



Phone no. 23234092

Fax : 011-23234537

Website – www.esic.nic.in

**HEADQUARTERS' OFFICE
EMPLOYEES' STATE INSURANCE CORPORATION
(ISO 9001-2000 Certified)**

PANCHDEEP BHAWAN, C.I.G. ROAD, NEW DELHI-110002

No. U-16/18/1/6/07-Med.I

July 23, 2008

24

To

1. The Secretaries of all State Govts. dealing with ESI Scheme
2. All Medical Superintendents of ESI Hospitals
3. All SSMCs/SMCs
4. All Regional Directors / Jt. Director (I/c)
5. All Jt. Director (Fin.)/ Dy. Director (Fin.)/A.R.D (Fin.)
6. All Directors, ESI Scheme

**Sub: Setting up of Hospital Development Committees for ESI Hospitals –
Functions and Procedures.**

Sir/Madam,

In order to improve the overall functioning of ESI Hospitals, the ESI Corporation in its 143rd meeting held on 08.07.08 has approved the constitution of Hospital Development Committees for all ESI hospitals run by the State Governments. The following functions will be looked after by the Hospital Development Committees.

- a) Such administrative and/or executive functions as may, from time to time be entrusted or delegated by the Director General.
- b) To take decisions from time to time in regard to improvements in the day to day functioning of the hospitals/ dispensaries attached.
- c) To review the availability of various facilities in the hospital / attached dispensaries and recommend/decide up gradation of facilities for improving the delivery of health care services in the hospital / attached dispensaries.
- d) To review from time to time the working of the hospital / attached dispensaries and to decide on measures to improve administration of medical benefits and in particular strengthening of promotive and preventive health measures including occupational health services, safety and hygiene.
- e) To look after the repair and maintenance of the hospital building and buildings of the attached dispensaries..
- f) To obtain ISO Certificate for the hospitals and attached dispensaries.
- g) To look into general grievances, complaints and difficulties of insured persons and dependent patients as is considered necessary.

The Committee will consist of the following persons:-

- (i) Medical Superintendent - Chairman
- (ii) Dy. Medical Superintendent - Convener
- (iii) Employers' Representatives - Two (to be nominated by State Govt.)
(locally stationed / available)
- (iv) Employees' Representatives - Two (to be nominated by State Govt.)
(locally stationed / available)
- (v) Staff representative - One (to be nominated by Med. Supdt.)
- (vi) Representative of State Labour Dept. - One (to be nominated by State Govt.)
(Locally stationed / available)
- (vii) Local Member(s) from ESIC/ Regional Board.
- (viii) Manager Branch Office, ESIC. - One (to be nominated by R.D./J.D.I/C)

2. The Committee is empowered administratively and financially to carry out the above assigned task. The Committee should meet at least once in two month for reviewing the performance of the hospital/ attached dispensaries. Proper records shall be maintained of all the meetings of the Committee. The Minutes will be circulated to all members with copies to SSMC/R.D. Two Accounts in the name and style of " ESI Fund A/c No. 2 – Hospital Development Committee – improvement of the Hospital" and " ESI Fund A/c No. 2 – Hospital Development Committee – repairs and maintenance of the building" will be opened and initially an amount of Rs.2.00 lacs will be provided by ESIC to each of the Account to make them operational. The opening of two accounts is necessitated due to the fact that while expenditure in respect of former account is shared between ESIC and State Govt. in case of the latter the expenditure is fully met by ESIC. These accounts will be operated by the Branch Office Manager.

The Committee shall have the power of sanctioning of expenditure (other than purchase of capital equipment costing more than Rs. 2.00 lacs) related to the development of the Hospital/attached dispensaries for an amount not exceeding Rs.2.00 lac per item of expenditure and total amount of the expenditure per annum should not exceed the amount indicated below.

For the Hospital having 500 bed and above – Rs. 100.00 lacs.

For the Hospital having 200 bed and above – Rs. 60.00 lacs

For the hospital having 100 bed and above - Rs. 40.00 lacs

For the Hospital having less than 100 beds - Rs. 25.00 lacs

The above amount shall not include the expenditure towards repairs and maintenance of the building.

In case the Committee considers some item of work or purchase of some equipment necessary for improving the functioning of the hospital / dispensary and such activity is beyond its power, it shall send its recommendation to SSMC/SMC to be considered separately.

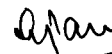
3. The Hospital Development Committee will take decision in accordance with its terms of reference and its decisions will be implemented by the Medical Superintendents. Requirement of funds for implementation of decisions will be sent by Medical Superintendents directly to SSMC/SMC with a copy to Director, ESI Scheme of the State. SSMC/SMC will get the funds from the ESIC Hqrs. Office and

transfer it to the accounts opened as indicated above. Payment of bills will be made by the Branch Office Manager and all bills / vouchers etc. will be kept in the Branch Office for audit / accounts purpose.

4. In case of Account related to improvement of Hospital, the total expenditure incurred though this account shall be added to the other expenditure of the Hospital and shall be sharable in the ratio of 7/8th and 1/8th between ESIC and State Govt. In case of Account relating to repairs and maintenance of hospitals the entire expenditure will be borne by ESIC.
5. As indicated above, the Hospital Development Committee will also look after the work of Repair and Maintenance of the hospital / dispensary buildings. The repair and maintenance will be done on "actual requirement" basis and not on plinth area basis. To ensure this the Medical Superintendent can take the assistance of any State Engineering department whose officers are locally available or locally available private Architect/ Engineer for preparing the estimates. Once the estimates are prepared, the work can be got executed through a State Engineering deptt./Central or State PSU as a deposit work. The work can also be got executed through private contractors following the prescribed financial rules as may be decided by the Hospital Development Committee / Medical Superintendent. For capital and special repair works, the requirements will be sent to SSMC/SMC who will depute the ESIC engineer available at Regional / Sub-Regional Office for getting such works done.
6. The Regional Directors / Jt. Director (I/C) should immediately nominate the Branch Office Manager for the Hospital Development Committee. The nominated Branch Office Manager should immediately open two separate accounts as indicated above and inform the SSMC/SMC who in turn should intimate the Hqrs. Office so that funds could be transferred to operationalise the Accounts.
7. The Hospital Development Committee will start functioning immediately and they will not wait for the nomination from the State Govts.. The ex-officio members, Local Member(s) from ESIC/ Regional Board, staff representative and Branch Office Manager should put the Committee in motion. Other members will join the Committee as and when the State Govts. nominates them. However, the SSMC/SMC will get in touch with State Govts. to see that nominations are done as early as possible.
8. With the constitution of Hospital Development Committees all earlier Committees like Hospital Vigilance Committee etc. stand dissolved.

This issues with the approval of Director General.

Yours faithfully,



(DR. S.K. JAIN)

DY. MEDICAL COMMISSIONER

Copy to:-

1. Chief Engineer /PMD Division, Hqrs. Office.
2. PS to DG/FC/IC/MC
3. Rajbhasha Vibhag for translation.