



ABSTRACT

Tamil Nadu Health System Reform Program – Administrative sanction for implementation of the project 'Tamil Nadu Health System Reform Program' at cost Rs.2854.74 crore for a period of 5 years from the Financial Year 2019-20 to Financial Year 2024-25- Orders – Issued.

HEALTH AND FAMILY WELFARE (EAPI-1) DEPARTMENT

G.O.(2D).No.141

Dated: 05.09.2019
Thiruvalluvar Aandu – 2050
Vihari, Aavani– 19

Read :

From the Project Director, Tamil Nadu Health Systems Reform Program letter No. 2881/TNHSRP/2019, dated: 03.07.2019.

ORDER:

In the letter read above, the Project Director, Tamil Nadu Health System Reform Program has stated that the Government of Tamil Nadu had implemented Tamil Nadu Health Systems Project with the financial support of the World Bank from January 2005 to September 2015 and all activities of the Project were mainstreamed with the Directorates concerned. A new Project with the name of Tamil Nadu Health Systems Project – II to be implemented at a cost of INR 2,685.91 crores with funding support from the World Bank has been prepared by the Department and forwarded to the Government of India on 28.02.2017. The Ministry of Health and Department of Economic Affairs, Government of India cleared and recommended the project proposal to World Bank for consideration. The World Bank had agreed to fund the said proposed Project and the Country Director, World Bank, India Office had sent a letter in this regard on 07.11.2017 that the World Bank would be happy to work with the Government of Tamil Nadu. A team of officials from the World Bank visited and conducted the following missions during the year 2018 in Tamil Nadu in order to prepare the Project.

- (i) Identification Mission –16.02.2018 to 20.02.2018
- (ii) Preparation Mission – 11.06.2018 to 14.06.2018 and
18.06.2018 to 21.06.2018
- (iii) Preparation Mission – 27.08.2018 to 31.08.2018
- (iv) Pre Appraisal Mission–24.09.2018 to 04.10.2018

The Project appraisal was done on 14.11.2018. The Project Negotiations between Department of Economic Affairs, Ministry of Health, Government of Tamil Nadu and the World Bank was held on 04.02.2019 and 05.02.2019 at New Delhi. The Executive Board of The International Bank for Reconstruction and Development of the World Bank has approved the Project funding and the Program Appraisal Document (PAD) on 19.03.2019. The loan agreement was signed on 04.06.2019. The Project is expected to become effective in the month of July/August 2019 which

will be intimated by the World Bank. It is proposed that the Administrative sanction may be provided for implementation of the Program as the preliminary activities for the year 1 of the said Program are to be initiated now.

2. The name of the Project will be "Tamil Nadu Health System Reform Program". The program will be implemented over a period of 5 years from the Financial Year 2019-20 to FY 2024-25. The total cost of the Program will be equivalent to 410 Million USD (INR 2857.003 Crores) out of which the World Bank's share will be 287 Million USD (INR 1999.902 crores) say 70% and the Government of Tamil Nadu share will be 123 Million USD (INR 857.101 crores) say 30%. The conversion ratio at the time of PAD is 1 USD = INR 69.683. The loan number assigned is IN-8934.

3. The Project Director, Tamil Nadu Health System Reform Program has stated that the Program will be implemented on a "Program for Results" (P for R) method in which the disbursements from the World Bank will be made based on the performance as determined as indicators in the Program implementation schedule. The Program will be implemented throughout Tamil Nadu in all health facilities i.e., Primary, Secondary and Tertiary Care Institutions in the State and the community at large for different activities as the case may be. The Directorates viz,

- i. Directorate of Medical Education,
- ii. Directorate of Medical and Rural Health Services,
- iii. Directorate of Public Health and Preventive Medicine,
- iv. Directorate of Family Welfare
- v. National Health Mission
- vi. Commissioner of Food Safety
- vii. Commissioner of Indian Medicine and
- viii. Tamil Nadu Health System Reform Program

will be the main Directorates who will be implementing the Program activities and the funds for these activities will be provided to the respective Directorates by the Finance Department as worked out by Tamil Nadu Health System Reform Program. However the disbursement claims will be made by the Tamil Nadu Health System Reform Program after completion of the activities and achievement of results along with the reports by the Independent Verification Agency (IVA) who is engaged by the Program.

4. The Project Director, Tamil Nadu Health System Reform Program has stated that the Program is designed in such a way that it will address and achieve the Sustainable Development Goals – 3 (SDG-3) of the World Health Organization. Activities to contain the factors which cause most of the preventable mortality and morbidity in Tamil Nadu have been included in the Program.

The result areas identified for interventions in the Program are as follows:-

- (i) Improved Quality in Health Care Systems.
- (ii) Enhanced Management of Non Communicable Diseases, Mental Health and Injuries.
- (iii) Reduced Equity Gaps in Reproductive and Child Health.

5. The Project Director, Tamil Nadu Health system Reform Program has stated that the Program development objective is to improve Quality of Care, strengthening the management of non communicable diseases and injuries and reduce inequities in reproductive and child health services in Tamil Nadu.

a) Program Development Objective Indicators

- (i) Increased number of public facilities with quality certification (primary, secondary and tertiary care)
- (ii) Improved scores in quality dashboard for primary, secondary and tertiary level facilities
- (iii) Increased screening in public sector facilities for cervical and breast cancers
- (iv) Increased share of Adults with hypertension or diabetes whose blood pressure or blood sugar are under control
- (v) Improved provision of quality trauma care services
- (vi) Increased utilization of reproductive and child health services in priority districts

b) Intermediate Indicators

- (i) Implementation of quality improvement interventions in primary, secondary and tertiary care facilities
- (ii) Piloting of patient experience questionnaire for secondary and tertiary care facilities
- (iii) Implementation of updated social and behaviour change communication (SBCC) strategy
- (iv) Increased share of primary and secondary facilities with at least one staff trained on mental health
- (v) Establishment of suicide hotline
- (vi) Better equipped ambulance system to improve pre hospital care – number of Advance Trauma Life Support ambulances providing level 1 care
- (vii) Improved capacity of trauma care providers – number of emergency department providers that received level 3 (Basic Trauma Life Support) and level 4 training (Advance Trauma Life Support)
- (viii) Strengthened content, quality, accessibility and use of data for decision making
- (ix) Strengthened coordination, integration, performance-based management, learning and other cross cutting functions for better results
- (x) Increased transparency and accountability through citizen engagement(voice agency and social accountability)

c) Disbursement Linked Indicators

The following are the disbursement linked indicators.

S. No	Indicator	Amount eligible
1.	Implementation of quality improvement interventions in primary, secondary and tertiary care facilities	43,732,000 USD
2.	Increased number of public facilities with quality	38,200,000 USD

	certification (primary, secondary and tertiary)	
3.	Increased share of adults with hypertension or diabetes whose blood pressure or blood sugar are under control	48,885,500 USD
4.	Improved provision of quality trauma care services	17,715,000 USD
5.	Increased utilization of reproductive and child health services in priority districts	56,500,000 USD
6.	Strengthened content, quality, accessibility, and use of data for decision making	36,500,000 USD
7.	Strengthened coordination, integration, performance-based management, learning, and other cross-cutting functions for better results	30,750,000 USD
8.	Increased transparency and accountability through citizen engagement (voice, agency, and social accountability)	14,000,000 USD
	Total	286,282,500 USD

The Program will be managed through a three tier structure as follows:-

- (i) State Empowered Committee – Headed by the Chief Secretary to Government
- (ii) Project Steering Committee – Headed by the Health Secretary
- (iii) Program Management Unit – Headed by the Project Director.

6. The Project Director, Tamil Nadu Health System Reform Program has stated that it is proposed that a post of Project Director in the cadre of I.A.S may be newly created for implementation of the Program who will be establishing the Program Management Unit. The Program will be operated through a society mode. The Program will be operated through Tamil Nadu Health Systems Society which is already functioning similar to that of Chief Minister's Health Insurance Scheme, 108 Emergency Ambulance Services, etc. The Project Director will be made one of the members of the General Body and Executive Committee of the Tamil Nadu Health Systems Society. The funds for the Program will be provided by the Government of Tamil Nadu as advance grant by providing in the financial budget of the Health Department, annually. The Directorates will receive the funds directly from Finance Department in their annual budget for the activities to be implemented by them. However the budget will be drawn by the Directorates under prior approval by the Project Director, Tamil Nadu Health system Reform Program. The disbursement claims will be made by the Tamil Nadu Health System Reform Program based on the results and report of the IVA.

7. The Project Director, Tamil Nadu Health System Reform Program has stated that all the procurements of medical equipment, goods, vehicles, consultancy services, etc will be made through Tamil Nadu Medical Services Corporation Ltd (TNMSC). Similarly, all the civil works will be carried out through the Public Works Department (PWD) of Tamil Nadu. The procurement of goods for the office usage, contracting of personnel and any other minor procurement will be done through Tamil Nadu Health System Reform Program. Large scale Information Technology items including Computers if any will be procured through ELCOT/ GEM portal. The

procurement agencies may follow either World Bank procurement procedures or Tamil Nadu Transparency in Tenders Act.

No	Activity	World Bank part USD million (Crores INR)	GoTN part Crores INR	Total Cost in Crores INR
1.	Result Area - 1 Improved Quality of Care	USD 163.182 mn (INR 1137.10 cr)	487.33	1624.43
2.	Result Area - 2 Enhanced Management of Non Communicable Diseases, Trauma Care and Mental Health	USD 66.60 mn (INR 464.09 cr)	198.89	662.98
3.	Result Area - 3 Reduced Equity Gaps in Reproductive and Child Health	USD 56.5 mn (INR 393.70 cr)	168.73	562.43
4.	Front End Fees (0.25%)	USD 0.72 mn (INR 4.99 cr)		4.99
5.	Total	USD 287 mn (INR 1999.90 cr)	854.95	2854.74

(Total Program cost of USD 410 million converted to INR @ 1 USD = INR 69.683).

8. The Project Director, Tamil Nadu Health System Reform Program has stated that the cost of Program Management, cost of consultancies, the Health System Strengthening activities leading to the achievement of above result areas, price and physical contingencies, provision for taxes are all included within the above cost.

9. The Project Director, Tamil Nadu Health System Reform Program has stated that the Program cost for each year will be based on the activities planned for the respective year in the Program Implementation Plan (PIP) document. The PIP will be a dynamic one and it will be prepared once in a year or on need basis. All activities of the Tamil Nadu Health System Reform Program will be placed before the State Empowered Committee for approval.

10. The Project Director, Tamil Nadu Health System Reform Program has stated that the Administrative Sanction proposal for Tamil Nadu Health System Reform Program was placed as SEC Proposal No.1/2019 in the 1st meeting of the State Empowered Committee held on 11.06.2019 and the SEC had approved the proposal.

11. The Project Director, Tamil Nadu Health System Reform Program has requested to issue Administrative sanction for implementation of the project. "Tamil Nadu Health system Reform Program".

12. The Government after careful consideration of the proposal of the Project Director, Tamil Nadu Health System Reform Program have decided to accept the proposal. Accordingly, the Government accord Administrative sanction for implementation of the project 'Tamil Nadu Health system Reform Program' at cost of

Rs.2854.74 crore (Rupees two thousand eight hundred fifty four crores and seventy four lakhs only for a period of 5 years from the Financial Year 2019-20 to Financial Year 2024-25 as detailed in the paragraphs 1-11 above.

13. This order issues with the concurrence of the Finance Department vide its U.O.No. 42499/Health-II/2019. dated: 03.09.2019

(BY ORDER OF THE GOVERNOR)

**BEELA RAJESH
SECRETARY TO GOVERNMENT**

To:

The Project Director, Tamil Nadu Health System Reform Program, Chennai-6.
 The Mission Director, State Health Society, Chennai-6.
 The Managing Director, Tamil Nadu Medical Services Corporation Ltd, Egmore, Chennai-8.
 The Project Director, Tamil Nadu Urban Health Project, Chennai-6.
 The Director of Medical Education, Chennai-10
 The Director of Medical and Rural Health Services, Chennai-6
 The Director of Public Health and Preventive Medicine, Chennai-6.
 The Private Secretary to Chief Secretary to Government, Chennai-9.
 The Principal Secretary, Finance Department Chennai-9.
 The Secretary (Expenditure), Finance Department Chennai-9.
 The Principal Secretary, Public Works Department, Secretariat, Chennai-9.
 The Principal Secretary, Planning, Development and Special initiatives Department, Secretariat, Chennai-9
 The Managing Director, ELCOT, Chennai - 35.
 The Accountant General (A&E) Chennai- 18.
 The Pay and Accounts Officer (south), Chennai-35
 The Commissioner of Treasuries and Accounts, Nandanam, Chennai-35.
 The Engineer in Chief and Chief Engineer (Buildings), Chepauk, Chennai-5

Copy to

The Special Personal Assistant to Hon'ble Minister (Health and Family Welfare), Chennai-9.
 The Finance (Health-II) Department, Chennai-9.
 The Health and Family Welfare (H/Data Cell) Department, Chennai-9.
 SF/SC.

//FORWARDED BY ORDER //

B. Jayabharathi
SECTION OFFICER

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