

## **Draft Document on Structure and Tasks of State Health Agency for Implementing PMRSSM in Trust Mode**

In order to facilitate the effective implementation of the PMRSSM, the State Government shall set up the State Health Agency (SHA) or designate this function under any existing agency/ trust/ society designated for this purpose, such as the state nodal agency for RSBY or a trust/ society set up for a health insurance program. SHA can either implement the scheme directly (Trust/ Society mode) or it can use an insurance company to implement the scheme. The SHA shall be responsible for delivery of the services under PMRSSM at the State level.

For such States that want to implement the PMRSSM directly through a Trust/ Society without intermediation of an insurance company, the scope and tasks of SHA are much wider. The State Health Agency is responsible for complete implementation of the PMRSSM in the State.

### **I. Tasks of the State Health Agency**

All key functions relating to delivery of services under PMRSSM shall be performed by the SHA viz. data sharing, verification/validation of families and members, awareness generation, monitoring etc. The SHA shall perform following activities through staff of SHA or by hiring an Implementation Support Agency (ISA):

- Policy related issues of State Health Protection/ Insurance scheme and its linkage to PMRSSM
- Selection of ISA, if needed
- Awareness generation and Demand creation
- Aadhaar seeding and issuing print out of E-card to validated PMRSSM beneficiaries
- Empanelment of network hospitals which meet the criteria [including field verification](#)
- Monitoring of services provided by health care providers
- Fraud and abuse control
- Punitive actions against the providers
- [Pre-authorization of claims or monitoring of pre-authorizations which are approved by ISA](#)
- [Administration of hospital claims](#)
- [Payment of claims](#)
- [Carrying out medical and claims audits](#)
- Package price revisions or adaptation of PMRSSM list
- Adapting PMRSSM treatment protocols for listed therapies to state needs, as needed

- Adapting operational guidelines in consultation with NHA, where necessary
- Forming grievance redressal committees and overseeing the grievance redressal function
- Capacity development planning and undertaking capacity development initiatives
- Development of proposals for policy changes –e.g. incentive systems for public providers and implementation thereof
- Management of funds through the escrow account set up for releasing grant-in-aid under PMRSSM
- Data analytics
- Evaluation through independent agencies
- Convergence of PMRSSM with State funded health insurance/ protection scheme (s)
- Alliance of State scheme with PMRSSM
- Setting up district level offices and hiring of staff for district
- Oversee district level offices
- Preparation of periodic reports based on scheme data and implementation status
- Implementing incentive systems for field functionaries & public providers in line with national guidance
- Any other such activity required for effective functioning of PMRSSM in the State.

## II. Additional Tasks in Trust Mode

In addition to the tasks to be done by State Health Agency in the insurance company mode, following additional tasks will need to be done by the SHA in the Trust/ Society mode:

- A. **Field Verification of Hospitals for Empanelment** – Once the interested hospitals apply for hospital empanelment through the online portal, a field verification needs to be done to check the veracity of the information provided by the hospitals. **SHA, through their district team will need to get this field verification done.**
- B. **Claim Management and Audits** – This involves receiving the claims from the hospital, analysing the claims, taking a decision on accepting or rejecting the claims and finally making payments of claims to the hospitals. It will also involve carrying out claims and medical audit either after receiving the claims or concurrently at the hospital itself. This can be done in two ways:
  1. **Option 1: Through internal team** – SHA can have an internal team of experts for carrying out all the tasks related to claims management.

- a. Team of 4-6 persons for claim management with relevant experience
  - b. Team of 3-5 doctors to work together with claim management team
2. **Option 2: Through external agency** – SHA can also hire an external agency called ISA for claim management process and related activities. For this purpose, SHA will need to carry out a tendering process to hire such agency. The model tender document for hiring of ISA shall be provided separately. The ISA selected for this purpose must be IRDAI compliant. The SHA will sign a contract with the ISA detailing clear key performance indicators. ISA will provide a dedicated team for carrying out the claim management process. ISA will also provide a team for carrying out claims and medical audit either after receiving the claims from the hospitals or concurrently at the hospital.

### III. Constitution of SHA

The day-to-day operations of the SHA will be administered by a Chief Executive Officer appointed by the State Government. The CEO will look after all the operational aspects of the implementation of the scheme in the State and shall be supported by a team of specialists (dealing with specific functions). The CEO/ operations team will be counselled and overseen by a governing council set up at the State level. The suggested composition of Governing Council is as follows:

S. No.	Name / Designation	Position
1	Chief Secretary	Chairperson, ex-officio
2	Principal Secretary to Government, Health & Family Welfare Department	Vice Chairperson, ex officio
3	Secretary, Finance Department	Member, ex officio
4	Secretary, Department of Rural Development	Member, ex officio
5	Secretary, Department of Housing and Urban Affairs	Member, ex officio
6	Secretary, Department of IT	Member, ex officio
7	Secretary, Department of Labour	Member, ex officio
8	MD, NHM or Commissioner, Health Department	Member, ex officio
9	Director of Medical Education	Member, ex officio
10	Director of Health Services	Member, ex officio
11	CEO (SHA)	Member Secretary, ex officio
12	Representative of NHA	Special Invitee

13	1 Subject matter experts as nominated by the State Government	Special Invitee
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#### IV. Operational Core Team for SHA including additional staff in Trust mode

The Chief Executive Officer (CEO) will look after all the operational aspects of the implementation of the scheme and shall be supported by a team of specialists (dealing with specific functions). The SHA should hire a core team to support the Chief Executive Officer in discharge of different functions.

For States implementing the scheme in Trust/ Society mode, they have two options, as mentioned above.

- a. **Option 1** – They can hire the same number of staff as the States with insurance mode, additionally staff for beneficiary identity verification. For rest of the functions they can hire an ISA.
- b. **Option 2** – Instead of hiring an ISA They can hire additional staff in the team itself to carry out the additional functions. For option 2, the following additional staff will need to be hired in the team:

Position	Responsibility	No. in Category A State		No. in Category B State	
		Insurance Mode	Trust Mode	Insurance Mode	Trust Mode
<b>Claim Management Team</b>	<ul style="list-style-type: none"> <li>• Pre-authorization process</li> <li>• Claims management</li> <li>• Ensuring payment of claims to the hospitals</li> </ul>	1	6	2	8
<b>Audit Team</b>	<ul style="list-style-type: none"> <li>• Carrying out medical audit</li> <li>• Carrying out claims audit</li> </ul>	0	3	0	6
<b>Operations Management Team</b>	<ul style="list-style-type: none"> <li>• Field operations under the scheme</li> <li>• Programme management</li> </ul>	2	4	3	6
<b>Monitoring &amp; Evaluation Team</b>	<ul style="list-style-type: none"> <li>• Monitoring &amp; evaluation of scheme</li> <li>• Monitoring functioning of key vendors including hospitals, Field personnel,</li> <li>• Monitoring achievement of goals of the scheme</li> </ul>	2	4	4	6

<b>Policy Team</b>	<ul style="list-style-type: none"> <li>• Designing policy for State Schemes and convergence thereof with PMRSSM</li> </ul>	1	2	1	2
<b>IT Support, Data and Fraud Control Team</b>	<ul style="list-style-type: none"> <li>• Data availability, integrity and security</li> <li>• MIS coordination</li> <li>• Management of IT hardware &amp; software</li> </ul>	2	5	3	8
<b>Beneficiary verification Team</b>	<ul style="list-style-type: none"> <li>• Co-ordination for smooth beneficiary verification process</li> <li>• Manage issues related to beneficiary verification</li> </ul>		2		4
<b>Grievance Redressal Team</b>	<ul style="list-style-type: none"> <li>• Oversee Grievance redressal mechanisms</li> <li>• Undertake beneficiary communications.</li> <li>• Local grievance redressal</li> </ul>	1	2	2	4
<b>Medical Management &amp; Quality Team</b>	<ul style="list-style-type: none"> <li>• Designing standard packages and hospitals empanelment criterion for additionalities like State schemes such that they are complimentary to PMRSSM</li> <li>• Empanelment of Hospital</li> <li>• Quality &amp; Patient safety</li> <li>• Punitive action against hospitals</li> </ul>	2	6	4	8
<b>IEC Team</b>	<ul style="list-style-type: none"> <li>• Strategic communication planning and execution</li> </ul>	1	2	2	4
<b>Capacity Development Team</b>	<ul style="list-style-type: none"> <li>• Training &amp; capacity building planning and organization</li> </ul>	1	3	2	6
<b>Finance Management Team</b>	<ul style="list-style-type: none"> <li>• Fund management</li> <li>• Managing initial corpus &amp; funding of trust</li> <li>• Managing finance &amp; admin processes</li> </ul>	2	6	5	9

	<ul style="list-style-type: none"> <li>• Claim settlement</li> <li>• Payments</li> <li>• Budgeting &amp; accounting</li> <li>• Internal and external audit</li> </ul>				
<b>Administrative Team</b>	<ul style="list-style-type: none"> <li>• General administration of the programme</li> </ul>	1	3	2	6

*\*States have been categorized based on PMRSSM target population size as below, in two groups, where group B may need more than one official for the same role.*

Category	State Names
<b>A</b>	Arunachal Pradesh, Goa, Himachal Pradesh, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, NCT Delhi, Sikkim, Tripura, Uttarakhand and 6 Union Territories (Andaman and Nicobar Islands, Chandigarh, Dadra and Nagar Haveli, Daman and Diu, Lakshadweep and Puducherry)
<b>B</b>	Andhra Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal

## V. Structure at District Level

In addition to the state level posts, a District implementation unit (DIU) will also be required to support the implementation in every district included under the scheme. A DIU shall be created which would be chaired by the Deputy Commissioner/ District Magistrate/ Collector of the district. This Unit is to coordinate with the Implementing Agency (ISA/ Insurer) and the Network Hospitals to ensure effective implementation and also send review reports periodically. DIU will also work closely and coordinate with District Chief Medical officer and his/ her team.

Proposed staffing pattern of the DIU as follows:

Post	Role	Status	No.
<b>District Nodal Officer (PMRSSM)</b>	Program Officer designated by the State. Regular state official and responsible for the PMRSSM implementation in the district.	Regular state official, may	1 per district

		be part-time role	
<b>District Program Coordinator</b>	Responsible for monitoring the implementation of the scheme Aadhaar seeding, validation of beneficiaries, awareness, spot checks, and capacity building.	Contractual, full time	1 per district
<b>District Information Systems Manager</b>	Supporting hospitals and implementing agencies (ISA) with use of the information system, troubleshooting, report-generation and ensuring uptime of system functionality.	Contractual, full time	1 per district
<b>District Grievance Manager</b>	Managing complaint and grievances at the district level. Also responsible for organising meetings of District Grievance Committees	Contractual, full time	1 per district

In addition to the additional staff at the State level, at the district level also additional staff will need to be hired by the SHA in option 2 without ISA.

<b>Post</b>	<b>Role</b>	<b>Status</b>	<b>No.</b>
<b>District Coordinator</b>	Person responsible for implementation of the Scheme in each of the districts.	Contractual, full time	1 per district
<b>District medical officer</b>	Responsible for medical audits, fraud control etc.	Contractual, full time	1 per district

**Note: State Nodal Agency may combine more than one of the above tasks in the TORs of the same individual as per its requirements.**