PERFORMANCE AUDIT OF SEHAT CARD PLUS KHYBER PAKHTUNKHWA FOR THE PERIOD FROM NOVEMBER 2020 TILL JUNE 2021

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Acronyms

KP	Khyber Pakhtunkhwa
Program	Under brand name of "Sehat Card Plus" - 100% financed by KP government for entire population.
Phase 01	Under brand name of "Sehat Sahulat Program" - Jointly financed by KP government and KFW for only four districts.
Phase 04	Under brand name of "Sehat Sahulat Program" - 100% financed by KP government for population living below the poverty line.
SLIC	State Life Insurance Corporation of Pakistan
PMC	Pakistan Medical Commission
WHO	World Health Organization
SHPI	Social Health Protection Initiative, Project Management Unit, Health Department KP.
NADRA	National Database and Registration Authority
PrimeHr	Prime Human Resource Service (Private) Limited
MTI	Medical Teaching Institute
DHQ	District Headquarters
OPD	Out Patient Department
IPD	In Patient Department
IBP	Institutional Based Practice
UHC	Universal Health Coverage
OOP	Out of Pocket Expenses
SLIC HMIS	"Health Management Information System" developed and operated by State Life Insurance Corporation of Pakistan
NADRA CMIS	"Computerized Management Information System" developed and operated by National Database and Registration Authority
Audit team	Baker Tilly Mehmood Idrees Qamar, Chartered Accountants
HFO	Health Facilitator Officer
DMO	District Medical Officer
PMO	Provincial Medical Officer
OT	Operation Theater
Visit ID	Unique Identification Number generated for each Admission by SLIC HMIS
Package Rate	List and rate of treatments covered under Program

Executive Summary

Baker Tilly Mehmood Idrees Qamar, Chartered Accountants, a member firm of Baker Tilly International global network has been engaged for performance audit of "Sehat Card Plus" Program for the period November 2020 – June 2021. The primary aim of the evaluation is to assess the performance achieved by Program against the intended objective and provide basis for accountability and improvement.

Baker Tilly performed performance audit of the key stakeholder's and key processes of Program based on the scope of work. The performance audit has been directed within the scope of agreed Term of References (TOR's) toward determining whether the foundational elements of people, processes, technology and governance within the Program are adequately utilized, efficiently designed and operating effectively in achieving the desired milestones.

"Sehat Card Plus" is the only Program in Asian territory which provides Universal Health Coverage to overall population and is completely funded by the Government. 209,177 admission were recorded and received treatment under the program during the subject audit period.

Program has provided major relief to cardiac patients and had almost 40% share of overall health insurance expenses. Furthermore, health insurance expenses exceeding the maximum annual limit of Rs. 1 million per family were covered from reserve fund. Majority of private and government hospitals requested to enhance the package rate offered by State Life Insurance of Pakistan.

A number of significant opportunities for improvements were identified which highlights the need to enhance key processes and supporting technologies to better serve the purpose of the Program.

The issues identified did not arise overnight; neither will they be fixed overnight. Many of the issues are complex and will require a significant investment of time and resources to address while others may be able to be addressed quickly. The task of evaluating, prioritizing, and remediating these issues will be great, especially in light of other competing priorities and sustaining day-to-day operations.

Overall, the program is achieving its intended objective to provide Universal Health Coverage to overall population of Khyber Pakhtunkhwa and have provided relief to general public more than intended by including kidney and liver transplant. For further improvement of Program, prompt action is required on audit recommendation specially related to hospitals.

Impact of Program

- Provision of costly tertiary care treatments supported the general public to avoid Catastrophic Health Expenditure (CHE). Catastrophic Health Expenditure (CHE) are medical spending of a household exceeding a certain level of capacity to pay.
- Reduction in out-of-pocket (OOP) expenditures of KP general public.
- As per Health Care Commission KP, 26 new hospitals were established during period subject to audit and mostly were in rural areas. General Public is now availing health services in their hometown rather than travelling to distant cities.
- NADRA was engaged to gather and report feedback for each discharged patient.
- Catherization Laboratories were only available in Peshawar. Now, they are available in other distant districts of KP i.e. Lower Dir, Chitral, Swat, Mardan and Swabi.
- Tax registration was mandatory for hospital empanelment which resulted increase in tax base.
- Program has been a substantial revenue stream for empaneled hospitals which encouraged them to invest and upgrade health facilities.
- Program has contributed towards achievement of Global Sustainable Development Goals (SDGs) i.e. "Good Health and Well-Being" & " No Poverty".
- 16% increase was observed in number of applications submitted by hospitals for empanelment. This demonstrates confidence of Health Sector in Program.
- Hospital Gradation Process have enhanced the competition among hospitals. Hospitals now strive to improve their facilities to achieve higher gradation.
- Sehat Card Plus have no maximum limit on utilization for costly treatments i.e. oncology, kidney transplant, ICU, COVID, liver transplant, dialysis and cardiology. Patients were able to get services up to cost of Rs. 4 million.

Program Notable Features

209,177

Patients Availed Free Health Services

17,000+

Cardiac Procedures

7,500+

Oncology Procedures

1,650+

Patients Received Regular Dialysis Services

10

Kidney Transplant

Only 100% Government Funded Universal Health Coverage (UHC) Program in Asia

Only Health Insurance

to cover COVID-19 Pandemic

↑2%

Quarterly Increase In NADRA Family Enrollment

49%

Unused Insurance Premium adjusted for next year under PSR formula

Summary of Observations

SLIC Observations

- Name of hospitals removed from Program must be placed on website.
- DMO & HFO must be rotated under an approved policy.
- Hospitals must be comprehensively evaluated before empanelment. (especially government hospitals).
- Committee or mechanism for claim dispute resolution must be established.
- Errors and omissions in claims must be timely shared with hospitals.
- Availability of DMOs must be ensured in all empaneled hospitals.

SHPI Observations

- Monitoring section must be established at earliest.
- Consultants shall be engaged for impact assessment of program.
- Sehat card funds utilization by government hospitals must be reviewed.
- Design a complaint mechanism for hospitals to register complain against SLIC.

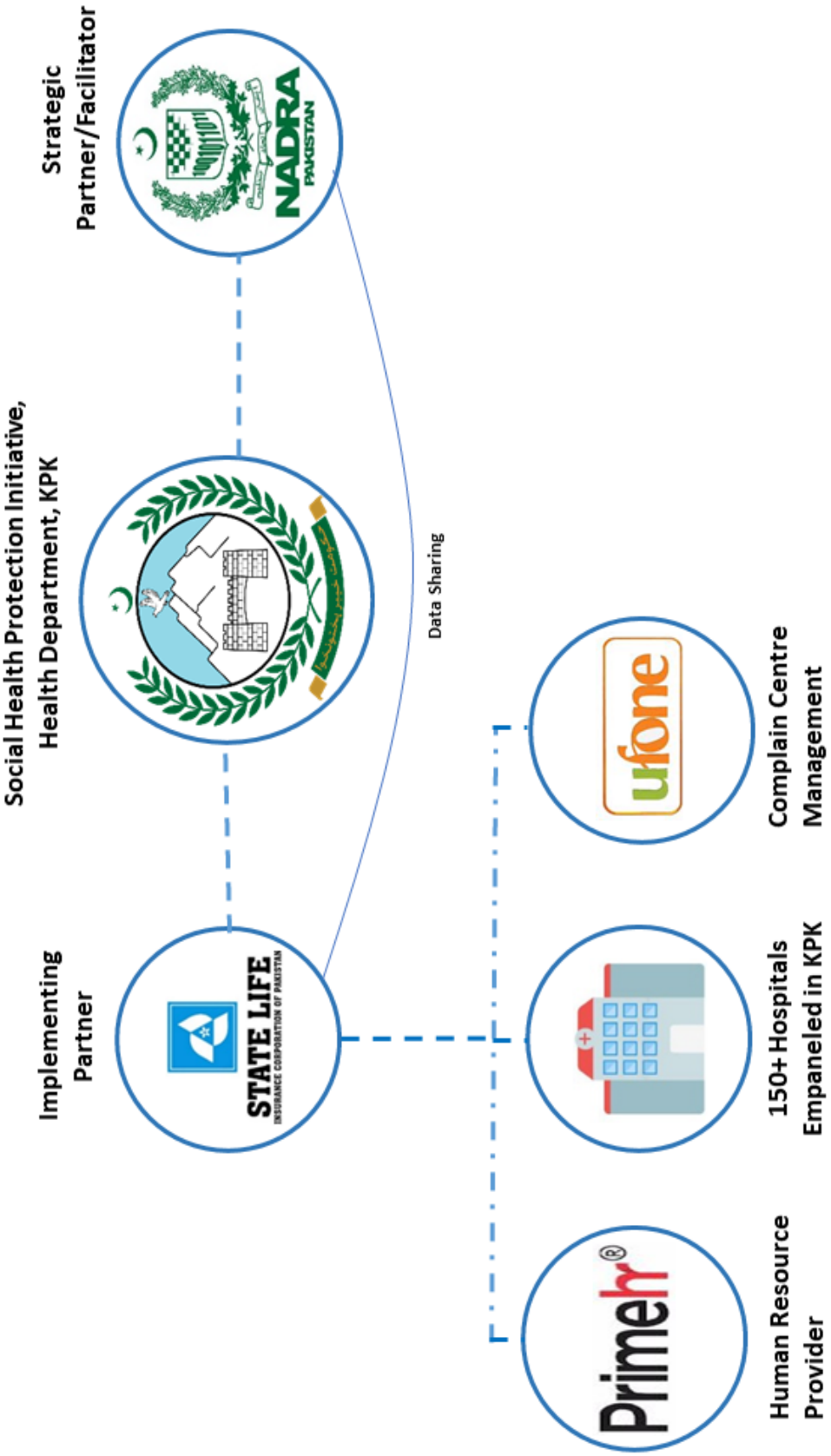
NADRA Observations

- Feedback calls to beneficiaries must be concluded within one week or maximum two week of patient discharge.
- Reply against each questionnaire of feedback call must be evaluated separately.

Government & Private Hospitals Observations

- Awareness banners about program essentials components shall be mandatory to be placed in each ward of hospital to educate patients and medical staff.
- Radiology and pathology service providers must be engaged by hospitals lacking facilities (especially government hospitals).
- Availability of medicines must be ensured in hospitals (especially government hospitals).
- Additional benefits and OPD charges must be reimbursed to admitted patients.
- Appropriate strength of nursing staff must be ensured in all hospitals.

Program Structure



Introduction

Significant population of Pakistan lives below the poverty line, and this segment of the population is exposed to a number of risks. Among those risks, health risk pose the greatest threat to their lives and livelihood. A health shock adds healthcare expenditures to the burden of the poor precisely at the time when they can least afford it. Such disturbance impose major costs resulting in situations that lead these families deeper into poverty. The share of those who had not yet recovered increases with the estimated cost of the shock and is significantly higher for health shocks.

Keeping in view the widespread poverty and high out of pocket expenditure, the Government of Khyber Pakhtunkhwa launched Social Health Protection Initiative (SHPI) in 2015 with the brand name "Sehat Sahulat Program" through the financial support from German Government through KfW Development Bank for 21% population of four districts (Mardan, Malakand, Kohat and Chitral) of Khyber Pakhtunkhwa. Formal launching of the Program was held on December 15, 2015. Annual cost of premium at that time was Rs. 170 million, 88% of which was through foreign funding.

Due to the tremendous success of the Program, the Government of Khyber Pakhtunkhwa expanded the population coverage up to 64% in three interlinked phases in 2015, 2016 and 2017.

The success and impact of the earlier phases encouraged the government to extend the Program to all the families of Khyber Pakhtunkhwa irrespective of their financial status. The roll out of the Program to the entire population of Khyber Pakhtunkhwa has completed on 1st February 2021 with the revised brand name “Sehat Card Plus”.

SALIENT FEATURES OF SEHAT CARD PLUS

- It is a Health Insurance Program implemented by State Life Insurance Corporation of Pakistan selected through national competitive bidding.
- Under the Program, more than 7 million families of Khyber Pakhtunkhwa are enrolled for free inpatient healthcare services.
- Data of beneficiary families is shared by NADRA.
- Services to the beneficiaries are offered upto a maximum limit of Rs. 1.0 million per family per year.
- Services to the beneficiaries are provided through a panel of Public and Private Hospitals contracted across the country especially in the Khyber Pakhtunkhwa province.
- All the secondary care healthcare diseases and tertiary care diseases like Accident and Emergency, Diabetes, Kidney diseases including Dialysis and Kidney transplant, Hepatitis B and C, all type of Cancers and Heart & Vascular diseases are coved under the Program.

Keeping this in view, it is imperative that the Program functions in a smooth manner adhering to the principles of effective and efficient management. Baker Tilly Mehmood Idrees Qamar Chartered Accountants were engaged for performance audit of program via competitive bidding. Detailed scope of work of this performance audit has been defined in Scope and Methodology Section of this report.

Audit Objectives

The major objectives of the performance audit were to:

- Assess whether project was managed with due regard to economy, efficiency, and effectiveness.
- Review performance against intended objectives of Program and its partner organizations.
- Review compliance with applicable rules, regulations and agreements.
- Provision of basis for improvement and adequate accountability of Program.

Audit Scope and Methodology

Scope of Work

At the outset, we wish to state that the responsibility for the Program operations and administration is of Social Health Protection Initiative and its implementing partner. This includes managing daily affairs of the Program, ensuring effective Program planning, maintenance of adequate system and controls, compliance with laws and regulations, selection and application of policies, and safeguarding of the assets of Program. Our responsibility is to report based on our factual findings and analysis.

Baker Tilly Mehmood Idrees Qamar, Chartered Accountants has completed a performance audit of the "Sehat Card Plus" for the period November 2020 – June 2021. Audit fieldwork was conducted from November 2021 to March 2022. The engagement was conducted in accordance with *International Standards on Related Services 4400* applicable to agreed-upon procedures engagements. We agreed to perform the following procedures as per agreement:

- Review the RFP and agreement signed with SLIC, Agreements/ MoUs signed with service providers and the review of the implementation process.
- Recalculation of premium and reserve fund.
- Highlight measurable and un-measurable achievements of Program.
- Create a framework and procedure for carrying out the audit. In case of significant non-compliances, establish a mechanism to resolve audit observations.
- Prepare various templates required to be filled in by the various stakeholders involved in the audit process.
- Random spot-check on empaneled hospitals for review of compliance with agreements and gather feedback of patients and medical staff.
- To observe the entire process from patient arrival in hospital and payment by SLIC to the hospital. Identify weaknesses and provide recommendations for improvement.
- Review of the procurement processes related to the Program and empanelment process of the hospitals.
- Verification of the claims paid to the hospitals. Review supporting documents, identify duplicate payments and errors.

Scope limitation

Access to following record/database was neither provided during execution phase of audit nor were any audit procedures performed:

- Access to SLIC HMIS for claim verification. Claims were verified from hard files only and same was not reconciled with SLIC HMIS.

- Comprehensive record of complaints' management maintained by SLIC was not provided during execution phase of audit. After several reminders, incomplete record was provided in finalization phase of audit which was in vain.

Audit Methodology

The planning began with a risk assessment focused on gaining an understanding of Program key processes through interviews with Program key personnel and review of relevant record, policies, procedures, and process-related documentation. Once an understanding of key processes was gained, Program specific risks were identified and combined with the inherent risks that are pervasive within similar Program.

Based on the scope of work, performance of each objective has been assessed and analyzed. Review of relevant facts, historical technical and financial data, and direct discussion with management and concerned staff members have been carried out. In certain cases, we were not able to obtain the relevant record from the Program personnel or the industry stakeholders, therefore have relied upon publicly available records.

We have given recommendations and comments on issues identified and shall be pleased to provide further assistance for implementation of these recommendation and to enhance the Program capacity to effectively and efficiently bring the change in Program performance to achieve the desired goals and objective in short and long term.

Our comment on the processes and performance of the Program is not against any individual or entity responsible for decision-making rather is a description of the background and therefore is just honest identification of the problem and sincere guidance towards its solution. The time frame for conducting this audit was from November, 2021 to March, 2022.

The following list summarizes major procedures performed during this time:

- Reviewed tender, RFP and proposal documents and basis for contract with implementing partner and service providers. Reviewed contract between SLIC and SHPI to ensure that all the clauses of the agreement have been complied with. Verified premium payments to SLIC and confirmed payments have been made after conditions of the payments are satisfied by SLIC.
- Prepared questionnaires for hospitals for feedback related to processes and issues faced during provision of services on "Sehat Card Plus". Analyzed the feedback from questionnaires for identification of system's weaknesses.
- Visited hospitals for on-site observation of the process starting from admission of patients to discharge of patients.
- Reviewed agreements with the hospitals to ensure payments to the hospitals are as per agreed contract. Verified claims covering all empaneled hospitals and treatments provided on "Sehat Card Plus".
- Reviewed procurement processes of stakeholders in the Program and confirmed compliance with the contract(s).
- Obtained list of all hospitals applied for empanelment and reviewed empanelment process with criteria.

Noteworthy Accomplishments

Comparison of Program with Other Countries

Universal health coverage means that all people have access to the health services they need, when and where they need them, without financial hardship. It includes the full range of essential health services, from health promotion to prevention, treatment, rehabilitation, and palliative care.

Currently, at least half of the people in the world do not receive the health services they need. About 100 million people are pushed into extreme poverty each year because of out-of-pocket spending on health as per World Health Organization (WHO).

Territory		Universal Health Coverage	Government Contribution		
			Complete	Partial	Nil
ASIA	KP, Pakistan	✔	✔		
	India	✘	✔		
	Bangladesh	✘			✔
	China	✔		✔	
EUROPE	United Kingdom	✔	✔		
	Germany	✔		✔	
	Italy	✔	✔		
	Spain	✔	✔		
NORTH AMERICA	USA	✘		✔	
	Canada	✔		✔	
AUSTRALIA	Australia	✔	✔		
	New Zealand	✔		✔	

Khyber Pakhtunkhwa, Pakistan is the only territory in Asia which provides Universal Health Coverage to overall population and health insurance coverage is completely funded by the Government.

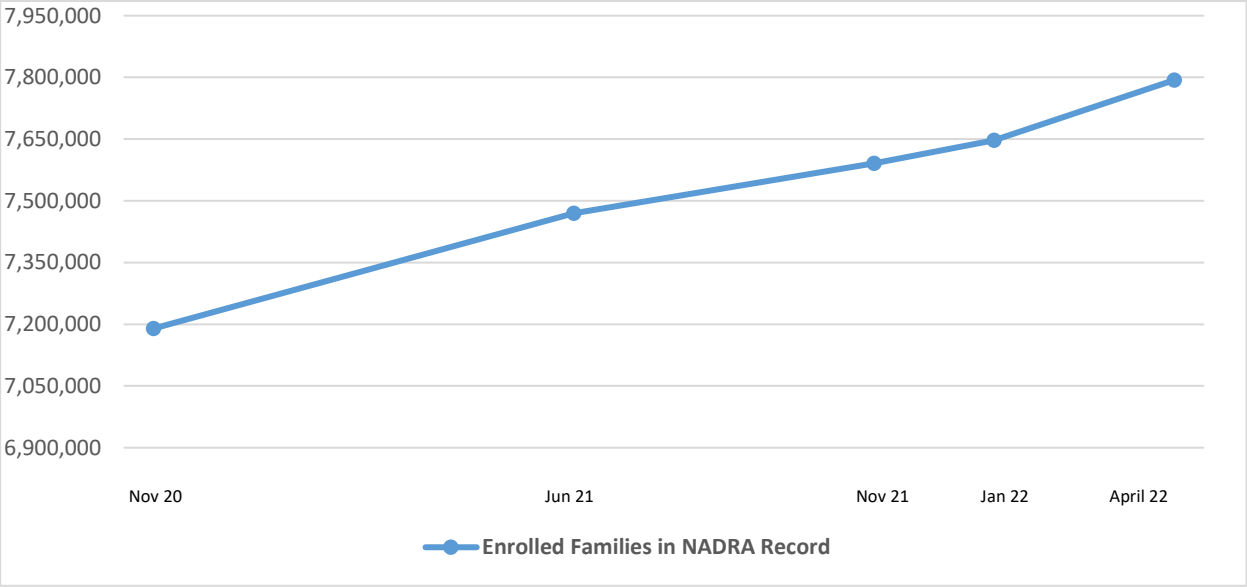
Currently, India is only able to provide 50% coverage of its population under the "*Ayushman Bharat Yojana"* program. It is planning to achieve universal health coverage by 2030.

In China, the near health coverage is supported by *Urban Employee Basic Medical Insurance.* The urban employed are required to enroll in an employment-based program, which is funded primarily via employer and employee payroll taxes.

Universal health coverage is still not available in developed countries like USA. The first insurance program, "*Medicare*" ensures a universal right to health care for persons aged 65 or above in USA while the remaining population is covered through private insurance schemes.

Enrolled KP Families in NADRA Record

The following chart illustrates the number of families of permanent residents enrolled in NADRA's record. NADRA updates it record after the end of every quarter. For a patient to avail treatment under the program, it is mandatory that the patient's family tree is updated with NADRA. Otherwise, patients will not be able to avail treatment even if they are eligible under the Program. As patients were compelled to update their record, hence it contributed towards the steady increase in number of families enrolled and assisted in documenting and updating national database.



Holistic Financial and Operational View

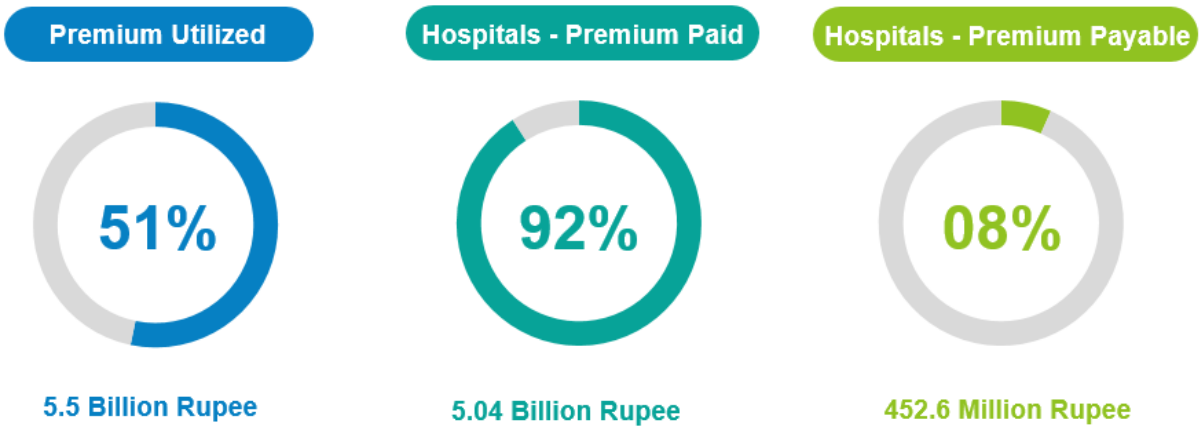
Receipt	Amount (Rs.)
Grant for insurance agency health policies premium	13,056,561,941
Grant for NADRA CMIS	539,981,000
Recurring operational grant	85,828,921
Total Grants	**13,682,371,862**
Expenditure	
Premium against insurance policies	13,056,561,941
NADRA CMIS	539,981,000
Advertisement	64,872,340
Administrative	20,956,581
Total Expenditure	**13,682,371,862**
Surplus / (Deficit) for the period	**-**

Insurance policies premium includes Rs. 10.8 billion for Phase 5 (100% population), Rs. 2.1 billion for Phase 4 and Rs. 22.5 million for Phase 1.

SHPI paid Rs. 539.9 million for "Centralized Information Management System and Related Services" as per payment schedule outlined in MoU with NADRA. The amount includes mobilization advance, Zone-1 and Zone-2 execution, completion of centralized MIS, Zone-3 and Zone-4 execution, and Zone-5 and Zone-6 execution.

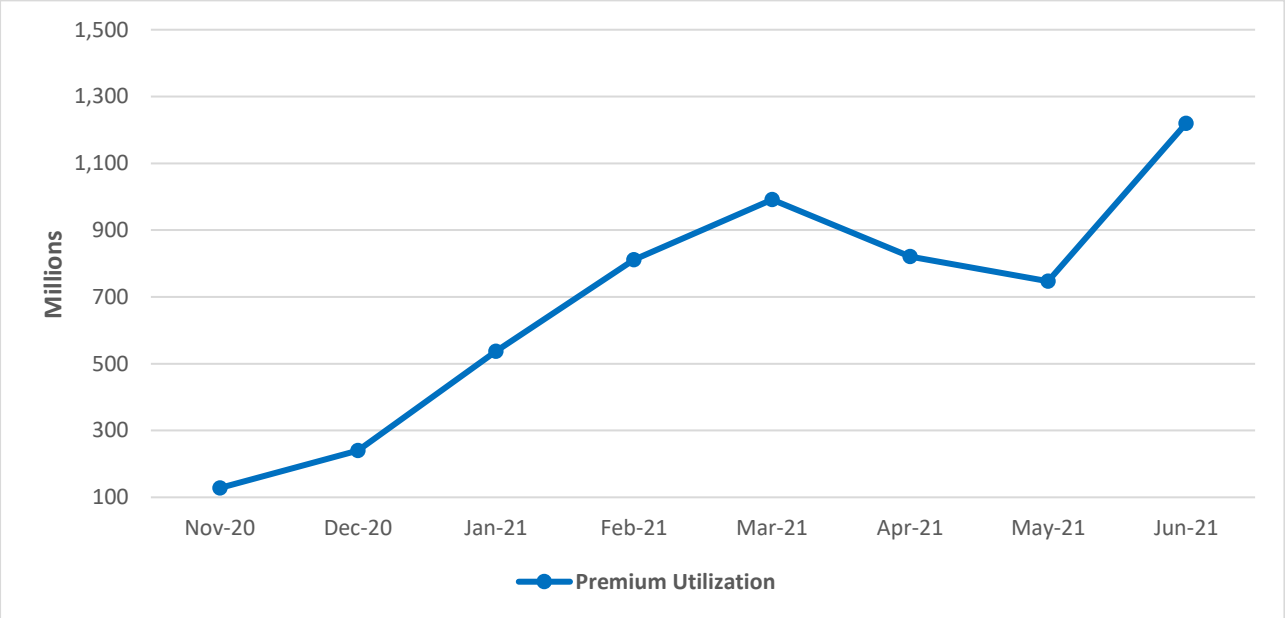
Total Premium and Utilization

As per agreement, SHPI paid annual per family premium and reserve fund to SLIC of Rs. 2,849 and Rs. 40 respectively. As per NADRA record on November 01, 2020, permanent families of KP were 7.09 million and premium was paid for the same.



In aggregate, SLIC utilized Rs. 5.5 billion premium for the period. SLIC has paid a total of Rs. 5.04 billion claims till January 25, 2022 while claims of Rs. 452.6 million are still pending at the aforementioned date.

Premium utilization per month is increasing along with awareness of Program. The decline in the months of April and May could be attributed to the holy month of Ramadan. The following chart illustrates the premium utilized month-wise.

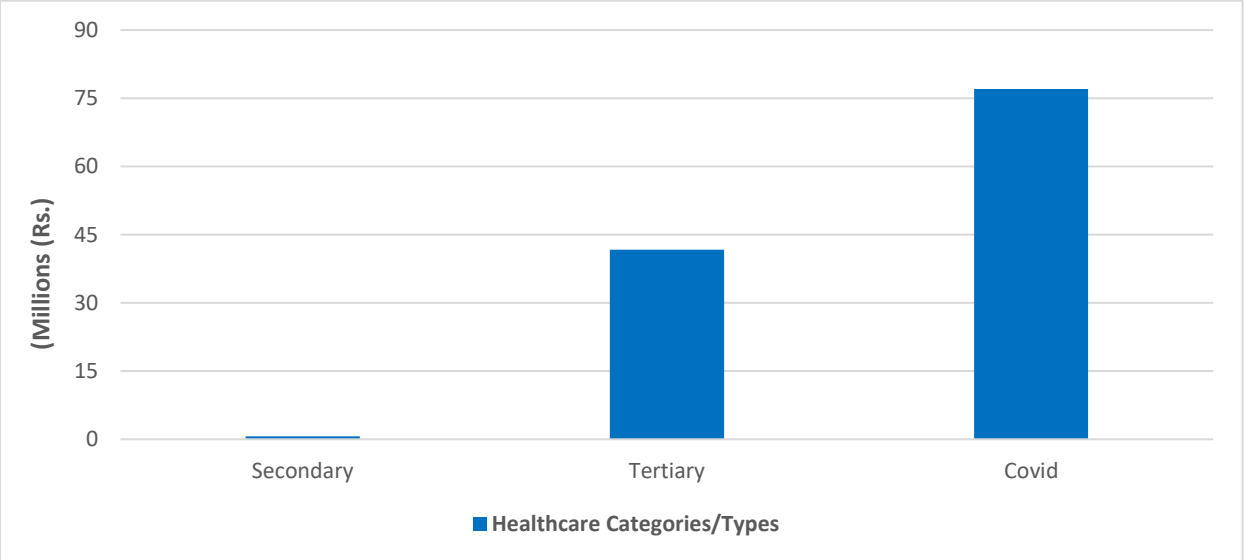


Reserve Fund Utilization

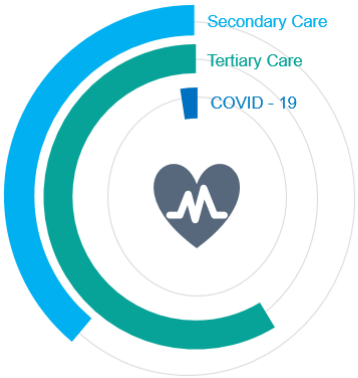
The purpose of the reserve fund is to finance cost of treatments, where it exceeds the limits set for secondary and tertiary care i.e. Rs. 40,000 and Rs. 400,000 respectively. One of the positive aspect of the program was that no upper limit was placed on costs of treatment beyond the limits set. In some cases, treatment cost was stretched up to approximately Rs. 4 million and was financed under the Program.

Aggregate utilized amount from the reserve fund for the audit period was Rs. 119.5 million out of Rs. 150 million. As per agreement, program does not cover pandemic related diseases. But for providing relief to the general public of KP, the Government instructed SLIC to cover treatment for Covid-19 and the amount was wholly and solely funded from the reserve fund of Government.

The following chart illustrates the amount of reserve fund utilized for different types of treatment in the subject audit period.



Analysis of Healthcare Services

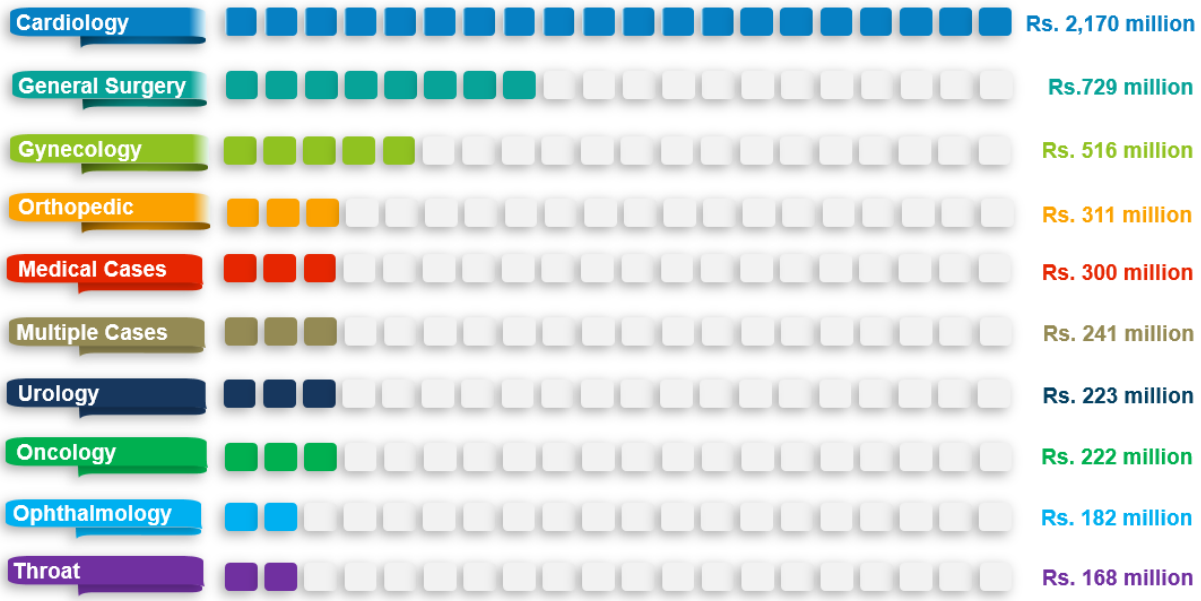


38%	Rs. 2,078 million	123,913 Admissions
61%	Rs. 3,333 million	85,021 Admissions
01%	Rs. 77 million	243 Admissions

Claims paid by SLIC to hospitals were verified for the period subject to audit. No major discrepancies were noted and highlighted issues were timely resolved by SLIC.

In the period subject to audit, tertiary care, secondary care and treatment for Covid were provided to the patients. Tertiary care is a highly specialized medical care that involves advanced and complex diagnostics, procedures and treatments. Secondary care is treatment for an illness or condition that occurs beyond the primary care already received by patients while COVID-19 is Infectious disease caused by the SARS-CoV-2 virus.

209,177 patients received treatment under the program during the subject audit period. 85,021 patients were given tertiary care, 123,913 patients were given secondary care and 243 COVID patients received treatment under the program.



Above are the Top 10 treatments forming major part of overall premium utilized amounting Rs. 5,500 million for the period. The amount of Rs. 2,170 million was paid to the hospitals against Cardiology treatments which is 39.50% of the total premium utilized. It includes procedures of CABG, valve replacement and angiography etc. The amount of Rs. 729 million (13.2%) was paid to the hospitals against General Surgery. It includes surgeries of appendectomy, exploratory laparotomy and hernioplasty etc.

Analysis of Hospitals Feedback Questionnaire

For the period subject to audit, SLIC had empaneled 155 hospitals in Khyber Pakhtunkhwa, out of which 04 hospitals were suspended. Questionnaires were shared with 151 hospitals and replies from 126 hospitals were received.

95% Hospitals were satisfied by SLIC claims processing system. However, 66% were satisfied with payment time while 34% were unsatisfied. 94% of the hospitals recommended E-claims processing system.

In general, hospitals management believe that current package rates should be increased. 75% of the hospitals requested to enhance the current package rates of SLIC.

66% of the hospitals were satisfied and got special approval within a week. Some of the hospitals complained of the time taken for special approval.

91% of the hospitals have activated the dashboard provided by SLIC. More than 50% of hospitals did not face any issues in the SLIC HMIS.

76% of the hospitals confirmed that the visits of SLIC's monitoring team are random, 17% confirmed of visits within one month, while 07% were not yet visited by the monitoring team.

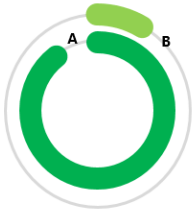
Approximately half of the Government Hospitals were visited by the team from Health Department for guidance on the insurance and empanelment process.

48% of the hospitals did not face tax-related issues, while issues of the other 48% were resolved by the tax authorities. Out of the 48% of hospitals, 74% of the hospitals got their issues resolved on time.

Hospitals Feedback Questionnaire

Q1 Whether claims are processed timely?

A	Claims are processed timely	95%
B	Claims are not processed timely	05%

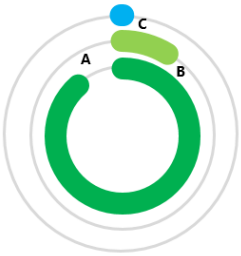


Q2 Whether payments are released on time?

A	Payment are released on time	66%
B	Payment are not released on time	34%

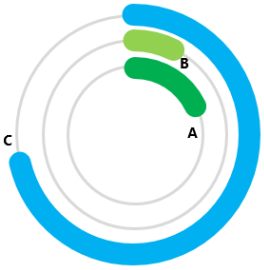
Q3 Whether e-claim processing is recommended for future?

A	Recommend	94%
B	Not Recommend	05%
C	No Idea	01%



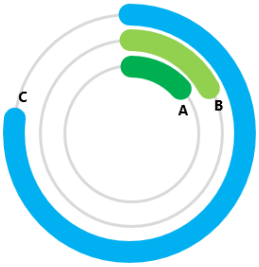
Q4 Whether cost assessment of the package rates are carried out?

A	Yes	22%
B	Yes, but partially	05%
C	No	73%



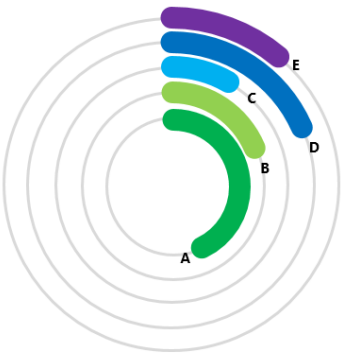
Q5 Whether package rates decided are reasonable?

A	Yes	11%
B	Reasonable in some cases	14%
C	No	75%



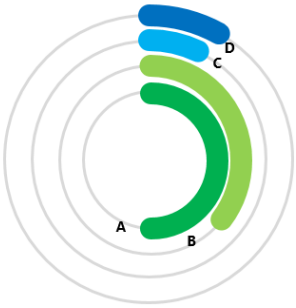
Q6 How much time it takes when special approval is required from SLIC?

A	With in 24 hours	46%
B	2 - 7 Days	20%
C	More than a week	06%
D	Benefit never availed	18%
E	Not approved	10%



Q7 Whether CMIS connectivity issues are faced?

A	No	51%
B	Occasionally	33%
C	Frequently	07%
D	Not Activated	09%

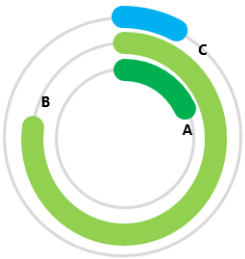


Q8 Whether outbreaks or bugs are faced frequently in CMIS?

A	No	58%
B	Occasionally	30%
C	Frequently	03%
D	Not Activated	09%

Q9 How often the teams from SLIC head office visit for monitoring?

A	Monthly	17%
B	Randomly	76%
C	Never Visited	07%

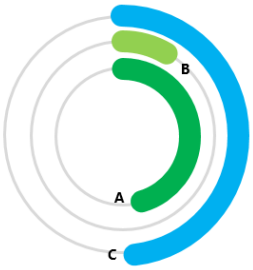


Q10 Whether health department team visits ever for monitoring and guiding on insurance and empanelment process? (Government Hospitals Only)

A	Yes	52%
B	No	48%

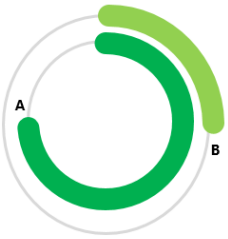
Q11 Whether tax related issue are faced and resolved?

A	Yes	48%
B	No	04%
C	No issue faced	48%



Q12 Whether tax related issue are timely resolved by tax authorities?

A	Yes	74%
B	No	26%



Observations and Recommendations

The audit was conducted from October 24, 2021 till March 31, 2022. Audit of all the Organizations/Stakeholders directly associated with Program was performed and results of audit procedures are as follow:

1. State Life Insurance Corporation (SLIC)

1.1 Policy and Administrative Observations

a. Comprehensive Evaluation of Hospitals

Generally, State Life Insurance Corporation of Pakistan (SLIC) empanels hospitals in two steps i.e. assessment followed by gradation (comprehensive evaluation). State Life Insurance Corporation of Pakistan (SLIC) empaneled Government Hospitals after conducting short screening and comprehensive evaluation was performed later. Non-evaluation of hospital creates a risk that issues of the hospitals may go unnoticed and ultimately remain unresolved. Unresolved issues have an impact on the quality of services provided to the beneficiaries of Sehat Card Plus.

SLIC must evaluate Government Hospitals like Private Hospitals, with recommendations for improvements furnished in a report. The evaluations would point out weaknesses in operations of the Government Hospitals, as a result, would bring about beneficial changes for the society at large. However, SLIC initiated gradation of government hospitals from May 2021 onwards based on hospitals' facilities.

Management Comments

The evaluation of Govt. hospitals for empanelled hospital has been initiated and in the last empanelled exercise the hospital such as "DHQ Hangu" has been evaluated before empanelment. In empanelled activity for the year 2022, all the existing hospitals (including the public sector hospitals) would be evaluated for consideration of remaining empanelled or otherwise.

The MTI Hospital such as Lady Reading Hospital (Peshawar), Mardan Medical Complex (Mardan) and Qazi Hussain Ahmed Hospital (Nowshera) have also been assessed for award of grade as per the empanelment criteria.

b. Master files of Empaneled Hospitals

Master files are essential part of the file management system and assists in maintaining all documents with ease. During our audit, it was observed that SLIC was not maintaining Centralized Master Files of emplaned hospitals, however, all documents were available and provided to audit team.

We recommend that for each hospital, separate master file shall be maintained which must include at least:

- Pre-requisite documents for establishing hospital in KP and for empanelment with SLIC.
- Empanelment evaluation sheet
- Agreements and supplementary agreements, if any.
- Hospital Profile
- Copy of all correspondence
- Monitoring reports.

Management Comments

The master files of all the empanelled hospitals have been created and are being maintained. A Senior Admin Officer along with a record sorter has been assigned to the record room of the hospital. All necessary documents from assessment evaluation sheets, agreements, hospital detail, and all correspondence are marinated in the masters' files.

c. Publicity of Hospitals Notification

State Life Insurance Corporation have placed list of hospitals empaneled in Program on their website which is regularly updated. However, SLIC did not publicize notification and reason for hospital removed or suspended from panel due to non-compliance of agreement. It is recommended that stringent measures shall be implemented for regulating hospitals and notification for suspension/delisting shall be placed on Program website. Same practice is being followed by other regulatory bodies of Pakistan to ensure regulatory compliances.

Management Comments

A list of empanelled hospital is maintained on the website of Sehat Card Plus. All freshly empanelled hospitals are added to the list and de-empanelled, suspended hospitals are now also indicated on the list for the information of all the stakeholders.

d. Ambiguity in Hospitals Contract - Reimbursement of Investigation Charges incurred before Admission

As per SLIC's management, the clause for reimbursement of initial investigation charges are included in the agreement with the hospitals. The management referred to clause 3.3 (i) of the agreement which states that:

"All charges about a particular treatment/procedure (up to the cost of the general ward), including registration charges, admission charges, accommodation charges, cost of medicines, labor room, operation/procedure charges, anesthetist charges, nursing and paramedic charges, doctor/consultant visit charges, monitoring charges, operation theatre charges, cost of the implant, procedural's charges/surgeon's fee, cost of disposable surgical material, and cost of all sundries used during hospitalization, related routine investigations, physiotherapy charges, etc. from the time of admission till discharge. This also is inclusive of all sub-procedures and all related procedures to complete the treatment. The package rate will also include all complications related to the treatment/procedure performed. ***Any complications arising out of a procedure done in the hospital would be the hospital's liability; accordingly, the hospital may treat the patient without any cost.)"***

The above clause is ambiguous, and it does not distinctively mention that hospital would reimburse OPD costs to the patients. For clarity, SLIC issued a letter to the hospitals (Ref No. H&AI/ZHS/PESH-2021, dated 24th December 2021) explaining scenarios in which OPD costs are reimbursable to the patients. In response to the SLIC's letter, Rehman Medical Institute (RMI) replied opposing the reimbursement of OPD costs to the patients. Letter of SLIC and RMI's response is included in Annexure 1.

SLIC should include the reimbursement of OPD costs in the contract clause to eradicate ambiguity. As "Sehat Card Plus" is a cashless scheme, amending the clause would re-emphasize the cashless spirit of the scheme.

Management Comments

More detail has been inserted in the agreement for avoiding any ambiguities for possible abuse by the hospitals. The contents of letter No. H&AI/ZHS/PESH-2021, dated 24th December 2021, have been made part of the agreement which would be offered to all the existing and new hospitals that qualify the revised criteria. Hospital refusing to sign the agreement would by de-empanelled as charging for the covered services is against the spirit of the program that states the cashless nature of the program.

e. Policy for Rotation of District Medical Officers (DMOs) and Health Facilitator Officers (HFOs)

Policy for rotation of DMOs and HFOs between hospitals have not been developed. Non-rotation of SLIC's staff creates a familiarity threat. The familiarity between the hospital and SLIC's staff increases the risk of collusion which can only be reported after a catastrophe. Currently, DMO & HFO are rotated based on judgment of PMO or after receiving several complaints.

SLIC should formulate a policy for rotation of its DMO & HFO to minimize familiarity threats.

Management Comments

As per policy, the local DMOs and HFOs are hired due to the familiarity with the local language/dialect and easy access to the hospital keeping in view the emergency nature of their duty. A non-local DMO or HFO wouldn't be able to visit the hospital or assist the patient in emergency cases. Hence, it is not practical to hire non local HFOs. Further the HFOs are transferred between the hospitals in the same district to minimize the familiarity threat with the hospitals. Adoption of a new policy based on the potential threat could lead us to practical threats in case the patient can't be reached by the DMO & HFO in emergency due to their non-residence status.

Hence, it's not practical to depute/transfer DMOs and HFOs between the districts.

f. Maintenance of Human Resource Files

State Life Insurance Corporation have engaged PrimeHr to supply human resource required for Program and majority staff is engaged under outsourcing arrangement. Generally, human resource files are maintained by hiring agency. But due to sensitive nature of Program, SLIC should also maintain HR files. During audit, HR files of staff hired for "Sehat Card Plus" via PrimeHr were not available with SLIC and files were only maintained on PrimeHr premises.

SLIC shall maintain a copy of the employee files at its premises. SLIC shall review the files and communicate the issues identified to PrimeHr for perusal.

Management Comments

As per agreement, the PrimeHr firm is responsible for maintaining and updating the files of the Human Resource provided to SLIC. This is the essence of outsourcing for elimination of the duplication of efforts.

State Life after discussion and approval of the management has started maintaining the files of the HR firm. Though, this would be duplication of efforts but in order to avoid any issues, the verification of employees would also be carried out by maintaining the files of all HR firm provided human resources.

g. Addition of Consultant's Name in HMIS

The claims record in SLIC's HIMS did not include the name of the consultant carrying out the treatment. The lack of a consultant's name in the database makes it difficult to match the consultant's name from the consultant list provided by the hospital. Furthermore, there is a risk that name of a consultant can deliberately be used in two separate hospitals for documentation.

SLIC should maintain the consultant's name in the claims data. Addition/Deletion of consultant should be initiated from hospital dashboard followed by approval of authorized personnel of SLIC. Once such database is comprehensively developed, it can be utilized in future by health department to track and trace the performance of overall Khyber Pakhtunkhwa Doctors.

Management Comments

The names of the consultants have already been incorporated in the HMIS database. The matter was discussed with the Department of Health Govt. of Khyber Pakhtunkhwa and it was concluded to display all the names of the consultants working in a particular hospital on the dashboard of the concerned hospital. The hospital dashboard summary would also be made available to SHPI. This way, it would be easy to check the consultants working in a hospital. The hospitals would also be communicated to display the names of the consultant working in their hospital near the Sehat Card Plus Counter for the facilitation of the program patients. A report would also be generated showing the consultant with all the hospitals against their names where they are performing the duties.

h. Addition of Hospitals Medical Staff in SLIC HMIS

On empanelment of hospitals, State Life Insurance Corporation verifies documentation of Medical staff (Medical Officer & nurses) and details were documented in hard copies. However, later on changes in medical staff were neither updated nor any mechanism exist in HMIS.

There is a risk that after evaluation, hospital may hire unqualified staff with inadequate experience and may mishandle patients leading to complications which will affect the reputation of Program.

SLIC should maintain a proper record of the medical staff of the hospitals in HMIS. It shall be mandatory for the hospital to provide and update medical staff details via hospital dashboard for compliance with empanelment criteria. SLIC should include the clause related to the provision of medical staff's data in the contract with the hospital.

Management Comments

At the time of the empanelment of the hospital, the relevant record of the human resource is submitted by the hospital. Checking the record of every nurse and every medical technician is not practical nor it is possible for State Life. The Govt. of Khyber Pakhtunkhwa has established a Health Care Commission for this purpose which is also the authority of registering the hospital. This task is already being carried out by them, hence it would be a duplication of the activities. The Govt. of Khyber Pakhtunkhwa could work further in this regard in light of the recommendations of the auditors.

i. Consultants Declaration for Treating Sehat Card Plus Patients

In some hospitals, some consultants refused to provide services on Sehat Card Plus and hospitals placed limits on number of patients to be entertained. As a result, patients in the hospitals could not avail services on the Sehat Card Plus even when beds were available in the hospital.

During the empanelment process, all hospitals must provide signed Doctor Declaration Forms, to ensure they would not refuse to provide services on "Sehat Card Plus". A hospital would not be empaneled unless all the consultants of specialties with agreed package rates sign the declaration forms.

Management Comments

State Life is of the opinion that keeping in view the sensitive nature of the health care services, every consultant/doctor has the right to be part of the team providing health care services under the program or continue his private practice.

State Life signs agreement with the hospital not consultant therefore any such deceleration would discharge the hospital from any action in case the consultant refuse the services under the Program.

At the time of the assessment, the hospital provides a list of the doctors on the basis of which the hospital is graded. Instead of taking declaration from each consultant /doctor (with whom we don't have any agreement nor we could take any action against those doctors in case of refusal of services) the hospital would provide a declaration that the doctors on the provided list would not refuse the services. Action could be taken against the hospital in case of refusal of services by the doctors on whose behalf the hospital had submitted the declaration.

j. Addition of Beneficiary's Contact Number through One-Time Password (OTP) Authentication

As per record received from NADRA for subject audit period, beneficiary calls of 2,616 out of 81,050 were not reachable. NADRA's management explained that beneficiaries are approached three times and are marked "not reachable" if response is not received. Furthermore, call center employees revealed that some of the numbers belonged to the hospital staff.

There is a risk that fake numbers may be entered in the SLIC HMIS to conceal irregularities or inactive number is provided by beneficiary.

SLIC should verify the number of the beneficiary through OTP authentication. This would ensure number relates to beneficiary and was active while recording in SLIC's HMIS.

Management Comments

The suggestion is valuable but as per data gathered by the Auditors, almost 80% telephone numbers are correct. Though the idea is good, but its implementation would have practical issues due to its dependence on the cell phone network and the database response time. Usually the patient submits the number of the attendant. It is not necessary that same attendant would accompany the patient on repeat visits especially Dialysis, Chemotherapies and Radiations. Therefore, each time the patient is admitted, the OTP process for verification would be repeated which would lead to delay in admission time and dissatisfaction of the patients.

State Life suggests that the provincial Govt. should approach PTA for pushing all the phone numbers issued against the CNIC of the patients to State Life database through NADRA. Since these numbers are already verified through Bio Metric system therefore, we may have 100% correct contact numbers.

1.2 Claims Processing Observations

a. Claim Dispute Resolution Mechanism

The audit team observed that the claim dispute mechanism needs to be further strengthen. In response to the questionnaires shared by the audit team, hospitals shared lists of pending claims up to June 30, 2021. Only fifteen hospitals shared total of 841 pending claims, out of which 292 claims were already paid by SLIC. SLIC denied receipt of remaining 549 claims documents. SLIC's letter of denial of receipt of 549 documents is attached in Annexure 2.

Therefore, a weak system could lead to financial loss of the hospital. The hospital is of the view that claims were sent to SLIC while SLIC denies receipts of claims. Hospitals neither have duplicate copies of claims nor there is any such clause in agreement between hospitals & SLIC that requires to maintain duplicate copies.

A committee should be constituted comprising members from SHPI & SLIC to formulate a claim dispute mechanism and address claim related discrepancies for smooth operation of Program.

Management Comments

The role of Claim Dispute Committee is applicable in cases where the claims are to be either repudiated/denied or deduction to the actual claim amounts are to be made.

For this purpose a separate section has been established. All claims where there is dispute regarding deduction or repudiation are referred to that section. The section prepares lists of the cases and dispatched them to the hospital with the invitation to discuss the cases with claim dispute resolution committee. Payments are made accordingly in light of the decision reached among the representatives of the hospital and claim dispute committee of State Life.

As far as the non-receipt of claims are concerned, it is not related with claim disputes. For this purpose the hospital are being informed to keep scanned copies of all the claim that are dispatched to State Life. Additionally, since we are moving to E-claims due to which all hospital would send claims electronically, therefore hospitals needs to be prepared for this system.

The hospitals have also been provided dashboards which shows the claims receipt at State Life Office, if the hospital observes that received claims are less than the number they have dispatched, the matter could be taken up with State Life in time.

All these mechanisms would insure that claims disputes are resolved in an efficient manner and the flow of claims could also be observed by the hospital concerned.

b. Process for Sharing Errors and Omissions with Hospitals

In the agreement between SLIC and the hospitals, Clause 06 of the agreement states that:

"In the event of a clerical error or administrative error (e.g. duplicate claim payments, incorrect payment), State Life will notify the hospital of the error. Once both parties have agreed to the required correction, the adjustment will be made in a claim payment within 30 days. In the event the contract is no longer effective, this clause will still be enforceable, with the payment due to the appropriate party as agreed within 30 days of the agreed settlement."

SLIC did not share claims with errors and omissions with the hospitals within 30 days, which is non-compliance with the above clause of the agreement. As the claims were not shared, the hospital claims were pending, delaying settlement of the claims. There is an added risk of the claims being misplaced, which may result in financial loss to the hospital.

SLIC should share claims containing errors and omissions with the hospitals within 30 days of the receipt for smooth operations of Program. After highlighting the issue, SLIC took prompt action and established separate section for communicating discrepancies in claims to Hospitals.

Management Comments

For this purpose, a section has been established where all the incomplete claims are recorded and list of same are prepared for dispatch to the hospitals. The original claims are retained, only the requirement are communicated to the hospital. Reminders are also sent to the hospital. Once the requirements are received the claims are settled. The requirement letters are now being regularly shared with the hospitals.

c. Duplicate Claims' Files

It was noted that SLIC did not incorporate the clause of maintaining a duplicate copies of claims in agreement with the hospitals.

In case of misplacement either by SLIC or the hospital, the hospital will probably lose its receivable while SLIC cannot pay the claim amount without proper documentation.

Therefore, SLIC shall incorporate the clause of maintaining a duplicate scan copies of claims in agreement with the hospitals. This will compel the hospitals to maintain a copy of the claim and minimize the risk of a financial loss if SLIC or the hospital misplaces the claim.

Management Comments

Keeping duplicate documents by the hospital is not part of the agreement nor required under the agreement, but as explained earlier, that since we would be moving to E-claims in the year 2022, therefore the hospital would have to switch to submission of claims electronically.

The hospitals are now being informed to keep scanned copies of the claim documents so that in case of any missing claims, copies could be generated for payment purpose.

d. Electronic Processing of Claim

Hospitals share their claims with SLIC through courier and the current process is time consuming. As discussed earlier, 549 out of 209,177 claims are misplaced and alternate copies of claims are neither available with SLIC nor with hospitals.

Furthermore, due to 100% coverage of the KP population, the number of claim files have increased significantly. The files have taken up a lot of space in SLIC's zonal office and it is cumbersome to manage and maintain claim record. In questionnaires shared with the hospitals, 94% of the hospitals recommended e-claim processing.

Therefore, it is recommended that SLIC must invest time and resource for development of e-claim processing at an earliest to streamline operations.

Management Comments

State Life is already working on the E-claims system for efficiency and minimization of the paper work. The system would be made operational in the year 2022

e. Payment of Hospital Claims against Private Room Use

During verification of the claims, we noted that some claims of Ahmed Medical Complex Mardan included patient consent for using private room, and the hospital charged patients for services. Claims were settled by SLIC without raising any concerns and the consent form was attached with claim documents.

Such practice encourages hospitals and beneficiaries to use cash for availing services which is against the spirit of Program. If the patients get habitual with paying for service while operating on Sehat Card Plus, then patients can be compelled to pay for other services as well.

Therefore, we recommend to discourage availing other benefits not covered on Sehat Card Plus by paying cash. SLIC should issue warnings to the hospitals to refrain from such practices and onward claims should not be settled.

SLIC can launch top-up packages which may cover additional facilities not available in basic package.

Management Comments

Such practices are being discouraged as they are against the spirit of the Program that is based on the cashless nature of the Program. This case was already pointed out by our internal audit department in post audit.

All hospitals are being reminded for abandoning such practices even if the patients/beneficiaries are willing to make the payments for extra benefits.

The implementation of Top Up product is under process and a proposal in this regard has already been submitted to the provincial Govt. for offering to the Government servants.

f. Delays in Processing of claims due to Non-Availability of DMO

During audit team visits, delay were observed in claims processing due to the non-availability of the DMO and same was complained by hospital.

The DMO has to look after the hospitals of two districts that are Lakki Marwat and Bannu. The HFO accumulates 120 - 150 claims for the verification from DMO, but he only visits twice a month.

After sharing concern with SLIC management, a separate DMO for district Lakki Marwat was engaged. SLIC must hire additional DMOs so they can easily fill the gaps wherever required.

Management Comments

DMOs are hired through third party for performing duty. Each district has at least one DMO. The number may increase due to the burden of work. In Mardan, we have 3 DMOs. In Swat, three DMOs are performing duties, in Peshawar 5 DMOs have been hired.

The case mentioned is due to the fact that the DMO of Lakki Marwat had resigned due to which the duty was assigned to the DMO of the adjacent district for the convenience of the hospital.

Even after hiring of the DMO, it takes around 2 months to properly train him for working independently in the district.

Such events are inevitable when a DMO resigns from the post. DMO for each district cannot be hired in advance as it would be wastage of resources. The best way to cope with the situation is to depute the DMO of the adjacent district.

g. Claim Verification by Internal Audit Department

During claim verification, it was observed that the internal audit department post-audits claims on a sample basis due to lack of staff.

Post-audit on a sample basis may result in control weaknesses being overlooked and will not be identified, which may increase the risk.

We recommend that internal audit department shall follow risk based internal audit approach. Claims should be verified after analysis and risk assessment. Following the risk-based approach would minimize the risk of issues being skipped. Timely identification of problems would bring in improvements in the claim settlement process.

Management Comments

10% of the paid claims are post audited on sample basis as per the policy of State Life. The claims pass through several processes before being paid. The claims are checked by the HFO, the Hospital itself and the DMO. Technical team checks the claims when they reach SLIC office, followed by claim officers' checking. After preparation of the voucher, they are once again checked and finally the accounts department check these claims.

In presence of so many processes, it is not necessary to check each and every claim by the Audit department. This would lead to delays in payment of claims to the hospital which would cause financial issues leading to discontinuation of services. This is the reason that post audit of 10% cases has been made mandatory.

As far as the risk based financial approach by the audit is concerned, it is not practical as the risk assessment is the duty of the actuaries who while submitting the proposal assess the risk and quotes premium accordingly. The actuaries continuously carryout the risk assessment by using software such as Tablu and BI. The actuaries are based in Islamabad.

1.3 On - Field Related Observations

a. Partial Allocation of Beds in Rehman Medical Institute (RMI)

Only RMI is allowed to allocate partial beds for Sehat Card Plus in the hospital's wards. Same was acknowledge by SLIC and clarified that the gradation of the hospital is based on the number of beds allocated for Sehat Card Plus which is discriminatory. Email from RMI notifying SLIC of partial allocation of beds is attached in Annexure 3.

There is a risk that other empaneled hospitals may also initiate such practices and disguise denial of treatment as a lack of beds availability in the hospital. It would be challenging for SLIC to maintain a check over the number of spare beds in hospital to tackle this problem.

SLIC should not allow empaneled hospitals for partial allocation of beds for Sehat Card Plus in the hospital. Such practice must be prohibited and warnings should be issued to the hospital followed by delisting. Only those hospitals should be empaneled that agree to provide all beds for Sehat Card Plus Program. Furthermore, the clause related to the allowance of full bed capacity should also be incorporated in the agreement with the hospital.

Management Comments

This matter has been taken up with the hospital, they have the view that since there are other organizations on their panel, and therefore, they have to keep some of the beds vacant. But there are reports that patients refused under Sehat Card Plus due to non-availability of the beds and are admitted if they want to avail the services as private patient through out of pocket expenses.

The issue is being taken up with SHPI Office for formulation of a policy to either allow all the beds to the Sehat Card patients or any patient not admitted under Sehat Card may not be provided services as private patient if the beds are to be kept vacant for the organizations' panel patients.

If the hospital is not agreed to these terms than action for removal from the panel may be initiated as it is the only hospital throughout Pakistan that has imposed restrictions on the number of beds for the patients of Sehat Card Plus.

b. Availability of DMOs in Empaneled Hospitals

During audit, some hospitals were being managed by DMOs from SLIC Zonal office and were not available physically. The following are the main responsibilities of DMO:

- Carry out tasks in regards to claims, such as; contest inline claims, review submitted claims and conduct periodical meetings.
- Assess the overall quality of care by conducting surprise inspections and giving feedback for corrective actions.
- Facilitate the documentation of Standard Operating Procedures and ensure that they are updated as and when required.
- Provide support to other teams by monitoring HFO, verifying quality of data entry and contesting claim reviews.
- Communicate and coordinate with the clients if and when the need arises.

As per SLIC, some DMOs had resigned and new DMOs were being trained when audit team visited. With several responsibilities, there is a risk that in the absence of DMO, the performance of the above duties may be compromised.

We recommend that SLIC shall ensure availability of DMO in all empaneled hospital and shall retain more than required DMOs, in case anyone is terminated or leaves, retained DMOs are available for duties.

Management Comments

As explained earlier, the hospitals become orphan when the DMOs resign and a replacement is hired and trained for deputing and assignment of hospitals.

For resolving the issues of the hospital, the DMOs deputed in adjacent districts are assigned the task. If that is not possible than DMOs in the Office are assigned the task of resolving the issues. Since the DMOs of the mentioned hospital resigned from the job therefore the duty was assigned temporarily to the DMOs in the office till fresh DMOs were hired and trained for deputing in the hospitals.

c. Visit of DMO to Admitted Patients

In Phase 1 of the project, DMO was bound to visit every patient within 24 hour of admission. In Phase 5 of the project, DMO do not visit every patient. SLIC's management was of the view that the project is now covering overall Khyber Pakhtunkhwa (KP), so it is not possible to visit every patient.

There is a risk that issues of the patients are left unnoticed & unresolved if a DMO does not visit patients randomly.

DMOs should visit the patients on a sample basis, and the DMO should mark the patients visited on the dashboard.

Management Comments

Phase 1 was a much smaller project and it required different model compared to 100% program. The random visit to patients are being observed but are not recorded in the database. It is a valuable suggestion, therefore the IT team would be asked to incorporate changes in the software for recording the random visits to the patients by the DMO.

2. Social Health Protection Initiative (SHPI)

2.1 Planning and Policy Observations

a. Monitoring Section

Monitoring is a regular systematic collection and analysis of information to track the progress of program implementation against objectives. Monitoring provides records of activities performed and results incurred. It identifies the problems to be remedied and the reason why a particular problem has taken place.

Our examination reveals that monitoring was not carried out in terms of operational efficiency, hospital monitoring and complain management nor documented. SHPI and NADRA agreed in MOU to establish a centralized emergency command and control center in the location defined by KP Health Department. Furthermore, NADRA will also provide training to the monitoring team as per MOU. Due to a non-availability of human resource in monitoring section, hospital issues reported in Section 5 & 6 would have been reported and resolved earlier. Issues being unnoticed will remain unresolved and hamper the growth of the program.

Therefore, the monitoring section must be strengthened in SHPI at earliest with experience and dedicated team. The Monitoring Section will identify problems in the hospitals and address them for timely resolution. It will act as a catalyst for the growth of the program.

Management Comments

Monitoring is the most important activity and the government is well aware of it. Recently the government has drafted a Bill for the Sehat Card Plus Programme titled "the Khyber Pakhtunkhwa Universal Health Coverage Act, 2022" which is in the process of approval. The said Bill provides for the establishment of a comprehensive implementing body including a well-resourced M&E department that will cater for the conduction of most relevant activities so as to resolve the identified issues well in time.

b. Program Key Performance Indicators (KPI)

"Sehat Card Plus" program is being implemented throughout the province of Khyber Pakhtunkhwa but KPI's are not in place to gauge performance. During audit, our team observed many positive impacts on the health sector of KP but we were unable to quantify those impacts due to lack of data.

It was noted that key performance indicators for Program were neither formulated by Management nor such data was accumulated enabling audit team perform analytical procedures. A key performance indicator (KPI) is a measurable value that demonstrates how effectively a Program is achieving key objectives. Organizations use KPIs to evaluate success at reaching targets. We recommend that key performance indicators must be formulated to enable to effectively track progress and performance of Program. International consultants can be engaged to collect, analyses and provide research reports. Following are the proposed KPI's:

- Number of patients availed health services on Sehat Card Plus vs Number of patients availed health services in KP
- Overall health expenditure in KP (excluding development fund) vs Overall health expenditure on Sehat Card Plus in KP

- Total revenue of government hospitals from Sehat Card Plus vs Total revenue of government hospitals from Government Grants
- Trend and impact analysis on health services of remotes areas of KP.
- Tread and impact analysis on health regulations.
- Pre and post Program launch impact and tread analysis on tertiary care in government and private hospitals.

Management Comments

We do agree that there should be defined KPIs to regularly measure the performance/progress of the Programme. Although there are no written KPIs, however, performance of the Program is measured on regular basis through data analysis for which there are set areas i.e. # of total admissions (year/month wise, sector wise, disease wise & gender wise), cost incurred on treatment (year/month wise, sector wise, disease wise & gender wise), trend analysis of different diseases/procedures etc. and all these can be seen on the Program dashboard. There are some ready reports on the dashboard as well.

However, the observation is agreed and the Program will define all the required KPIs in writing and regular reports on the same will be generated.

c. Sehat Card Funds Utilization - Government Hospitals

Health Department has outlined a utilization formula for income generated through Sehat Insaf Card for Government hospitals as per notification no. E&A (Health)/3-76/2019. Mechanism for ensuring compliance with subject notification was not available. The notification issued by Health Department is attached in Annexure 4.

The audit team observed improved performance in hospitals complying with the notification. During visits to several Government Hospitals, the audit team observed that management is not utilizing the fund as per policy. Due to non-compliance, the hospital staff complained for not receiving their share.

Health Department must shape a team for monitoring the hospitals or outsource the function responsible for submitting quarterly utilization reports of funds of each hospital. Team should investigate the performance of the hospitals and determine compliance with the utilization formula by documenting and sharing their findings via a report.

Management Comments

Agreed with the observation that there are problems with the public sector hospitals for fund utilization. Although a fund retention and utilization mechanism was devised and notified for the public hospitals but the same was found to be very broad i.e. mainly focused on division in different areas for utilization and further distribution within different areas was lacking.

Therefore, the Programme has now devised an excel sheet wherein a set formula has been applied for further distribution among different areas. The same has been provided to the public hospitals so as to facilitate them in the funds utilization in future.

d. Complaint System for Hospitals

In interviews with hospitals management, they requested to have in place complaint mechanism to logged complains against SLIC. They explained that whenever they face any issue, they don't have any official email or helpline number to communicate their concerns. Also, there is no formal portal or committee to address issues faced by the hospital.

Due to a lack of complaint process, the hospitals are unable to communicate their grievances to SHPI, such as hospital's dashboard issues, package rates, additions and deletions of treatments, and any other issues, etc.

SHPI should constitute a formal email address or committee to address hospital complaints against SLIC. Also, a proper register of complaints should be maintained.

Management Comments

The hospitals are regularly sending complaints to PMU either directly or through Health Department. Moreover, the Sehat Card Plus website www.sehatcardplus.gov.pk provides a feedback form on its contact page through which any hospital can send their complaint or query to PMU. Recently, health department has notified a grievance redressal committee specifically for the hospitals (notification attached).

e. Timeframe for Maintaining Record of Feedback Calls

In MoU signed with NADRA, the clause related to the timeframe for maintaining record of feedback calls is not part of the agreement.

Management of NADRA explained that there is a lack of clarity in this regard. SHPI should incorporate the clause related to the timeframe of maintaining record of feedback calls in agreement with NADRA.

Management Comments

Point very well taken. The agreement with NADRA will be amended accordingly.

2.2 Administrative Observations

a. Premium Calculation of Phase IV

SHPI paid Rs. 231,699,406 to SLIC for additional families of 264,170 from January 27, 2020 to June 30, 2020. After re-calculation, total premium amounted to Rs. 230,101,479 on the basis of 156 days and with a premium of Rs. 2,038 per annum. It implied that SHPI overpaid the premium by Rs. 1,597,927.

Incorrect calculations would lead to erroneous payments from SHPI to SLIC and impact the reliability of the figures provided by SLIC.

Management should recalculate and document the figures computed by the accounts staff to ensure arithmetical accuracy. This amount shall be adjusted in premium payment of forthcoming period.

Management Comments

Premium overpayment of Rs. 1,597,927 to SLIC is due to rounding of pro-rata premium /day. SLIC calculated pro-rata rounded up to one point of fraction, which created difference of said amount. ***However, the excess amount will be adjusted against current payment.***

b. Delays in Contract with National Database and Registration Authority (NADRA)

The Memorandum of Understanding (MoU) between SHPI and NADRA was signed on October 23, 2020, while the contract was signed in March 2022.

As per NADRA's management, due to delay in signing the contract, they did not hire adequate staff for calls center establish for feedback calls to patients who have availed services. Hence, a backlog of calls arose. We recommend that agreements/supplementary agreement with strategic partners must be executed timely to avoid inconvenience for Program.

Management Comments

Point very well taken, however, it is to clarify that MoU with NADRA has been replaced by a contract agreement wherein deficiencies has been removed. Furthermore, if required supplements can also be signed/added in future to overcome deficiencies, if any.

c. Payment of Additional Benefits to the Beneficiaries - Lady Reading Hospital (LRH)

Funeral and maternity care allowances of Rs. 10,000 and 1,000 respectively are part of the Program as additional benefits for the patients. For this purpose, SLIC has incorporated clauses related to such benefits in agreements with hospitals. Hospital would pay the amount to the beneficiary, and then SLIC would reimburse the hospital.

SLIC has issued letter ref no: H&AI/ZHS/PESH-2021 dated July 29, 2021 addressed to Lady Reading Hospital (LRH), mentioning Paragraph 1, 2, and 4, Appendix III in the agreement stands withdrawn in light of the letter issued by Director SHPI. SLIC and SHPI letters are attached in Annexure 5. The allowances have been withdrawn for the time being and as an arrangement is agreed with the micro-finance organization, the payment of the allowances would be resumed.

Non-compliance by hospitals with fundamental concept of Program must not be empaneled by SLIC. Otherwise, other hospitals would also attempt to include or exclude clauses at their discretion which will cause difficulties for SLIC in implementing consistent policies.

Management Comments

The point is well taken, however, it may be noted that the action was taken after mutual consent/agreement of both the parties and with the condition that SLIC will pay the same additional benefits directly to the beneficiaries.

d. Third Party Audit Clause in contract between SHPI and SLIC

The clause related to the third-party audit of "Sehat Card Plus" is not included in the contract between the two parties. SLIC's management also argued that SHPI did not issue prior notification before the start of the third-party audit.

Therefore, access to SLIC HMIS claims data and complains record was not provided by SLIC initially. Record of complains was provided in reporting phase of audit which was useless.

The clause related to the carrying out third party audit of the program is now included in the supplemental agreement between SHPI and SLIC.

Management Comments

The same has now been included in the supplemental agreement with SLIC.

e. Fixed Asset Register

It was observed that one register for fixed assets and inventory/consumable items is maintained.

It is cumbersome and time-consuming to identify specific fixed asset or inventory/consumable item when maintained together and is against best practices. SHPI should maintain separate asset registers to ensure that fixed assets and inventory items are not disorganized with each other and purpose for maintaining register can be fulfilled.

Management Comments

Point very well taken and the same will be applied from now onwards.

3. National Database and Registration Authority (NADRA)

a. Feedback Calls Backlog

As per SLIC's claim data for the period subject to audit, 209,177 unique visit ID's have received treatment on Sehat Card Plus. As per data provided by NADRA, only 81,050 (39%) unique visits ID's were called for feedback and calls to 128,127 (61%) unique visits ID's are still pending as at February 24, 2022. As per MoU signed with SHPI, NADRA agreed to call 100% of the beneficiaries availing services on Sehat Card Plus.

NADRA should split its staff for Sehat Card Plus into two teams. One team should work on the backlog while the second team should work on the future services provided on Sehat Card Plus.

Management Comments

We acknowledge the reported gap in terms of utilization of call center for feedback calls. However with consultation of SHPI KP, NADRA is proceeding to reduce the gap at the earliest. As per latest data sheet, feedback calls ratio has been increased to 77.8 %.

b. Feedback Calls Aging

We observed prominent gaps between discharge and feedback call date. The analysis of the feedback calls data provided by NADRA up to June 30, 2021, is as follow:

S.No.	Description	Number of Calls	Percentage
1	If aging is equal to or below 1 month	8,045	9.93 %
2	If aging is between 1-2 month	13,095	16.16 %
3	If aging is between 2-3 month	13,773	16.99 %
4	If aging is above 3 month	46,137	56.92 %
	Total	**81,050**	**100 %**

56.92% feedback calls are after three months i.e. NADRA called the beneficiaries after three months from their date of discharge. The average calling period for the beneficiary is 132 days from the date of discharge. Due to prominent length of the period between discharge and call date, there is a risk that the beneficiary's number may not be reachable or might not be interested, if contacted then.

NADRA must ensure that beneficiaries are called within one week or maximum two weeks of discharge. Reducing the gap between discharge and feedback call date will enhance the quality of response from the beneficiary and corrective measures would be feasible accordingly.

Management Comments

The aging of feedback calls have been settled significantly. Following are the statistics of last Five month's successful calls;

S.No.	*Description*	*Number of Calls*	*Percentage*
1	*If aging is equal to or below 15 days*	*42,423*	*48.8 %*
2	*If aging is between 15-30 days*	*22,177*	*25.5 %*
3	*If aging is between 1-2 month*	*17,038*	*19.6 %*
4	*If aging is between 2-3 month*	*4,992*	*5.7 %*
5	*If aging is above 3 month*	*250*	*0.30 %*
	Total	***86,880***	***100 %***

c. Feedback Calls Replies Weightage

During feedback calls, NADRA asks the following four questions from the beneficiaries:

- Are you satisfied with the quality of treatment and service provided in the hospital?
- Are you satisfied with the behavior of the hospital's staff?
- Are you satisfied with the behavior of the Sehat Card Plus's staff available on the desk?
- Is any amount taken from you during the treatment?

The weightage of the four questions asked by NADRA from the beneficiaries is not aligned with its importance. District wise analysis of feedback calls extracted from NADRA's CMIS is outlined below:

The assessment of the beneficiaries' satisfaction is based on the equal weightage of the above questions which leads to an incorrect appraisal of the Program. For example, if a beneficiary answers "YES" to the first three questions and answers "NO" to the fourth question, then it would be incorrect to assume that the beneficiary is satisfied. Because paying the amount eradicates the purpose of Program.

Therefore, the weightage shall be allocated as per the importance of the question. This would ensure that the results provide a fairly accurate view of the Program and could be relied upon for taking remedial action.

Management Comments

NADRA acknowledged the observation regarding weightage of questions from the beneficiaries. SHPI KP may suggest the revised structure of the questions, its weightage and allied output.

d. Third Party Direct Confirmation to the Auditors

NADRA did not confirm the number of families of the beneficiaries for the audit period directly to the audit team. ISA 505 External Confirmations states that:

"ISA 500, "Audit Evidence" states that the reliability of audit evidence is influenced by its source and by its nature, and is dependent on the individual circumstances under which it is obtained. It indicates that, while recognizing exceptions may exist, the following generalization about the reliability of audit evidence may be useful:

- *Audit evidence is more reliable when it is obtained from independent sources outside the entity.*
- *Audit evidence obtained directly by the auditor is more reliable than audit evidence obtained indirectly or by inference.*
- *Audit evidence is more reliable when it exists in documentary form.*
- *Audit evidence provided by original documents is more reliable than audit evidence provided by photocopies or facsimiles.*

Accordingly, audit evidence in the form of original written responses to confirmation requests received directly by the auditor from third parties who are not related to the entity being audited, when considered individually or cumulatively with audit evidence from other audit procedures, may assist in reducing the risk of material misstatement for the related assertions to an acceptably low level. "

The confirmation provided did not comply with three of the above requirements. The confirmation was provided indirectly i.e. provided to SHPI and then was shared with the audit team. A photocopy

of the confirmation was provided through email which is non-compliance of ISA. Confirmation provided by NADRA is attached in Annexure 6.

NADRA shall confirm the number of families of the beneficiaries through a post on the address provided by the audit team. This would ensure that the firm complies with the auditing standards' requirements.

Management Comments

As per the contract agreement with SHPI KP, NADRA under Para 3 "Obligations of the Services Provider" clause 3.3 of confidentiality states that the service provider shall not at any time communicate to any person or entity any confidential information acquired, therefore, information related to the matter can be sought from SHPI, KP.

Moreover, it is suggested that in view of urgent circumstances, emergencies or serious observations auditors can be asked to nominate a liaison officer who can be in coordination with NADRA representative in case of such situations.

4. Prime Human Resources Services (PrimeHr)

As part of audit, our team visited PrimeHr Karachi office for review of policies and procedures in place for employees outsourced to SLIC for Program. In total, 170 staff was hired by PrimeHr and outsourced to SLIC during the subject audit period. Following observations were noted during verification of personal files:

a. Incomplete Personal files

The following are the files which were found incomplete during review:

S.No.	Observation	Number of Files with Discrepancies	Details of Files
1	Experience letter not available in the personal files	38	Annexure 7.1
2	Academic documents are not available in the personal files	14	Annexure 7.2
3	CNIC copy not attached in personal files.	18	Annexure 7.3
4	Resumes are not available in the personal files	16	Annexure 7.4
5	Photographs given are not recent and don't match with CNIC or photograph in the employment form.	8	Annexure 7.5

The shortcomings reported above are part of the primary documents inspected by each organization before hiring. PrimeHr is a specialized organization for Human Resource Management and must adhere with best practices of industry. The above discrepancies were shared with PrimeHr Management and they have requested their employees to submit the same, else PrimeHr shall hold their salaries from upcoming month.

Management Comments

The documents have already been asked for and being submitted by the employees concerned for updating the file.

b. PMC's License of DMOs

During audit of PrimeHr, it was revealed that following district medical officer have provided unverified Pakistan Medical Commission (PMC) License number and upon online verification from PMC website, they were not matching.

S.No.	Employee Name	PMC No.	PrimeHr Employee No.
1	Mr. Kifayat Ullah	38149-N	00267
2	Mr. Safi Ullah	83674-S	00336

As per PrimeHr, they have not agreed to verify documents as per contract with SLIC. This implies that neither PrimeHr nor SLIC verifies the certificates of staff which indicates major control weakness. DMO is assigned multiple significant responsibilities due to their qualifications, skills and experience which is critical for the success of the Program. Unqualified and incompetent employees may mishandle daily operations. Both the employee's resigned after SLIC asked for explanation.

PrimeHr shall verify all documents before recommending its employee for outsourcing to SLIC. Employees with insufficient and unattested documents must not be entertained.

Management Comments

All the documents are being double checked, the two employees mentioned above have already submitted their resignation with one month notice and are no longer employees of the PrimeHr Firm.

c. In-Active PMC's Licenses of DMOs

During the review of employees' files, the audit team observed that 5 out of 29 DMOs had in-active PMC licenses. As per PrimeHr's management, verification of PMC's licenses of employees was not agreed in the contract with SLIC. However, Job description of DMO shared by SLIC clearly outlines requirement of "MBBS/MD registered with PMC".

S.No.	Employee Name	PMC No.	PrimeHr Employee No.
1	Mr. Israr Ullah	4678-N	00290
2	Mr. Tariq Mehmood	34886-N	00334
3	Mr. Raza Mohammad	33962-N	00357
4	Mr. Ahmad Mujtaba Rauf	26316-N	00358
5	Mr. Zakir Ullah	34634-N	00490

It is recommended that PrimeHr shall check whether the PMC's licenses of the doctors are active annually. Applications of individuals with in-active licenses shall not be considered. Hired employees shall be instructed to renew their PMC's licenses.

Management Comments

The Licenses are yearly renewable which due to one reason or other may have not been updated by the doctors concerned. Since the DMOs are not practicing medicines rather their role is of gate keepers therefore renewal of licenses would not affect their functionality but still all the DMOs have been directed to renew their licenses.

d. Documents Attestation

During the review of employees' files, the audit team observed that documents of the employees are not attested. Attestation of documents is a standard procedure followed as best practice to avoid discrepancies.

Accepting non-attested documents increases the risk of fake or forged documents provided by the employees. PrimeHr must accept attested documents only from candidates to minimize the risk of fake/forged documents. Furthermore, all staff currently outsourced to SLIC for Program must be instructed to submit attested documents.

Management Comments

As submitted earlier, attested documents have been requested from the employees and the files are being updated accordingly.

e. Medical Assessment of Staff Hired for the Program

During employees' files verification, the audit team observed that PrimeHr did not maintain medical reports of the staff hired for the program. Upon inquiry, PrimeHr's management explained that employees' medical reports are not required as per agreement in SLIC.

The program is implemented in the health sector and it is obvious that the employees will be in contact with the patients in the hospitals. Therefore, their medical fitness is critical for the well-being of the patients and industry best practices should be followed.

Employees shall only be hired if they have submitted their medical assessment reports along with other mandatory documents. Medical assessments will provide the following benefits to the program:

- These checks also help determine whether employees have any pre-existing health conditions, and if they do, will they be able to perform their duties properly.
- Health checks also help determine whether any risks in the workplace need to be mitigated. Employees can discuss their issues in a safe and secure environment with the doctors.
- Ultimately, these health checks help create a suitable and risk-free environment.

Management Comments

Submission of medical assessment is not part of the agreement with State Life. The query would be shared with State Life and medical would be required once the agreement is amended.

5. Government Hospitals

5.1 Common Observations

a. Lack of Banners

The banners at the main entrances of the hospital and complaint banners on the "Sehat Card" counter were not available for patient awareness and facilitation. There were no signboards or standees to guide patients towards the DMO office or HFO counter.

Most of the patients are unaware of the "Sehat Card Plus" facility, and they are paying for their medical expenses. Furthermore, the beneficiary has no idea about the existence of the complaint system. Only 1,881 complaints were registered on SLIC's helpline number in November 2020 - June 2021.

To overcome such matters, the hospital should place the standardized banners emphasizing in following areas in every ward:

- Admission process - Pre-requisites and process of admission
- Discharge process - Pre-requisites and requirements for discharge
- Special approval - Pre-requisites and process of special approval
- Complaint process - must outline types of complaints which can be lodged especially for out of pocket expenses.

Placing the above standardized banners in each ward will facilitate in guiding medical staff of hospital as they are involved in each process.

b. Radiology and Pathology Facilities

- **Overcrowded Facility**

The radiology and pathology facilities are overcrowded, which causes delays in the test results. List of the hospitals in which facilities are overcrowded is attached in Annexure 8.

The patients suffer from delays in laboratory test results, and to avoid such delays, they carry out tests from private laboratories and pay for the tests expenses even if the facility is available at the hospital. The hospital does not reimburse the patients for those expenses.

The hospital shall expand the facility or make contracts with radiology & pathology service providers for procedures/tests, so the cost incurred on tests can be covered by the Program. It is vital to arrange the outsourcing of the laboratories in a paperless environment.

- **Non availability of the Facility**

The package rates do not cover some tests, or there is lack of equipment/facility in the hospital to carry out those tests.

The patients pay for such laboratory tests, and the hospital does not reimburse the patients for those expenses. Furthermore, even if the district medical officer (DMO) approves expensive tests via special approval, the amount would still be paid by the beneficiaries because of the public sector policy do not deal in cash.

The hospital must reimburse the investigation charges to the beneficiaries as per clause 9.5 of the agreement between Social Health Protection Initiative and State Life Insurance Corporation.

The hospital should make a contract with radiology & pathology service providers for procedures/tests not available in the hospital.

c. Availability of Contracted Pharmacy

In 11 hospitals out of 38 public hospitals, the contracted pharmacy gets closed at night on weekdays, while on Sunday, it is closed throughout the day.

The beneficiaries purchase the medicines from external pharmacies when the local pharmacy is closed, and the hospital does not reimburse the cost of the medicines to the beneficiaries.

The hospital must bound the local purchase pharmacy through a contract to be opened throughout the week so the beneficiaries can avail the services.

d. Medicines Availability in Hospital

Our team observed that on several occasions the medicines were neither available in hospital nor in local purchase pharmacies contracted out by the hospitals.

Due to lack of medicines, the patients purchase the medicines on cash and subsequently, not reimbursed by hospital.

The hospital shall make suitable forecasting and arrangements to ensure availability of medicine in the hospital's pharmacies or at least in local purchase pharmacies to ensure the continuous delivery of the services to the beneficiaries. If such an arrangement is not feasible, the hospital must reimburse the beneficiaries through the procedure advised in section 1.1, point "L".

e. Payment of Additional Benefits

The hospitals do not pay the additional cash benefits to the beneficiaries.

The additional cash benefits are funeral charges in case of death of the patient is Rs. 10,000/- and maternity care allowance in case of maternity treatments is Rs. 1,000/-. However, both are part of package rates, but hospitals are reluctant to pay the beneficiaries. As per public sector hospitals, they are not allowed to deal in cash with the patients as per public sector policy and therefore, it is not possible to pay the patients in cash.

The hospital shall pay the beneficiaries through the procedure/modes advised in section 1.1, point "L".

f. Reimbursement of OPD Charges to Admitted Patients

The patient pays the initial investigation cost, and the hospital does not reimburse the cost to the admitted patients.

The initial investigations are fundamental, after which patients are admitted on health card and such investigations are part of the package rates agreed with the hospitals. On hospital visits, majority patients complained that hospital did not reimburse the cost paid for consultant fees and investigations, even after the admission under the Program. The hospitals must formulate a mechanism to reimburse the cost incurred by Program beneficiaries.

g. Medicine Indent Book

Medicines are issued to patients in hospital wards on indent book. Indent book comprises of two copies for each issuance and is given to patients for collecting medicines from pharmacy with comments of pharmacist on it.

But when medicines are required for several patients, the followed practice is not feasible and takes 2-3 hours in some cases. Therefore, the nursing staff prescribe medicines to beneficiaries on simple pages to avoid unnecessary delays in treatment and have to purchase medicines from external pharmacy.

To streamline the process, the ward should only request the medicines from the satellite pharmacy. If the medicines are not available with satellite pharmacy, then the request should be forwarded to LP pharmacy directly by the satellite pharmacy.

A separate ERP module for hospital should be developed and provided to the Local Purchase (LP) pharmacy for requisition of medicines from the LP pharmacy. After such arrangements, the Indent book would not be required, and there will be no contact between ward and LP pharmacy which will smooth line the operations.

h. Lack of Accounting Systems in Empaneled Hospitals

During audit, Emplaned Hospital's shared the list of pending claims and majority claims were paid by SLIC. Lack of competent accounting staff in various hospitals was the major reason.

SLIC had to deploy extra staff to re-check claims which was cumbersome process. Hospitals shall establish proper accounting departments to ensure their pendency records are updated. This would ensure that updated lists are shared with SLIC. Furthermore, submitting audited financial statements by a Quality Control Review (QCR) rated firm must be made mandatory for empanelment criteria.

5.2 Medical Teaching Hospitals (MTIs) Observations

a. Magnetic Resonance Imaging (MRI) Facility Non-Functional – Khyber Teaching Hospital (KTH)

The MRI facility was not functional at Khyber Teaching Hospital. The MRI equipment placed in the hospital is owned by the Khyber Pakhtunkhwa Endowment Fund and requires overhauling. Due to the non-availability of the facility, the beneficiaries have to carry out the MRI scans from external laboratories on cash and afterward, costs incurred by the beneficiaries is not reimbursed.

The hospital should ensure the availability of the MRI facility by taking suitable measures to facilitate patients.

b. Admission Counter for "Sehat Card Plus" – Khyber Teaching Hospital (KTH)

The admission counter of Sehat Card Plus was closed after 04:00 pm in Khyber Teaching Hospital.

For treatment on health card, HFO initially issues the referral letter to the beneficiaries and then refers to the admission counter of the hospital for admission. The benefits of the health card are only available to the beneficiaries after registering in the hospital's ERP as a Sehat Card Plus patient.

The beneficiaries have to bear all the medical expenses, in case the admission counter is closed. The beneficiaries are compelled to either wait till next day or avail the services on cash.

The hospital should ensure the availability of the admission counter for health card patients so the beneficiaries can avail uninterrupted services.

c. Plasmapheresis Kits - Khyber Teaching Hospital (KTH)

The expensive medical kits are not normally available for patients admitted into the medical ICU in Khyber Teaching Hospital.

Audit team noted on instance that a patient has paid Rs. 45,000/- for the Medical kits, and the hospital did not reimburse the cost. Even though the package rate provided by SLIC covers the required procedure and all of its items. The beneficiaries are paying for their medical bills, even being admitted on the Sehat Card Plus.

The hospital should ensure the availability of all the required items for the delivery of the services to the beneficiaries.

d. Photocopier machine for Patients – Khyber Teaching Hospital (KTH)

Beneficiaries have to take photocopies of admission and discharge documents from an external photocopier on cash.

Photocopier is not provided to HFO by hospital for the facilitation of beneficiaries. As per clause 4, section 1.4 of the agreement between the Khyber Teaching Hospital and State Life Insurance Corporation, the hospital is responsible for providing the basic utilities to the HFO.

Furthermore, the hospital is responsible for printing and managing all the documents insurance claims. The primary purpose of the Program is to serve the marginalized community and provide them free of cost best health services.

The hospital should make adequate arrangements for printing and documentation purposes. The photocopier and staff to operate the photocopier machine should be provided to the HFO.

e. Basic facilities for HFO / SLIC Staff – Hayatabad Medical Complex (HMC)

The Hayatabad Medical Complex has provided ineffective office equipment's to HFO for processing.

The HFO complained that the outdated system and delays in the provision of the stationery take time to discharge the patient from the dashboard.

As per clause 4 of section 1.4 of the agreement between the Hayatabad Medical Complex and State Life Insurance Corporation, the hospital is responsible for providing the basic utilities to the HFO.

As per the focal person, the hospital has already tendered for the new office equipment but after several requests, the issue is still unresolved.

The hospital should provide adequate office equipment to ensure compliance with the agreement and the timely processing of the claims.

f. Pending Claims on HFO's Dashboard – Hayatabad Medical Complex (HMC)

In Hayatabad Medical Complex, significant number of the patients' visits are shown as admitted in SLIC HMIS HFO's dashboard. These cases pertain patients already discharged from hospital earlier but the hospital has not provided the claim documents required to discharge the patient from the SLIC HMIS dashboard.

As the patients are still admitted in SLIC HMIS, they can-not avail services on Sehat Card Plus from other empaneled hospital until they are discharged from HMC.

The hospital staff should provide required documents at earliest to HFO of HMC for timely discharge of patients for SLIC HMIS. It will prevent over-burdening of the HFO, and patients will also avoid admission issues.

g. Lack of Program Awareness in Medical Staff – Lady Reading Hospital (LRH)

The beneficiaries are paying for the laboratory test carried out inside the hospital due to lack of awareness among medical staff. However, the package rate provided by SLIC includes the test expenses.

Financially unstable beneficiaries mostly visit government hospitals, and it is difficult for them to bear the expenses by themselves. The Program provides free healthcare to the general public, but such instances undermine the purpose of the Program.

Every ward of the hospital must contain a detailed list of relevant packages covering all the aspects of treatment and services required to the beneficiaries. Furthermore, training sessions must be conducted for the frontline medical staff by the hospitals for awareness.

h. Wastage of Medicines - Qazi Hussain Ahmed Medical Complex (QHAMC)

Medicines are provided by the hospital on a daily dose basis that has been cut from the strip. Sometimes, it is difficult for doctors or nurses to identify the medicine.

Furthermore, some doctors dispose of those medicines and ask the patients to purchase the medicines from external pharmacies and cost of medicine is also not reimbursed to the patients.

The striped-cut medicine must be kept in a protective plastic coating, and the name of the medicine must be written on the coating with a permanent marker.

i. ENT (Female) Ward - Qazi Hussain Ahmed Medical Complex (QHAMC)

The ENT ward of the hospital was not operational because of the exam in the ward.

The patients suffered because the ward was not operational for five days. However, the beneficiaries visit the hospital, and after the initial investigation, the hospital staff misguides the beneficiaries that no beds are available in the ENT ward. Such activities must be arranged elsewhere, to avoid inconvenience to patients.

j. Agreement between SLIC and Pakistan Institute of Cardiology (PIC)

The agreement between the Peshawar Institute of Cardiology (PIC) and State Life Insurance Corporation of Pakistan (SLIC) is not executed since 2020.

All terms and responsibilities of both parties are not implied practically. While these may have been discussed verbally, the lack of written agreement makes it challenging to enforce.

Agreement must be signed at the earliest to avoid disputes in future.

k. Disagreement on Medicine – Ayub Teaching Hospital (ATH) and Khyber Teaching Hospital (KTH)

The pharmacy provides medicines other than those prescribed by the doctors.

Medical staff of all wards complained about low quality of medicines provided by internal pharmacies and sometimes are found to be ineffective. In some instances, the low-quality drugs complicate the treatment, and to avoid such complications, the doctors recommend the patients to buy medicines from external pharmacies. The patients have to pay the cost of the medicines, which is also not reimbursed.

The hospital should make the arrangements that the pharmacy only provides the medicines of adequate quality with mutual consent of consultants.

l. Suspension of Services due to Non-Availability of Medicines - Khalifa Gulnawaz Teaching Hospital (KGTH)

Services on Sehat Card Plus were suspended in KGTH due to the non-availability of medicines to the beneficiaries. DMO issued a letter on June 17, 2021 to the hospital's management stating the closure of the health desk until the availability of medicines to the beneficiaries. In another letter to Zonal Head SLIC on September 27, 2021, DMO mentioned that he had a meeting with the hospital's management for resumption of services on Sehat Card Plus, but the hospital management asked for one or two months for the development of pharmacy.

Hospitals in remote districts like Bannu were empaneled to improve access to healthcare for the beneficiaries. Suspension of services in hospitals in remote districts is contrary to the above objective. Beneficiaries in these districts are compelled to travel distant cities for treatment which can cause unnecessary suffering and complications for the patients.

KGTH is a government hospital and a medical teaching institute (MTI). KGTH is one of the only three empaneled hospitals in the district. Therefore, the resumption of services in the hospital is critical for the beneficiaries and medical education. It is recommended that the management should resolve pharmacy issues and services on Sehat Card Plus shall be resumed for the larger interest of Bannu residents and nearby areas.

m. Capping Cost of Medical Cases – Mardan Medical Complex

Mardan Medical Complex has capped the cost in medical cases to the maximum of Rs. 1,700/- per day.

Surgical treatment is not required in medical cases and the package rate of Rs. 2500/- per day has been agreed with the hospital via contract.

The hospital provides limited services for medicines and investigation tests to the patients according to their capped cost and afterwards, patient bears the cost for further medicines or tests if required, which is non-compliance of agreement.

The hospital should not limit the treatment cost availed under the Program and provide all services in accordance with the agreed terms and conditions of the contract with SLIC.

n. Limitation of Hospital's ERP

The hospital does not reimburse the patients for investigation expenses due to the limitation of the Enterprise Resource Planner (ERP) because the cost charged to the beneficiary in the hospital's ERP is under the "Patient Paid Amount" and afterwards, it is not possible to transfer amount to State Life Insurance Corporation of Pakistan (SLIC) under the "Receivables from Corporate Clients".

In some cases, the beneficiary pays the expenses even after diagnosis and hospitalization because due to the non-availability of the HFO the beneficiary is not registered under the Sehat Card Plus. The reason is again the limitation of the ERP, as explained above.

Due to this system limitation, the beneficiary has to bear the costs of the treatment that are part of the package rate. Such instances are reported when the Health Facilitation Officer (HFO) is not available.

Therefore, the ERP team of the hospital should resolve this issue for patients to avail treatments on Sehat Card.

5.3 District Headquarter Hospitals (DHQs) Observations

a. Shortage of Facilities - DHQ Swabi

There is a shortage of wards in the hospital, and the wards are not categorized accordingly as surgical, medical, CCU, ICU, etc. The Surgical, medical, Cardiology, and CCU patients are treated in the same ward having only seven beds. The Orthopedic, ENT, and Eye patients are treated in another ward having only twelve beds.

All the female patients of Medical, Surgical, ENT, Eye, and Orthopedic are treated in the same ward containing seventeen beds only. However, the hospital stated that a new block is under construction and will be operational in 3 to 4 months.

Separate ICU, CCU, and Cardiology ward were not available in the hospital. The patients are treated in a general ward which is a miserable position for patients as the CCU and Cardiology patients are critical and need special care and attention. Furthermore, specific facilities were not available in the general ward either. It is recommend to temporarily halt health card services in hospital and direct the patients flow to other surrounding operational hospitals until construction is completed for ease of patients.

b. Capping Cost of Medical Cases - DHQ Swabi

District Headquarter Swabi have capped the cost in medical cases to the maximum of Rs. 2,300/- per day.

Surgical treatment is not required in medical cases and the package rate of Rs. 2500/- per day has been agreed with the hospital via contract.

The hospital provides limited services for medicines and investigation tests to the patients according to their capped cost and afterwards, patient bears the cost for medicines or tests if required, which is non-compliance of agreement.

The hospital should not limit the treatment cost availed under the Program and provide all services in accordance with the agreed terms and conditions of the contract with SLIC.

c. Substandard Maintenance of Wards - DHQ Mardan

The maintenance of the orthopedic ward is substandard in the DHQ Mardan as the walls are moist and create unpleasant environment for patients along with health risk such as respiratory infections, allergies etc. The patients may get infected from the damp walls as a result of excessive moisture.

The hospital management must ensure timely repair and maintenance of the hospital and ensure cleanliness and proper hygiene at all times.

d. Basic facilities for SLIC Staff - City Hospital Lakki (CHL)

The City Hospital Lakki has provided slow internet connectivity to the HFO. The HFO complained that the slow internet system takes time to discharge the patient from the dashboard.

As per clause 4 of section 1.4 of the agreement between the City Hospital Lakki and State Life Insurance Corporation, the hospital is responsible for providing the basic facilities to the HFO.

Such issues also cause delays in claims processing. The hospital should provide high speed internet system to ensure compliance with the agreement and the timely processing of the claims.

e. Shortage of OT Rooms - City Hospital Lakki (CHL)

There is only one OT room in City Hospital Lakki, and the patients have to wait in long queue to avail the services.

The primary purpose of the Program is to serve marginalized class and poor people of Khyber Pakhtunkhwa. Such people cannot afford to travel to another city and are compelled to wait for availing the treatment because of the insufficient number of OT rooms.

The hospital shall make the arrangements and construct new OT rooms so the patients can easily avail the services of Program.

6. Private Hospitals

a. Lack of Banners

The banners at the main entrance of the hospital and complaint banners on the "Sehat Card" counter were not available for patient awareness and facilitation, and there were no signboards or standees to guide patients towards the DMO office or HFO counter. List of these private hospitals is attached in Annexure 9.

Mostly the patients are unaware of the "Sehat Card Plus" facility, and the patients are paying for medical expenses. Furthermore, the beneficiary has no idea about the existence of the complaint system. Only 1,881 complaints were registered on SLIC helpline number in November 2020 -June 2021.

To overcome such matters, the hospital should place the standardized banners emphasizing on following areas in every ward:

- Admission process - Pre-requisites and process of admission
- Discharge process - Pre-requisites and requirements for discharge
- Special approval - Pre-requisites and process of special approval
- Complaint process - must outline types of complaints which can be lodged especially for out of pocket expenses.

Placing the above standardized banners in each ward will facilitate in guiding medical staff of hospital as they are involved in each process.

b. Inactive Hospital Dashboard

The audit team observed that 10 out of 114 private hospitals management have not installed the dashboard provided by the SLIC. The primary purpose of the dashboard is to check the eligibility of the beneficiaries when the HFO is not available at the Sehat Card counter in evening and on weekends. It also provides details about the pendency of the claims.

By not using hospital dashboard, it is obvious that patients are either treated on out-of-pocket expenditure (OOP) or they are compelled to wait till the next working day.

c. Unhygienic Operation Theaters (OT) Rooms

During audit team visits, OT rooms were found unhygienic and unclean of following private hospitals:

Sr. No	Hospitals
1	Jinnah International Hospital, Abbottabad
2	Mehar General Hospital, Haripur
3	Zia Medical Complex, Peshawar
4	Al-Falah Hospital, Bannu
5	Pak Medical Center, Peshawar

The patients may be infected during the surgery due to the substandard hygiene of the OT rooms leading to complications. The hospitals shall make proper arrangement for surface disinfection and cleaning, sterilization of medical devices, and wastage of protective clothing after the procedure, to keep the OT rooms as per quality standards.

Furthermore, DMO should identify and report such anomalies to hospitals followed by warning letters for improvement of services.

d. Lack of Nursing Staff

There was shortage of nursing staff in the wards of 9 out of 114 private hospitals. List of the hospitals is attached in Annexure 10.

It is difficult to cater the quality services with low number of nursing staff. Furthermore, lack of nursing staff exists even in most critical wards of the hospitals like ICUs and CCUs. The hospitals should hire nursing staff to comply with the Khyber Pakhtunkhwa minimum service delivery standards.

e. Radiology and Pathology Facilities

During our visit to several hospitals, lack of pathology and radiology services were observed in 3 out of 114 private hospitals. List of the hospitals is attached in Annexure 11.

The beneficiaries had to perform tests from external laboratories and pay for such tests due to non-availability in the hospital. However, the cost of investigations are part of medical package agreed with SLIC. But hospital does not reimburse the expenses incurred by the patients.

The hospital must reimburse the investigation charges to the beneficiaries as per clause 9.5 of the agreement between Social Health Protection Initiative and State Life Insurance Corporation.

The hospital should make a contract with pathology and radiology service providers to cover laboratory tests not available in the hospital.

f. Unverified Documents of Medical Staff

In Zia Medical Complex and Pak Medical Centre, employed medical officers had provided unverified documents which were shared by focal person with audit team. Hospital's management did not maintain controls over the document verification of its staff.

There is a risk that unqualified staff with inadequate experience may mistreat patients leading to complications that will affect the reputation of the Program.

The hospitals shall strengthen their human resource department and shall verify the documents of the potential employees in detail. This will ensure that qualified and competent staff is hired.

g. Discouraging Treatment on Sehat Card – Afridi Medical Complex (AMC)

In Afridi Medical Complex, patients complained that they are discouraged by the consultants to get treatment on the Sehat Card Plus. Patients explained that consultants deliberately allot long waiting dates for surgeries and discourage patients via different arguments such as low package rates will compromise the quality of medicines and encourage patients to avail services on cash. Therefore, patients reluctantly avail services in the hospital on out-of-pocket expenditure (OOP).

SLIC must compel hospital to avoid such practices and take strict measures against medical staff. DMO should also enquire patients for such issues and take prompt actions. SLIC shall issue warning to the hospital, and if the issue persists, then services under the program shall be suspended.

h. Pending Claims on HFO's Dashboard – Afridi Medical Complex (AMC)

In Afridi Medical Complex, significant number of the patients' visits are shown as admitted in SLIC HFO dashboard. These cases pertain patients already discharged from hospital earlier but the hospital has not provided the claim documents required to discharge the patient from the SLIC HMIS dashboard.

As the patients are still admitted in SLIC HMIS, they can not avail further services on Sehat Card Plus until they are discharged from AMC.

The hospital's staff should provide required documents at earliest to HFO of AMC for timely discharge of the patients from SLIC HMIS. It will prevent over-burdening of the HFO, and patients will not face admission issues.

i. Extra Charges by Consultants – Afridi Medical Complex (AMC)

During the audit team visit, it was noted in AMC hospital that doctors were charging personally from Sehat Card Plus admitted patients. Several patients complained that doctors were charging them substantial amount.

Same was communicated to SLIC and prompt remedial measures were taken. Sehat Card Plus is a cashless Program intended to provide free inpatient healthcare services.

Such instances undermines the purpose of the Program, and the hospital should implement robust internal control system to avoid and such malafide practices of consultants. SLIC should instruct DMO to observe and report such instances followed by strict measures.

j. Non-provision of Medicine – Kuwait Teaching Hospital (KUTH)

During audit team visit to KUTH, it was observed that medicines were not provided to the patients admitted on Sehat Card Plus.

The patients complained that the hospital was not providing any medicines, and same was discussed with the hospital management. The hospital is liable for the provision of the medicines to the patient's as these are included in the package provided by SLIC.

Through prompt response of SLIC, the issue was resolved however, the hospital should comply with agreement and must provide medicines to patients whenever required.

k. Medicines Availability Issue – Jinnah International Hospital Abbottabad (JIAH)

It was observed that some medicines were not available at pharmacy of the JIAH. The primary purpose of Program is to support the marginalized community of KP. In case of non-availability of medicines, the patients purchase the medicines from external pharmacies. Even though the hospital reimburses the cost, but instance were observed where patients were not able to afford the medicines in the first place.

The hospital shall make all the medicines available at the pharmacy or make the arrangements in a manner that patients are paid in advance to purchase the medicines from an external pharmacy.

l. Non-Maintenance of HR Files – Alfalah Medical and Surgical Centre Bannu (AMSC)

Alfalah Medical and Surgical Centre management did not maintain employees' files.

Due to a lack of documentation, the audit team was unable to verify the qualification and eligibility of the medical staff for their respective roles. It also implied that the hospital's management did not carry out the verification process. It gives rise to a risk that unqualified or incompetent human resource may be hired.

The hospital's management is recommended to maintain a record of its staff. This would reduce the risk of hiring unqualified and incompetent staff.

The hospital should install the hospital dashboard provided by SLIC to further streamline the Program. If any problems arise in installation, they should share the concerns with SLIC for resolution.

m. Lack of Accounting Systems in Empaneled Hospitals

During audit, Emplaned Hospital's shared the list of pending claims and majority claims were paid by SLIC. Lack of competent accounting staff in various hospitals was the major reason.

Hospitals shall establish proper accounting team to ensure that pendency records are updated. This would ensure that updated lists are shared with SLIC. Furthermore, submitting audited financial statements by a Quality Control Review (QCR) rated firm must be made mandatory for empanelment criteria.

In General:

Since the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance or audit opinion.

We have given recommendations on most of the issues for guidance and shall be pleased to further advance our assistance and cooperation if so desired by management. With these words we are thankful to all stakeholders and staff who co-operated with us during the conduct of this performance audit.

This report has been prepared for the sole use of SHPI and any unauthorized circulation and distribution without SHPI consent is prohibited.

Baker Tilly Mehmood Idrees Qamar

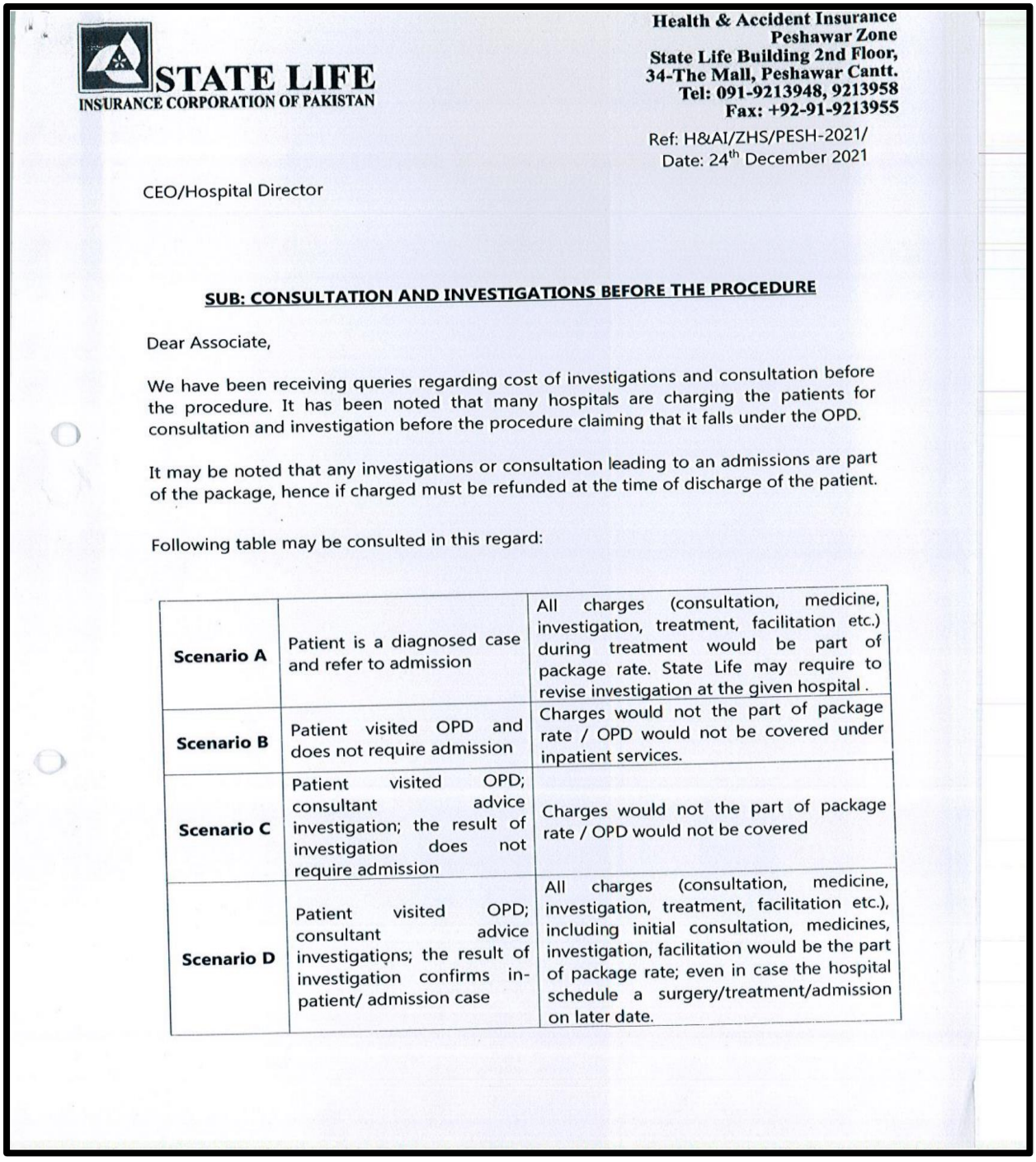
Baker Tilly Mehmood Idrees Qamar
Chartered Accountants

Date: May 31, 2022
Place: Peshawar

Annexures

Annexure 1. Ambiguity in Hospitals Contract - Reimbursement of Investigation Charges incurred before Admission

Annexure 1.1. SLIC's Letter to all Empaneled Hospitals



STATE LIFE
INSURANCE CORPORATION OF PAKISTAN

Health & Accident Insurance
Peshawar Zone
State Life Building 2nd Floor,
34-The Mall, Peshawar Cantt.
Tel: 091-9213948, 9213958
Fax: +92-91-9213955

Ref: H&AI/ZHS/PESH-2021/
Date: 24th December 2021

CEO/Hospital Director

SUB: CONSULTATION AND INVESTIGATIONS BEFORE THE PROCEDURE

Dear Associate,

We have been receiving queries regarding cost of investigations and consultation before the procedure. It has been noted that many hospitals are charging the patients for consultation and investigation before the procedure claiming that it falls under the OPD.

It may be noted that any investigations or consultation leading to an admissions are part of the package, hence if charged must be refunded at the time of discharge of the patient.

Following table may be consulted in this regard:

Scenario A	Patient is a diagnosed case and refer to admission	All charges (consultation, medicine, investigation, treatment, facilitation etc.) during treatment would be part of package rate. State Life may require to revise investigation at the given hospital .
Scenario B	Patient visited OPD and does not require admission	Charges would not the part of package rate / OPD would not be covered under inpatient services.
Scenario C	Patient visited OPD; consultant advice investigation; the result of investigation does not require admission	Charges would not the part of package rate / OPD would not be covered
Scenario D	Patient visited OPD; consultant advice investigations; the result of investigation confirms in-patient/ admission case	All charges (consultation, medicine, investigation, treatment, facilitation etc.), including initial consultation, medicines, investigation, facilitation would be the part of package rate; even in case the hospital schedule a surgery/treatment/admission on later date.

STATE LIFE
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Fax: +92-91-9213955

It may kindly be noted that Sehat Card Plus is the flagship program of Khyber Pakhtunkhwa, and is cashless by design. Charging from the patients is against the basic principle and essence of the program.

We would hereby like to inform you that any complaint regarding charging of cash would be vigorously perused for the refund. Repeated instances would lead to suspension of the services with recommendation of de-empanelment from the list of registered bodies providing services under the program.

Regards

Project Team Lead (H&AI)

CC: Regional Chief (H&AI Region), Islamabad
Zonal Head (H&AI), Peshawar Zone
Provincial Medical Officer, Mardan Region, Mardan
District Medical Officer, District Charsadda
Chief Executive Officer, SHPI, Govt of Khyber Pakhtunkhwa
Deputy Director (Empanelment), SHPI, Govt of Khyber Pakhtunkhwa
D.G (Health), Govt of Khyber Pakhtunkhwa
P.S. Secretary Health, Govt of Khyber Pakhtunkhwa

Annexure 1.2. RMI's Response to SLIC's Letter

RMI
REHMAN MEDICAL INSTITUTE

January 4, 2022

Senior Administration Officer (H&I),
State Life Insurance Corporation,
Health & Accident Insurance
Mall Road, Peshawar Cantt.

Subject: Response to letter regarding Consultation and Investigation before the procedure.

This is in response to your letter Dated 24th December, 2021 Addressed to CEO RMI regarding subject matter in which different scenarios are discussed where RMI is obliged to include charges of OPD visits, investigations and medicine before the admission when the result to the investigation leads to admission of beneficiaries.

The Scenario D is mentioned in the letter as follows:

Scenario D	Patient Visited OPD; consultant advice investigations; the result of investigation confirms inpatient/admission case	All charges (consultation, medicine, investigation, treatment, facilitation etc) including initial, consultation, medicine, investigation, facilitation would be part of the package rate, even in case the hospital schedule a surgery/treatment/admission on later date.

We would like to highlight below concerns regarding the proposed Scenario D:

a) The packages approved by SLIC for 2021 are heavily subsidized and barely cover the direct costs of most procedures. Adding the burden of previous OPD services, which are vaguely defined and may therefore include expensive investigations such as MRI/CT Scan, will render these packages unviable under current rates.
b) This scenario is also in contrast to other panel insurance companies and in no other case the treatment/ investigation done in OPD is covered in the package rate agreed between panel insurance companies and RMI. We believe that this is against the industry practices being followed all around the world, we also believe that this clause is very vague and has the potential of inflicting severe harm to the provider due to non-clarity of the various situations mentioned above.

c) It has been our understanding that this program covers only IPD treatment and all OPD services are excluded as outlined in the contract, therefore, such a drastic revision in these terms should be considered after extensive deliberations with the relevant stakeholders. Enforcement of this new condition by SLIC has direct consequences on given surgical packages pricing model.

d) The scenario also does not cover which investigations to be refunded to the patients admitted as medical cases, as some investigation (both Laboratory & radiological) which are expensive in nature also leads to admission. Since the rates provided for observation are already impractical and do not cover even the direct costs incurred, the burden of these additional expensive investigations will make it difficult to continue these non-surgical cases.

e) There is clarity required regarding the duration for which OPD services would be considered inclusive in the IPD packages? i.e. for how long retrospectively, the hospital is liable to include OPD charges with the surgical package as this cannot be unlimited. Many elective procedures are postponed for various reason for months.

f) The scenario also does not cover the case where, a patient is given time for admission but opted to perform surgery in another hospital due to an earlier date given by that hospital.

g) Kindly clarify what will happen to a patient who is consulted by a consultant who is not empaneled in Sehat card but patient is then referred for surgery to a consultant empaneled in Sehat card.

We request that this scenario D inclusion in IPD by SLIC should not be imposed unilaterally as we feel this will have long term adverse repercussions for the program and its viability.

Abdul Waheed

Abdul Waheed - FCA
Head of Department
Inpatient Revenue Management (IRM)
RMI Rehman Medical Institute
Hayatabad Peshawar Pakistan

CC:

Regional Chief (H&AI Region), Islamabad.

Zonal Head (H&AI), Peshawar Zone/

Chief Executive Officer, SHPI, Govt of Khyber Pakhtunkhwa.

Deputy Director (Empanelment), SHPI, Govt of Khyber Pakhtunkhwa.

D.G (Health), Govt of Khyber Pakhtunkhwa.

P.S. Secretary Health, Govt of Khyber Pakhtunkhwa.

Provincial Medical Officer H&AI Peshawar Zone.

CEO, RMI

Annexure 2. Claims not received by SLIC

State Life Building 1st Floor
P.O Box No.312
34-The Mall Peshawar Cantt.
Tel: 091-9213945

STATE LIFE
INSURANCE CORPORATION OF PAKISTAN

HEALTH & ACCIDENTAL INSURANCE
PESHAWAR ZONE

TO WHOM IT MAY CONCERN

SUBJECT: OUTSTANDING CLAIMS LIST

Claim Department checked the 549 visit Id's shared; these cases are not received to our office yet from hospital side. We will inform the hospitals to send us these cases so that we may process them accordingly.

Thanks

Regards

04/04/2022

Annexure 3. Email sent by RMI to SLIC

From: Abdul Waheed | Manager Audit
Sent: Friday, October 15, 2021 5:03 PM
To: samandar khan <sammandar2013@gmail.com>
Cc: Dr. Dewan Talha Ashfaq | Director Operations <dewan.talha@rmi.edu.pk>; Dr. Javaid Khan | Medical Director <javaid.khan@rmi.edu.pk>; Dr. Sikandar Shahzad Imran | Associate Director Clinical Services <sikandar.shahzad@rmi.edu.pk>; ashar777@yahoo.com; saleem akbar <saleem_kbr@yahoo.com>; slicgp@live.com
Subject: RE: Sehat card Bed allocation in RMI

Dear Dr. Samandar

As requested please find attach the Bed capacity at RMI for Sehat card patients, please note that:

1) The distribution of beds for Sehat Sahulat Program is subject to review and revision from time to time, In line with changing volume of patients and availability of Consultants in each specialty.

2) Distribution of beds is also subject to review in order to ensure it is in line with the requirements of regulatory bodies such as Healthcare Commission, Pakistan Medical Commission & CPSP.

3) Beds allocated are as per specialty since the nature of each facility and the staff availability for it is in accordance with its special requirements

Kind Regards

Abdul Waheed FCA

Head of Inpatient Revenue Management | Rehman Medical Institute | Hayatabad Peshawar

UAN: 111-REH-MAN (734-626) |Tel:+92-91-5838 000 (Ext. 1123) | Fax: +92-91-5838 333

Doctor's Appointment: +92-91-5838 666

www.rmi.edu.pk

/RMI Peshawar /RMI Peshawar /RMI Peshawar

Annexure 4. Government Notification for Utilization Formula of Income from Sehat Card Plus

GOVERNMENT OF KHYBER PAKHTUNKHWA
HEALTH DEPARTMENT

Dated Peshawar the 01st January, 2020

NOTIFICATION

NO.E&A (Health)/3-76/2019. The Provincial Government of Khyber Pakhtunkhwa has been pleased to notify the following Fund Retention and Utilization Formula for distribution/utilization of funds generated through Health Insurance of the Sehat Sahulat Programme in all the public sector hospitals.

- Income shall be distributed according to the following formula.
  a) 25% for improvement in quality of services including minor repairs and maintenance of the health facility.
  b) 20% for consumables.
  c) 30% for Doctors (surgeons / physicians / anaesthetist / pathologists radiologists/medical officers etc) providing services to insured patients.
  d) 15% for Nursing and Paramedical Staff involved in providing services to insured patients.
  e) 10% for Administrative/management staff including auxiliary staff.

SECRETARY HEALTH
KHYBER PAKHTUNKWA

Endst. No. & date even.

Copy forwarded to the:

1. All Hospital Director/Medical Director, MTIs, Khyber Pakhtunkhwa.
2. All District Health Officers, Khyber Pakhtunkhwa.
3. All Medical Superintendents, Khyber Pakhtunkhwa.
4. Director, Social Health Protection Initiative, Peshawar.
5. All Section Officers in Health Department.
6. PS to Special Secretary, Health Department.
7. PS to Special Secretary, Health Department.
8. PA to Additional Secretary (Estt:/Dev) Health Department.
9. PA to all Deputy Secretaries, Health Department

(Farhan Khan)
Section Officer (General)

Annexure 5. Payment of Additional Benefits to the Beneficiaries - Lady Reading Hospital (LRH)

Annexure 5.1. Letter from SHPI to SLIC related to Suspension of Payment of Additional Benefits

GOVERNMENT OF KHYBER PAKHTUNKHWA
HEALTH DEPARTMENT
(Social Health Protection Initiative)
House No. 9- A Rehman Baba Road, University Town Peshawar

No. Health/SHPI/ 12065
Dated: 26/07/2021

To,

Zonal Head (H&AI)
State Life Insurance Corporation of Pakistan
Peshawar

SUBJECT: ANCILLARY PAYMENTS

I am directed to refer to the meeting held on 24 June 2021 at LRH regarding implementation of Sehat Card Plus, where in it was agreed that State Life Insurance Corporation of Pakistan may sign the agreement with MTIs and other public sector hospitals without the obligation of ancillary payments.

However, as per the proposal submitted by State Life Insurance Corporation of Pakistan, SLIC may hire the services with micro finance organizations such as easy paisa, jazz cash etc, for disbursement of ancillary payments in public sector hospitals at earliest.

Please not that in order to continue uninterrupted service delivery, SLIC may only suspend the ancillary payments for time being and keep records of such patients for reimbursement of such payments until SLIC develop an agreement with micro finance organizations.

DEPUTY DIRECTOR
Social Health Protection Initiative
Khyber Pakhtunkhwa

Copy for information to:

1. Director SHPI, Health Department, Khyber Pakhtunkhwa
2. All Hospitals Directors MTIs Khyber Pakhtunkhwa
3. PSO to Minister Health, Khyber Pakhtunkhwa
4. PS to Secretary Health, Khyber Pakhtunkhwa

Phone: 091-921 6013 Fax: 091-5841792 Email: projectdirector.shp.kp@gmail.com

Annexure 5.2 Letter from SLIC to LRH related to Withdrawal of payment of Additional Benefits

STATE LIFE
INSURANCE CORPORATION OF PAKISTAN

State Life Building 2nd Floor.
34-The Mall, Peshawar Cantt.
Tel: 091-9213948, 9213958
Fax: +92-91-9213955

Ref: H&AI/ZHS/PESH-2021/
Date: 29th July 2021

Hospital Director
Lady Reading Hospital (MTI)
Peshawar

SUB: AGREEMENT DEED BETWEEN STATE LIFE INSURANCE CORPORATION HEALTH & ACCIDENT INSURANCE PESHAWAR ZONE & LADY READING HOSPITAL (MTI) PESHAWAR

This is with reference to your letter No. 1802/HD/LRH dated 24th June 2021 regarding the subject matter.

Enclosed please find two sets of the agreement duly signed and witnessed at our end for execution. Please return us one copy after completing it by signing and witnessing.

Pertinent to mention that Appendix III, Para 1,2 & 4 stands withdrawn in light of Director SHPI letter in this regard.

Regards

Zonal Head (H&AI)

CC: Regional Chief (H&AI) Region, Islamabad
Director SHPI, Department of Health, Khyber Pakhtunkhwa
Focal Person, Sehat Card Plus Program, Lady Reading Hospital (MTI), Peshawar

Annexure 6. Third Party Confirmation to the Auditors

Receiving No: 11,421
Dated: 10/01/2022.
SHPI, Health Department.

National Database & Registration Authority
Ministry of Interior, Government of Pakistan
Shahrah-e-Jamhuriat, Sector G-5/2, Islamabad

NADRA/PMO/109
3rd Jan, 2022

To: Director
Social Health Protection Initiative
Health Department, Khyber Pakhtunkhwa
House # 9A, Rehman Baba Road, University Town
Peshawar

Subject: Family Statistics for SCP-Khyber Pakhtunkhwa

Further to the email received on 3rd January, 2022. Please find below information for your record:-

Sehat Sahulat Program -KP Statistics

Sr. #	Zone	Data Extraction Date	Inauguration Date	Districts	Total Families	Total Members
1	Zone-I	15th Oct,2020	1st Nov,2020	Swat	572,036	1,622,358
2				Malakand	172,878	329,962
3				Lowe Dir	301,310	516,225
4				Chitral	115,049	238,998
5				Upper Dir	228,054	385,429
6	Zone-II	15th Nov,2020	1st Dec,2020	Shangla	191,619	326,353
7				Kohistan	81,970	113,635
8				Batagram	138,948	252,607
9				Abbottabad	420,776	864,518
10				Mansehra	509,113	1,053,690
11				Tor Ghar	26,647	41,038
12				Buner	209,806	355,417
13	Zone-III&IV	15th Dec,2020	1st Jan,2021	Swabi	428,198	869,019
14				Charsadda	407,452	833,917
15				Nowshehra	329,926	713,458
16				Peshawar	729,219	1,517,324
17				Mardan	575,878	1,194,122
18				Haripur	310,326	625,695
19	Zone-V	15th Jan, 2021	1st Feb,2021	Bannu	270,395	479,264
20				Karak	191,646	499,509
21				Kohat	246,740	532,683
22				Hangu	129,956	259,936
23	Zone-VI			Tank	81,004	133,358
24				Lakki Marwat	195,705	401,372
25				D.I.Khan	325,045	575,737
Total					**7,189,696**	**14,111,197**

DD (Admin)/DD (IT)

NATIONAL DATABASE AND REGISTRATION AUTHORITY PROJECTS DIRECTORATE
Date: 03-01-2022

Project Manager
(Shahzad Pervaiz)

Annexure 7. Incomplete Personal Files

Annexure 7.1. Unavailability of Experience Letters in Personal Files

Serial No.	PrimeHR Hiring No.	Employee Name	Designation
1	00131	Habib Ullah	Health Facilitator Officer
2	00137	Mansoor	Health Facilitator Officer
3	00139	Haider Ali	Health Facilitator Officer
4	00216	Hasnain Liaqat	Health Facilitator Officer
5	00223	Maaz Alam	Health Facilitator Officer
6	00226	Muhammad Tahir	Health Facilitator Officer
7	00235	Muhammad Naeem Khan	Health Facilitator Officer
8	00241	Aamir Ullah	Health Facilitator Officer
9	00244	Tanveer Sher	Health Facilitator Officer
10	00256	Muhammad Adeel	Health Facilitator Officer
11	00257	Adnan Khan	Health Facilitator Officer
12	00260	Muhammad Awais Tahir	Health Facilitator Officer
13	00290	Dr. Israrullah	District Medical Officer
14	00291	Faizan Ullah	Driver
15	00292	Mohibullah	Driver
16	00294	Adnan Shah	Health Facilitator Officer
17	00298	Waqas Ali Khan	Health Facilitator Officer
18	00315	Ihsan Ullah	Health Facilitator Officer
19	00316	Rafaqat Ullah	Health Facilitator Officer
20	00323	Ubaidullah	Health Facilitator Officer
21	00324	Sohail Khan	Health Facilitator Officer
22	00336	Dr. Kifayat Ullah	District Medical Officer
23	00354	Muhammad Ibrahim Khan	Health Facilitator Officer
24	00355	Taleem Muhammad	Health Facilitator Officer
25	00356	Muhammad Asif	Health Facilitator Officer
26	00357	Dr. Raza Mohammad	District Medical Officer
27	00366	Qaisar Kamal	Health Facilitator Officer
28	00369	Muhammad Shahid	Senior Office Assistant
29	00370	Muhammad Siddique Jan	Senior Office Assistant
30	00372	Shakeel Ali	Health Facilitator Officer
31	00389	Zubair Ali	Helper
32	00396	Yasir Hussain	Health Facilitator Officer
33	00399	Nadir Shah	Health Facilitator Officer
34	00427	Maryam Rehman	Health Facilitator Officer
35	00428	Mr Syed Alam	Senior Admin Officer
36	00497	Muhammad Sohaib	Senior Office Assistant
37	00499	Sulman Khan	Senior Office Assistant
38	00245	Nouman Khan	Health Facilitator Officer

Annexure 7.2 Unavailability of Academic Documents in Personal Files

Serial No.	PrimeHR Hiring No.	Employee Name	Designation
1	00223	Maaz Alam	Health Facilitator Officer
2	00226	Muhammad Tahir	Health Facilitator Officer
3	00238	Tasmia Begum	Health Facilitator Officer
4	00241	Aamir Ullah	Health Facilitator Officer
5	00260	Muhammad Awais Tahir	Health Facilitator Officer
6	00294	Adnan Shah	Health Facilitator Officer
7	00299	Raham Badshah	Health Facilitator Officer
8	00323	Ubaidullah	Health Facilitator Officer
9	00356	Muhammad Asif	Health Facilitator Officer
10	00158	Faizan Ali Shah	Health Facilitator Officer
11	00194	Muhammad Nouman	Health Facilitator Officer
12	00389	Zubair Ali	Helper
13	00428	Mr. Syed Alam	Senior Admin Officer
14	00290	Dr. Israrullah	District Medical Officer

Annexure 7.3 Unavailability of CNIC copy in Personal Files

Serial No.	PrimeHR Hiring No.	Employee Name	Designation
1	00139	Haider Ali	Health Facilitator Officer
2	00223	Maaz Alam	Health Facilitator Officer
3	00226	Muhammad Tahir	Health Facilitator Officer
4	00241	Aamir Ullah	Health Facilitator Officer
5	00260	Muhammad Awais Tahir	Health Facilitator Officer
6	00294	Adnan Shah	Health Facilitator Officer
7	00299	Raham Badshah	Health Facilitator Officer
8	00323	Ubaidullah	Health Facilitator Officer
9	00328	Sajid Hameed	Health Facilitator Officer
10	00356	Muhammad Asif	Health Facilitator Officer
11	00158	Faizan Ali Shah	Health Facilitator Officer
12	00194	Muhammad Nouman	Health Facilitator Officer
13	00263	Naeem Ur Rehman	Health Facilitator Officer
14	00291	Faizan Ullah	Driver
15	00389	Zubair Ali	Helper
16	00428	Mr. Syed Alam	Senior Admin Officer
17	00499	Sulman Khan	Senior Office Assistant
18	00494	Dr. Inam Ullah	Provincial Medical Officer

Annexure 7.4 Unavailability of Resumes in Personal Files

Serial No.	PrimeHR Hiring No.	Employee Name	Designation
1	00194	Muhammad Nouman	Health Facilitator Officer
2	00223	Maaz Alam	Health Facilitator Officer
3	00226	Muhammad Tahir	Health Facilitator Officer
4	00241	Aamir Ullah	Health Facilitator Officer
5	00260	Muhammad Awais Tahir	Health Facilitator Officer
6	00290	Dr. Israrullah	District Medical Officer
7	00291	Faizan Ullah	Driver
8	00294	Adnan Shah	Health Facilitator Officer
9	00323	Ubaidullah	Health Facilitator Officer
10	00356	Muhammad Asif	Health Facilitator Officer
11	00369	Muhammad Shahid	Senior Office Assistant
12	00389	Zubair Ali	Helper
13	00428	Mr. Syed Alam	Senior Admin Officer
14	00494	Dr. Inam Ullah	Provincial Medical Officer
15	00495	Huma Ali	Senior Office Assistant
16	00499	Sulman Khan	Senior Office Assistant

Annexure 7.5 Photographs provided do not match with CNIC or Employment Form

Serial No.	PrimeHR Hiring No.	Employee Name	Designation
1	00238	Tasmia Begum	Health Facilitator Officer
2	00290	Dr. Israrullah	District Medical Officer
3	00336	Dr. Kifayat Ullah	District Medical Officer
4	00376	Sajjad Ahmed	Senior Office Assistant
5	00490	Dr. Zakir Ullah	District Medical Officer
6	00224	Salman Mazhar	Health Facilitator Officer
7	00427	Maryam Rehman	Health Facilitator Officer
8	00321	Ihtesham Ghazi	Health Facilitator Officer

Annexure 8. Overcrowded Laboratory Facilities

Sr. No	Hospitals
1	Lady Reading Hospital, Peshawar
2	Hayatabad Medical Complex, Peshawar
3	Khyber Teaching Hospital, Peshawar
4	Pakistan Institute of Cardiology, Peshawar
5	Institute of Radiotherapy and Nuclear Medicine, Peshawar
6	Qazi Hussain Ahmed Medical Complex, Nowshera
7	Mardan Medical Complex, Mardan
8	Saidu Group of Teaching Hospital, Swat
9	Swat Institute of Nuclear Medicine Oncology & Radiotherapy, Swat
10	Ayub Medical Complex, Abbottabad
11	District Headquarter Hospital, Kohat
12	District Headquarter Hospital, Haripur

Annexure 9. Lack of Banners

Sr. No	Hospitals
1	Shahina Jamil Hospital, Abbottabad
2	Abbottabad Medical Complex, Abbottabad
3	Jinnah International Hospital, Abbottabad
4	Mehar General Hospital, Haripur
5	City Hospital Lakki, Lakki Marwat
6	Afridi Medical Hospital, Peshawar
7	Kuwait Teaching Hospital, Peshawar
8	Pak Medical Center, Peshawar
9	Anwar Medical Hospital, Swat
10	Sikandar Medical Infirmary, Swat

Annexure 10. Lack of Nursing Staff

Sr. No	Hospitals
1	Shahina Jamil Hospital, Abbottabad
2	Abbottabad Medical Complex, Abbottabad
3	Jinnah International Hospital, Abbottabad
4	Mehar General Hospital, Haripur
5	Zia Medical Complex, Peshawar
6	Afridi Medical Hospital, Peshawar
7	Kuwait Teaching Hospital, Peshawar
8	Pak Medical Center, Peshawar
9	Swat Medical Complex, Swat

Annexure 11. Laboratory Test Facilities

Sr. No	Hospitals
1	Abbottabad Medical Complex, Abbottabad
2	Mehar General Hospital, Haripur
3	Mercy Teaching Hospital, Peshawar

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