the inpatients not covered under any applicable Insurance Scheme, based on EHR generated using ABDM compliant digital system. However, such reimbursement shall be made only at the PMJAY rate for the IPD services. For the patients covered under PMJAY and other insurance schemes, the PSE shall collect the fee from relevant insurance company/Government trust/society as per applicable rates.

2.4.4 Applicability of incentives under this Mode A

The incentives under Mode A are applicable to *all areas across the state except areas to which Mode D is applicable (Municipal Corporation areas of 17 districts, Noida and Greater Noida as mentioned in Appendix I)*

Chapter 3: Mode B

3.1. Description

Under this mode, Government shall provide land for the development of hospital at concessional rate. Private sector to construct, operate, and maintain the hospital for a fixed period of 50 years. At the end of the concession period, the land along with hospital shall be transferred back to the Government at zero cost.

3.2. Key Role of Parties

- i. Government shall provide land for the development of hospital at nominal rates.
- ii. PSE shall design and build the hospital infrastructure, hire the requisite human resources to operate the hospital of at least 50 beds. The PSE may also construct residential quarters as a part of the project to facilitate smooth functioning of the hospital.
- iii. PSE shall also ensure installation of Health Management Information System (HMIS) should be technologically compliant to interface with Ayushman Bharat Digital Mission (ABDM) in the hospital. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID.
- iv. Under this Mode of development, the PSE shall be eligible for such fiscal and/or non-fiscal incentives as are set forth in section 3.3 of this Scheme.
 - v. At the end of the concession period or in case of early termination, the PSE shall handover the Hospital with all the project assets including all equipment in compliance with the safety requirements, service requirements and maintenance requirements; and in safe and good working condition, save normal wear and tear occurring during the undertaking of the Project. All materials, stores, and consumables required for the continued functioning of the Hospital shall also be ensured by the PSE for a period of three months from the time of handover of the Hospital back to the Government. The provision to this effect shall form part of the contract arrangement that shall be entered between the Department and the PSE
 - vi. At the end of the concession period or in case of early termination, the Authority shall have no obligation to take over or deal with manpower deployed by the PSE at the Hospital. The provision to this effect shall form part of the contract arrangement with the PSE.

3.3.Fiscal and Non-Fiscal Incentives

Under this mode, the selection of the PSE shall be in accordance with the Guidelines for Selection of Consultants & Developers for PPP in Uttar Pradesh 2016 as amended from time to time. The PSE shall be eligible for the following Support:

S.N.	Parameter	Payment	Description
1.	Land	Nominal rate of Re 1/- for lease	Land and the hospital infrastructure shall revert back to the government after 50 years

2.	Capital Grant	40% of the total project cost ²	Payment shall be construction milestone linked
3.	Operational Grant ³	Annual Operational Grant payable from Commercial Operation Date for each operational year during the Concession Period (Annual Operational Grant shall be escalated every year from 1 st anniversary of COD at the rate of variation in CPI (IW) published by Ministry of Labour, Government of India	The annual amount shall be discovered based on the bidding process.
4.	Interest subsidy	Interest subsidy of 5% out of the Interest Rate (IR) on the capital cost for construction, funded from scheduled bank for a interest subsidy period of 5 (five) years, subject to maximum ceiling of Rs 1 (one) Crore per annum per hospital	Payable at the end of the year on furnishing the Bank/lender certificate. <i>[Illustration: if IR is 9% then 5% will be borne/reimbursed by Govt and balance 4% will be borne by PSE]</i>
5.	Exemption on stamp duty	Rates as notified for Industries covered under UP Industrial Policy	The exemption will be granted only in the name of the PSE.
6.	Other incentives	As per the extant policies by respective department	The exemption will be granted only in the name of the PSE and shall be taken from the respective departments.

3.4. Reimbursement by the Authority for Healthcare Services

The PSE shall provide services to **all patients** at the Hospital on a **no charge basis**. For all services, the Government shall **reimburse** the PSE as per the following provisions:

The Service Level Agreements Monitoring & grievance redressal mechanism to ensure healthcare services delivery to patients shall be detailed in the RFP documents.

3.4.1. Outpatient Services

The Authority shall pay to the Concessionaire, fee for OPD services rendered to the patients, which shall be equivalent to the applicable per patient OPD rate under relevant CGHS scheme applicable in Lucknow. It shall be payable on a monthly basis

² The definition of 'Total Project Cost' and the method of disbursement will be similar to that of the 'Scheme for Financial Assistance for Infrastructure Projects 2013 as amended in 2020' of GoI for Mode B also. Total Project Cost means the lower of the total capital cost of the PPP Project: (a) as estimated by the government/statutory entity that owns the project, (b) as sanctioned by the Lead Financial Institution; and (c) as actually expended but does not in any case include the cost of land incurred by the government/statutory entity.

³ This incentive shall be paid over and above the reimbursement for healthcare services by the Government

(for the OPD Services rendered in the preceding month) commencing from the Commercial Operation Date (COD) of the Project. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID. The authority reserves the right to verify and reconcile the records.

3.4.2. Diagnostic Services

The Government shall pay to the PSE, fee for OPD related diagnostic services rendered to the patients, which shall be subject to a maximum of 2 (two) times of the aggregate amount of OPD Fee payable for relevant month. For avoidance of doubt, its clarified that Fee for Diagnostic Services shall be paid two times of applicable CGHS Rate in Lucknow for the actual number of diagnostic cases conducted in a month by PSE or the total number of OPD patients whichever is lower. This fee shall be payable along with OPD Fee on a monthly basis. For illustration purpose, the Fee for a particular month for Diagnostic Services will be **lower of the two (i)** [2 x (OPD Fee x 'n')] **or (ii)** [2 x (OPD Fee x 'Actual Number of Diagnostic Cases in such month'), where n is number of OPD patients rendered clinical consultation in the immediately preceding month.

3.4.3. Inpatient Services

The Government shall reimburse the PSE for the cost of Healthcare Services availed by the inpatients not covered under any applicable Insurance Scheme, based on EHR generated using ABDM compliant digital system. However, such reimbursement shall be made only at the PMJAY rate for the IPD services. For the patients covered under PMJAY and other insurance schemes, the PSE shall collect the fee from relevant insurance company/Government trust/society as per applicable rates.

3.4.4. Applicability of incentives under this Mode B

The incentives under Mode B are applicable to *all areas across the state except areas to which Mode D is applicable (Municipal Corporation areas of 17 districts, Noida and Greater Noida as mentioned in Appendix I)*

Chapter 4: Mode C

4.1. Description

Under this mode, the PSE shall procure land for the development of hospital and shall construct, operate, and maintain the hospital. Government shall provide such incentives as detailed in this document. For avoidance of doubt, it is clarified that the hospital along with Land owned by PSE shall not be transferred to the Government.

4.2. Key Role of Parties

- i. The PSE shall procure land for the development of the hospital.
- ii. The PSE shall be responsible for design, construction, operation, and maintenance of the hospital of at least 50 beds in accordance with the extant regulations and shall also keep the hospital NQAC and NABL compliant during the period of receiving the incentives.
- iii. PSE shall also ensure installation of Health Management Information System (HMIS) should be technologically compliant to interface with Ayushman Bharat Digital Mission (ABDM) in the hospital. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID.
- iv. The PSE shall be eligible for such fiscal and/or non-fiscal incentives as are set forth in section 4.3 of this Scheme.

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4.3. Fiscal and Non-Fiscal Incentives

Under this mode, the selection of the PSE shall be in accordance with the Guidelines for Selection of Consultants & Developers for PPP in Uttar Pradesh 2016 as amended from time to time. The PSE shall be eligible for the following Support:

S.N.	Parameter	Payment	Description
1.	Operational Grant ⁴	Annual Operational Grant payable from Commercial Operation Date for each operational year during the Concession Period (Annual Operational Grant shall be escalated every year from 1 st anniversary of COD at the rate of variation in CPI (IW) published by Ministry of Labour, Government of India	The annual amount shall be discovered based on the bidding process.
2.	Interest subsidy	Interest subsidy of 5% out of the Interest Rate (IR) on the capital cost for construction, funded from scheduled bank for a interest	Payable at the end of the year on furnishing the Bank/lender certificate.

⁴ This incentive shall be paid over and above the reimbursement for healthcare services by the Government

		subsidy period of 5 (five) years, subject to maximum ceiling of Rs 1 (one) Crore per annum per hospital	<i>[Illustration: if IR is 9% then 5% will be borne/reimbursed by Govt and balance 4% will be borne by PSE]</i>
3.	Exemption on stamp duty	Rates as notified for Industries covered under UP Industrial Policy	The exemption will be granted only in the name of the PSE (if applicable).
4.	Other incentives	As per the extant policies by respective department	The exemption will be granted only in the name of the PSE and shall be taken from the respective departments.

4.4. Reimbursement by the Authority for Healthcare Services

The PSE shall provide services to **all patients** at the Hospital on a **no charge basis**. For all services, the Government shall **reimburse** the PSE as per the following provisions:

The Service Level Agreements Monitoring & grievance redressal mechanism to ensure healthcare services delivery to patients shall be detailed in the RFP documents.

4.4.1. Outpatient Services

The Authority shall pay to the Concessionaire, fee for OPD services rendered to the patients, which shall be equivalent to the applicable per patient OPD rate under relevant CGHS scheme applicable in Lucknow. It shall be payable on a monthly basis (for the OPD Services rendered in the preceding month) commencing from the Commercial Operation Date (COD) of the Project. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID. The authority reserves the right to verify and reconcile the records.

4.4.2. Diagnostic Services

The Government shall pay to the PSE, fee for OPD related diagnostic services rendered to the patients, which shall be subject to a maximum of 2 (two) times of the aggregate amount of OPD Fee payable for relevant month. For avoidance of doubt, its clarified that Fee for Diagnostic Services shall be paid two times of applicable CGHS Rate in Lucknow for the actual number of diagnostic cases conducted in a month by PSE or the total number of OPD patients whichever is lower. This fee shall be payable along with OPD Fee on a monthly basis. For illustration purpose, the Fee for a particular month for Diagnostic Services will be **lower of the two (i)** $[2 \times (\text{OPD Fee} \times 'n')]$ **or (ii)** $[2 \times (\text{OPD Fee} \times \text{'Actual Number of Diagnostic Cases in such month'})]$, where n is number of OPD patients rendered clinical consultation in the immediately preceding month.

4.4.3. Inpatient Services

The Government shall reimburse the PSE for the cost of Healthcare Services availed by the inpatients not covered under any applicable Insurance Scheme, based on EHR

generated using ABDM compliant digital system. However, such reimbursement shall be made only at the PMJAY rate for the IPD services. For the patients covered under PMJAY and other insurance schemes, the PSE shall collect the fee from relevant insurance company/Government trust/society as per applicable rates.

4.4.4. Applicability of incentives under this Mode C

The incentives under Mode C are applicable to *all areas across the state except areas to which Mode D is applicable (Municipal Corporation areas of 17 districts, Noida and Greater Noida as mentioned in Appendix I)*

Chapter 5: Mode D

5.1 Description

Under this mode, the PSE shall procure land for the development of at least 200 bedded hospital and shall construct, operate, and maintain the hospital. Government shall provide such incentives as detailed in this document. For avoidance of doubt, it is clarified that the hospital along with Land owned by PSE shall not be transferred to the Government.

5.2 Key Role of Parties

- i. The PSE shall procure land for the development of the new minimum 200 bedded hospital.
- ii. The PSE shall be responsible for design, construction, operation, and maintenance of the hospital of at least **200 beds** in accordance with the extant regulations and shall also keep the hospital NABH and NABL compliant during the period of receiving the incentives.
- iii. PSE shall also ensure installation of Health Management Information System (HMIS) should be technologically compliant to interface with Ayushman Bharat Digital Mission (ABDM) in the hospital. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID.
- iv. The PSE shall be eligible for such fiscal and/or non-fiscal incentives as are set forth in section 5.3 of this Scheme.

5.3 Fiscal and Non-Fiscal Incentives

Under this mode, the selection of the PSE shall be in accordance with the Guidelines for Selection of Consultants & Developers for PPP in Uttar Pradesh 2016 as amended from time to time. The PSE shall be eligible for the following Support:

S.N.	Parameter	Payment	Description
1.	Operational Grant ⁵	Annual Operational Grant payable from Commercial Operation Date for each operational year till the expiry of 10 th year from Commercial Operation Date during the Concession Period (Annual Operational Grant shall be escalated every year from 1 st anniversary of COD at the rate of variation in CPI (IW) published by Ministry of Labour, Government of India	The annual amount shall be discovered based on the bidding process. The Annual Operational Grant shall have an upper capping of Rs. 25 cr p.a. per hospital
2.	Interest subsidy	Interest subsidy of 5% out of the Interest Rate (IR) on the capital cost	Payable at the end of the year on furnishing the Bank/lender

⁵ This incentive shall be paid over and above the reimbursement for healthcare services by the Government

		for construction, funded from scheduled bank for a interest subsidy period of 5 (five) years, subject to maximum ceiling of Rs 2 (two) Crore per annum per 200 bedded hospital	certificate. <i>[Illustration: if IR is 9% then 5% will be borne/reimbursed by Govt and balance 4% will be borne by PSE]</i>
3.	Exemption on stamp duty	Rates as notified for Industries covered under UP Industrial Policy	The exemption will be granted only in the name of the PSE (if applicable)
4.	Other incentives	As per the extant policies by respective department	The exemption will be granted only in the name of the PSE and shall be taken from the respective departments.

5.4 Reimbursement by the Authority for Healthcare Services

The PSE shall provide services to **Select Patients** (Patients covered under PMJAY, MMJAY, State health insurance policy, and any other patients as defined by the Authority from time to time through an executive order) at the Hospital on a **no charge basis**. For all services to Select Patients, the Government shall **reimburse** the PSE as per the following provisions:

The Service Level Agreements Monitoring & grievance redressal mechanism to ensure healthcare services delivery to patients shall be detailed in the RFP documents.

5.4.1 Outpatient Services

The Authority shall pay to the Concessionaire, fee for OPD services rendered to the Select Patients, which shall be equivalent to the applicable per patient OPD rate under relevant CGHS scheme applicable in Lucknow. It shall be payable on a monthly basis (for the OPD Services rendered in the preceding month) commencing from the Commercial Operation Date (COD) of the Project. The payment from the Government to PSE for reimbursement of healthcare services shall be linked to the Electronic Health Records (EHR) generated using ABHA ID. The authority reserves the right to verify and reconcile the records.

5.4.2 Diagnostic Services

The Government shall pay to the PSE, fee for OPD related diagnostic services rendered to the Select Patients, which shall be subject to a maximum of 2 (two) times of the aggregate amount of OPD Fee payable for relevant month. For avoidance of doubt, its clarified that Fee for Diagnostic Services shall be paid two times of applicable CGHS Rate in Lucknow for the actual number of diagnostic cases conducted in a month by PSE or the total number of OPD patients whichever is lower. This fee shall be payable along with OPD Fee on a monthly basis. For illustration purpose, the Fee for a particular month for Diagnostic Services will be **lower of the two (i) [2 x (OPD Fee x 'n')] or (ii) [2 x (OPD Fee x 'Actual Number of Diagnostic Cases for Select Patients in such month']**, where n is number of OPD Select Patients rendered clinical consultation in the immediately preceding month.

5.4.3 Inpatient Services

For the Select Patients covered under PMJAY, MMJAY, State health insurance policy, and any other patients as defined by the Authority from time to time through an executive order, the PSE shall collect the fee from relevant insurance company/Government trust/society as per applicable rates. The PSE shall reserve upto 25% of total census and non census bed days in each calendar year for Select Patients. For illustration purpose the Total number of beds are 200 than 18,250 bed days per annum (equivalent to 50 beds) shall be reserved for Select Patients.

5.4.4 Applicability of incentives under this Mode D

The incentives under Mode D are applicable on the **hospitals that are developed under this policy** within the relevant Municipal Corporation jurisdiction of the 17 districts, Noida and Greater Noida provided in Appendix I.

Chapter 6: Miscellaneous

- A. The Government may at any time and from time to time undertake regular monitoring and periodic evaluation of Project compliance so as to ensure that the land parcel that is leased to PSE is being used in full compliance with applicable laws and purpose; and/or the Incentives that is provided under this Scheme is utilised towards the intended purpose only.
- B. In case of violation of this Scheme in any manner, Government may decide to revoke the unutilised Support and terminate the arrangement. In such case, the PSE shall be liable to refund all incentives provided by Government till date of termination, along with interest thereon at the rate of SBI MCLR for the relevant period from date of disbursement/utilisation till date of termination.
- C. The PSE shall follow all relevant Acts/rules/government orders and shall adhere to applicable laws with respect to the different levels of the clinical services. The hospitals shall necessarily provide OPD, IPD, emergency and diagnostic services mix as per the SLAs defined in the contract agreement between PSE and the Government.
- D. Trauma and accident cases shall be dealt as per the extant applicable laws.
- E. The minimum input human resource mix in terms of quantity and quality to run the services as defined in the contract agreement with PSE shall be defined. However, the minimum obligation in this regard would only be towards ensuring minimal services and the PSE shall be required to make their own assessment and further add resources as may be required to fulfil the obligations under contract signed with the PSE.
- F. This Scheme is in supersession of all other schemes, if any, issued in connection with development of hospitals in the state by Private Sector Entity.
- G. Department of Health & Family Welfare, Government of Uttar Pradesh may issue appropriate guidelines for implementation of the Scheme from time to time.
- H. Bids shall be invited by DGMH for one or more districts covered in the Policy in of the modes (A, B, C, D). Interested PSEs may submit their interest for one or more districts as per the criteria outlined in the issued tender documents.
- I. Once the tender document for each mode is approved as per the *Guidelines for Selection of Consultants & Developers for PPP Projects Uttar Pradesh – 2016* (as amended from time to time) by PPPBEC/CoS/Cabinet, the approval will apply to all the bidding processes including any re-tender undertaken under this Policy. Fresh approval will only be required if there is any material change in the approved tender document.
- J. An agreement shall be signed between the PSE and the DGMH detailing the obligations of each party as envisaged in this policy. Also, the agreement may have the provisions

related to key performance indicators, project milestones, and penalty for PSE. The provisions of the Agreement shall be approved by the competent authority.

- K. The Appendix-I is indicative and would be subject to alteration at any time and/or from time to time, as may be notified by the Government through an executive order.
- L. The number of projects that may be taken up under this Policy shall be as per the financial resources available with the Government and therefore the Policy is not a guarantee for acceptance of a proposal. However, for avoidance of doubt, it is clarified that once a project is taken up and the agreement is signed with PSE, the authority shall meet the financial resource obligations in accordance with the terms of the agreement.

Appendix – I⁶
List of Municipal Corporation areas / Noida / Greater Noida on which mode D is applicable

S.N	Municipal Corporation / Noida / Greater Noida
1	Agra, Municipal Corporation
2	Aligarh, Municipal Corporation
3	Prayagraj, Municipal Corporation
4	Ayodhya-Faizabad, Municipal Corporation
5	Bareilly, Municipal Corporation
6	Firozabad, Municipal Corporation
7	Ghaziabad, Municipal Corporation
8	Gorakhpur, Municipal Corporation
9	Jhansi, Municipal Corporation
10	Kanpur, Municipal Corporation
11	Lucknow, Municipal Corporation
12	Mathura-Vrindavan, Municipal Corporation
13	Meerut, Municipal Corporation
14	Moradabad, Municipal Corporation
15	Saharanpur, Municipal Corporation
16	Shahjahanpur, Municipal Corporation
17	Varanasi, Municipal Corporation
18	Noida (Gautam Buddh Nagar)
19	Greater Noida (Gautam Buddh Nagar)

⁶ The list of Municipal Corporation areas districts are indicative and would be subject to addition or deletion at any time and/or from time to time, as may be notified by the Government through an executive order.