

**THIRTEENTH KERALA LEGISLATIVE ASSEMBLY**

**COMMITTEE  
ON  
PUBLIC ACCOUNTS  
(2014-2016)**

**ONE HUNDRED AND NINETEENTH REPORT  
(Presented on 18th February, 2016)**



**SECRETARIAT OF THE KERALA LEGISLATURE  
THIRUVANANTHAPURAM  
2016**

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**ONE HUNDRED AND NINETEENTH REPORT**

**On**

**Action Taken by Government on the Recommendations contained in the  
84th Report of the Committee on  
Public Accounts (2008-2011)**

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## INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the 119th Report on Action Taken by Government on the Recommendations contained in the 84th Report of the Committee on Public Accounts (2008-2011).

The Committee considered and finalised this Report at the meeting held on 15th February, 2016.

Thiruvananthapuram,  
18th February, 2016.

DR. T. M. THOMAS ISAAC,  
*Chairman,*  
*Committee on Public Accounts.*

## **REPORT**

This Report deals with the Action Taken by Government on the recommendations contained in the 84th Report of the Committee on Public Accounts (2008-2011).

The 84th Report of the Committee on Public Accounts (2008-2011) was presented to the House on 29th June, 2009. This Report contains 14 recommendations relating to Health & Family Welfare Department and one recommendation relating to Finance Department. Government was addressed on 15th July, 2009 to furnish the Statements of Action Taken on the recommendations contained in the Report and the final copies were received on 8th December, 2014.

The Committee examined the Statements of Action Taken in the meetings held on 8-9-2010, 19-1-2011, 6-3-2013 and 3-6-2015 and decided not to pursue further action on the recommendations in the light of the replies furnished by Government. Such recommendations and Government replies are incorporated in this Report.

### **HEALTH & FAMILY WELFARE DEPARTMENT**

#### **Recommendation**

*(Sl. No. 1, Para No. 36)*

The Committee notes that there is no separate budget provision for diagnostic services in Medical Colleges and because of this expenditure incurred for this purpose cannot be accounted. The Committee recommends to assess the funds actually required for running diagnostic services in the Medical Colleges and to provide the same by the Government under distinct subheads in the budget for proper monitoring and control over this expenditure.

#### **Action Taken**

As pointed out by the PAC, the proposal for separate budget provision submitted for diagnostic services at Planning Board for incorporating the same under distinct subheads in the budget. But it is not seen included in the budget 2012-13. Therefore steps have again been taken for including the same in the plan outlay under the component diagnostic services in the coming budget 2013-14.

### **Recommendation**

*(Sl. No. 2, Para No. 37)*

The Committee finds that in the absence of a uniform procedure to identify the target group of poor patients, there is no reasonable assurance that the benefit of free service allowed in Medical Colleges to BPL patients reaches the intended group. The Committee therefore suggests that specific guidelines must be issued by the Government for identifying BPL patients who approach Medical Colleges for treatment and to ensure that such patients are eligible for free diagnostic services. Government should also issue guidelines for the collection of user fee by the Hospital Development Committees since the machines are purchased by Government. Uniformity in such matters should be followed in all Medical Colleges.

### **Action Taken**

The method of identifying the target group of poor patients especially the BPL patients has been made systematic and scientific by implementing Medical Insurance under RSBY/and CHIS+scheme. Thus the issue of ensuring patients whether they are eligible for free diagnostic service is also solved. Guidelines are also issued by Government regarding the maintenance of costly equipments by way of using the user fee amount collected by the HDC's.

### **Recommendation**

*(Sl. No. 3, Para No. 38)*

The Committee comes to know that the Department has not developed any standard protocols for investigation and equipments and that in the absence of Manual of Procedures for regulating clinical labs/radiology services there is no mechanism to enforce uniformity of procedure or to ensure accountability and quality of services. The Committee suggests to introduce Quality Control Institution's guidelines in all testing laboratories both in Government and private sector. The Committee also suggests to prepare a Manual of Procedure and that private hospitals should also be brought under the purview of that Manual. The Manual should cover all aspects of diagnostic services such as tests conducted,

procedure followed, equipment used, records to be maintained in the labs, report delivery turn around time, rates for investigation, quality control etc. The Committee also recommends to speed up the actions to get NABL accreditation to the testing laboratories in the State.

### **Action Taken**

National Rural Health Mission-Kerala has initiated steps to improve the quality of services offered by the Government Medical Laboratories. Quality Council of India (QCI) is an autonomous body set-up by Government of India to establish and operate the National Accreditation Structure in the country. Government of Kerala has decided to accredit Government Medical Laboratories with Quality Council of India. A Memorandum of Agreement has been signed between Government of Kerala and Quality Council of India (QCI) on 30th of August, 2008 for accreditation of Government Medical Laboratories in the State. As per agreement Quality Council of India (QCI) started implementing the Essential Laboratory Standards Programme in Kerala.

District level training has been conducted in all Districts by Quality Council of India (QCI). Medical Officers-in-charge of the Medical Laboratories, Laboratory technicians, District Programme Managers and District Medical Officers attended the training programme. Laboratory manual has been provided to all Government Medical Laboratories in the State. So far QCI conducted 15 high level trainings for all Districts and Medical Colleges. More than 800 Medical Officers, Laboratory Technicians and Administrative Staff were trained. The topic of training includes on QCI and Indian Essential Standard for Medical Laboratories, Quality Basics and Universal Definitions, Programme Stages and Programme Details, Quality System Essentials, Programme Manual Organization and Content, Programme Responsibilities, Self Assessment Process, Developing a work plan and Documentation basics.

Selected Government Medical Laboratories in Kerala will be considered for the upgradation to the NABL standard and process will be initiated to get NABL accreditation.



Private Health Care Institution and Private Medical Laboratories in Kerala are not under the control of Government at present. The Kerala Clinical Establishments (Registration and Regulation) Bill, for the registration of all Government and Private Health Care Institutions in the State is under process for enactment.

### **Recommendation**

*(Sl. No. 4, Para No. 39)*

The Committee desires to be furnished with the details regarding the functioning of biosafety cabinet in Thrissur Medical College, and complete details such as date of rectification and commissioning of out of order machines such as X-ray, C.T. Scanner etc. in Medical College, Thiruvananthapuram.

### **Action Taken**

Two biosafety cabinet at Government Medical College, Thrissur has been utilized maximum for patient care and has been condemned. Now two new biosafety cabinets is intended for purchase against the condemnation. There are 3 C.T. Scanners at Medical College, Thiruvananthapuram out of which only one is not working and beyond repairable since last 1 year. There are 2 X-ray machine for which repair is not cost effective. One more X-ray machine will be installed under PMSSY Scheme in Thiruvananthapuram Medical College.

### **Recommendation**

*(Sl. No. 5, Para No. 40)*

The Committee finds that though Radiation Survey Meter is a very important and mandatory requirement for quality assurance in Radiology Service, it is not available in Government Medical Colleges except in the one at Kozhikkode. The Committee recommends to buy Quality Control Kits and Radiation Survey Meters at the time of purchase of X-Ray machines and C.T. Scanners. The Committee notes the pitiable situation that Quality Assurance Test is not being conducted even at lease one in an year in Medical Colleges by the Directorate of Radiation Safety. Hence the Committee suggests that quality assurance test should be conducted in Medical Colleges as specified.

### **Action Taken**

Radiations machine are purchased along with quality assurance kit in all Medical Colleges as specified. Government have issued orders entrusting DRS to conduct quality assurance test properly.

### **Recommendation**

*(Sl. No. 6, Para No. 41)*

The Committee is very much concerned about the fact that none of the Medical Colleges has the dust free/air conditioned environment which is required for the functioning/optimum performance of modern equipments such as the equipment for conducting Polymerase Chain reaction for DNA and Microscope fluorescent and dark ground etc. These machines are kept idle in Medical Colleges. The Committee recommends to take urgent steps for putting those equipments into use and that Government should provide financial assistance for this purpose.

### **Action Taken**

The recommendation of the Committee is noted and the system has been implemented in Medical College, Kozhikkode and Thiruvananthapuram. Steps are being taken to implement the same in other Medical Colleges also. Considering the gravity of the issue strict instructions are given to concerned officers for keeping dust free environment for this lapse.

### **Recommendation**

*(Sl. No. 7, Para No. 42)*

The Committee expresses its dissatisfaction over the practice of purposefully damaging new equipments and non-repairing of damaged equipments in time and feels a vicious nexus between the departmental officers and private institutions in this matter. The Committee opines that the Government has to examine the matter to reveal whether there is any hidden motive behind the frequent damaging of equipments, delay in getting them repaired, non-functioning of new equipments soon after its installation etc. The Committee strongly suggests to keep the Log Book in all Medical Colleges so as to make available all the details regarding the purchase and installation of equipments in these institutions.

**Action Taken**

Directions have been issued to the Principals of all Medical Colleges as recommended by PAC.

**Recommendation**

*(Sl. No. 8, Para No. 43)*

The Committee understands that machines worth lakhs of rupees like Automatic Blood Cell Counter, ABG Analyser and Auto Analyser RA 100 etc., got damaged during the guarantee period itself. The Committee recommends to fix responsibility and take action against the delinquents in this case. The Committee blames the Department for their inaction and recommends to fix responsibility on the persons who failed to take timely action for repairing the machines and to take disciplinary action against them. Loss sustained to Government should be realised from them. The Committee also recommends to take legal action against the supplier firm for supplying machines having manufacturing defects. The Committee suggests that in future purchases, AMC condition and quality aspect should also be included in the tender conditions.

**Action Taken**

As per the PAC Recommendation direction is issued to the Principals to comply with AMC when purchase is made. The Head of Departments are directed to through the Principals that procurement of costly equipments are to be made strictly adhering to the SPR and to ensure proper functioning of these instruments. If there is any failure in informing the fault during the guarantee period action will be taken against the officers responsible.

**Recommendation**

*(Sl. No. 9, Para No. 44)*

The Committee understands that the Medical Colleges in Kerala lack Centralised lab system. Hence the Committee recommends to take urgent steps for the establishment of Centralised Laboratories in all Medical Colleges as per IMC stipulations.

### **Action Taken**

As per the MCI norms certain lab tests have to be conducted in those specialised labs such as Pathology labs, Microbiology lab, Biochemistry lab etc. attached to those departments itself. However steps have already been taken to start centralised laboratories in MCH for collection of specimen at one place and then send them to different labs for investigation and report. But as certain specialized tests have necessarily to be conducted in the labs attached to the Department itself as laid down by the MCI taking the patients/specimen to such labs as is done now is unavoidable for the time being. It may also be added that the proposal for conducting all the lab tests under a single roof calls huge financial investment. It cannot but go unnoticed that running such a centralised lab round the clock will lead waste of human resources also.

### **Recommendation**

*(Sl. No. 10, Para No. 45)*

The Committee recommends to fix responsibility on the officers concerned for not repairing the C.T. Scanner in Thrissur Medical College in time and to take disciplinary action against them. The Committee also recommends to streamline the Hospital Equipment Repair Unit under the Health Service Department by providing sufficient staff and other equipments so that damaged hospital equipments can be got repaired regularly and periodically.

### **Action Taken**

A detailed report from the Head of the Department regarding the non-functioning of CT scan due to non-repairing of CT scan in time had been obtained. The Principal, Medical College, Thrissur has informed the following facts:

1. The CT scanner unit made by Thoshiba was supplied and installed by M/s. Erbis India Limited in 1997, the expected life for such units are about 7 years.
2. The unit was under service AMC only. Failed parts will have to be purchased separately and the cost will be decided by the company.
3. The machine worked without major failure till 10-2-2004.

4. The supplier company intimated that various boards of the CT scan have gone out of order and demanded the following amount for replacing the same:

- ₹ 3,20,000 for PWDSGTS Board
- ₹ 7,19,100 for three parts RMS 2 Boards, Hard disc and DAS cable
- ₹ 1,65,000 for LPB Board

Total amount for parts alone were Rs. 12,04,100. In addition to that service AMC also have to be paid.

5. As per G.O. (Rt.) 2165/2004/H&FWD dated 5-8-2004 Government sanction was obtained accordingly, with a direction to limit the work under ₹ 15,00,000 and the work order was given immediately.
6. However, after inspection of the machine, the company demanded for additional amount of ₹ 9,35,000 saying that three more boards are also defective and they also have to be replaced in addition to the original boards. Also the firm was not willing to give any guarantee to the X-ray tube which is the main part of the CT scanner (costing more than 15 lakh) as the machine was old.
7. Meanwhile the HDS committee under the chairmanship of District Collector took a position that repairing the machine spending ₹ 24 lakh without any guarantee will cause loss to the Government.
8. The CT Scan Machine was used while it was functioning 24 hours a day and 365 days a year. On an average 25 head cases and 15 body cases were done during those days. Hence on an average 15000 patients were scanned every year. More than a lakh patients were scanned during its lifetime. Hence even on conservative estimate of ₹ 1,000 per case, the machine made a revenue of ₹ 10 crore (of course in almost 30% of cases scan was done free of cost). The cost of machine was less than 1 crore. Hence it can be seen that machine had worked more than its stipulated life. Hence it may be seen that the old CT scan worked a full life of 7 years and was utilized maximum.

9. Realising the undertaking the repair by paying a huge amount, without any guarantee, is a waste of public money, it was decided by the State Government to buy a new CT Scanner latest technology in a buy back scheme (Selling old non-working CT to the supplier of new CT) as per G.O. No. 3497/06/H&FWD Thiruvananthapuram dated 1-12-2006.
10. This new CT Scanner is purchased under the condition of comprehensive AMC, so that the supplier company cannot claim exorbitant amount for spare parts as it was done in the case of old CT Scan. The new CT scan is purchased under buy back scheme is working since 2007 and it was the latest CT in the state at that time.
11. The new Multi Slice CT Scanner is installed in the new campus of the Medical College Hospital. The present unit is working well and on average 45-50 patients are scan every day.
12. In order to avoid frequent failure and delay in repair of the CT Scan this time the existing machine is purchased with a comprehensive annual maintenance contract option.
13. Every month ₹ 2 lakh is deposited by the HDS from the fund generated from CT for CAMC. Hence for the next 10 year the CT Scan function without any funds from Government.

Considering all these facts and that the officers concerned had taken all steps to protect the interest of Government by preventing huge loss of money, the objections and related action may be dropped.

#### **Recommendation**

(Sl. No. 11, Para No. 46)

The Committee observes that the PG Courses (MD and DMRD) in Kozhikkode Medical College do not have the recognition of Indian Medical Council. Hence the Committee suggests to take necessary steps to get the recognition to the above courses taking into account the future of students admitted to these courses. The Committee also suggests to change the prevailing staff pattern of technical staff in the Labs and Radiology Services in Medical Colleges.

### **Action Taken**

PG Courses in MD Radiodiagnosis and DMRD in Medical College, Kozhikkode are recognized by the Medical Council of India during the academic year 2009-10. MRI Scan has been installed and deficiency of staff has been rectified.

### **Recommendation**

*(Sl. No.12, Para No. 50)*

The Committee finds that the Principal, Medical College, Thiruvananthapuram did not take timely action for replacing the damaged water meter. There occurred an inexcusable delay of 7 years for initiating spes for replacing it and this resulted in Water Authority claiming water charges at the rate of monthly average instead of actual consumption. The water charges payable at the beginning of August 2000 was ₹ 1.81 crore. In January 2006 Kerala Water Authority demanded ₹ 7.35 crore towards water charges and ₹ 10.93 crore towards surcharge for the period from August 2000 to January 2006 on delayed payment calculated at the rate of 2 per cent per month on the outstanding arrears. The Committee recommends to take stringent disciplinary action against all the concerned officers who committed a grave lapse of 7 years in replacing the damaged water meter.

### **Action Taken**

The Principal conducted an adalath with Water Authority, to sort out the issue and as a result the surcharge amount was excluded. Hence there is no loss to the exchequer. All the concerned officers were retired from Service. Strict direction has been given to all Principals/Directors not to make any additional liability in the matter, and if not, stringent action will be initiated.

## **FINANCE BUDGET WING (B) DEPARTMENT**

### **Recommendation**

*(Sl. No. 13, Para No. 51)*

The Committee opines that the payment of huge surcharge was necessitated due to Finance Department's failure to comply with the earlier recommendations of PAX in December 2000 to the effect that sufficient funds should be provided to

hospitals for making payments of electricity and water charges. Finance Department is usually reluctant to release even the amount earmarked for allotment towards water and electricity charges. The Committee views the negligence on the part of the Finance Department towards the recommendations of PAC as high degree of irreverence which cannot be pardoned.

#### Action Taken

Taking into account the recommendations of the PAC, Government have made enhanced budget allocations towards water charges of Medical College Hospital, Thiruvananthapuram from 2003-04 onwards. Supplementary grant of 6 crore was also provided in 2004-05 when need for additional fund towards water charges of the hospital arose. The details of budget provisions and additional provisions made for the purpose from 2000-01 onwards are as given below:

Year	Budget provision	Additional Provision made (₹ in crore)	Total
2000-01	0.32		0.32
2001-02	0.35		0.35
2002-03	0.35		0.35
2003-04	2.50		2.50
2004-05	3.00	6.00 (SDG)	9.00
2005-06	3.50		3.50
2006-07	12.50		12.50
2007-08	5.00		5.00
2008-09	5.00		5.00
2009-10	5.00		5.00
2010-11	4.50		4.50



Under the prevailing procedures, Finance Department's prior sanction is not required for effecting routine payments towards water charges, electricity charges, etc. except in the situations of extreme liquidity crisis.

Even in such situations, Finance Department has exempted payment on essential expenditure towards electricity charges, water charges, etc. from the purview of treasury payment restrictions. Apart from this, Finance Department was also issuing ways and means clearance in relaxation of treasury restrictions for such payments on receipt of requests to that effect from the Head of the Department/DDOs concerned. It is submitted that Finance Department has taken adequate precautions to ensure that the inevitable payments on account of water charges, electricity charges, etc. pertaining to hospital etc. are not delayed on account of treasury payment restrictions. As of now, there is no treasury payment restriction for withdrawal of funds up to ₹ 5 crore per day on Non Plan items of expenditure.

## HEALTH & FAMILY WELFARE DEPARTMENT

### **Recommendation**

*(Sl. No. 14, Para No. 56)*

The Committee opines that the non-functioning of the Reproductive and Child Health and Maternal and Child Health Centres is due to lack of proper planning from the part of the department in the implementation of the project and not taking into account the prevailing situations. Hence, it is recommended that proper steps should be taken for the effective functioning of the RCHCs and MCHCs which are idling.

### **Action Taken**

The 54 RCH subcentres constructed in Palakkad District under RCJ sub project phase 1 are functioning properly. NRHM through its District Society in Palakkad provided untied funds @ ₹ 10,000 per subcentre per financial year and

Annual Maintenance Grant @ of ₹ 10,000 per subcentre per financial year. 27 MCHCs and 9 UHCs were constructed during the RCH Phase 1 Project, and was funded by the Ministry of Health and Family Welfare, Government of India. The project was closed on 31st July, 2004, which was prior to the launch of NRHM. The project was implemented in the city of Kozhikkode by the District Implementation Committee headed by the District Collector. After closure of the Project the above centres were handed over to the Corporation of Kozhikkode, as per instructions issued by the Government in G.O. (Rt.) No. 2829/04/H&FWD dated 7th October, 2004, except in the case of 3 UHCs and Subcentres under those UHCs, mentioned in the above Government Order.

During the RCH 1 project, the Ministry of Health and Family Welfare, Government of India has given financial support for construction of the above centres and to meet operational expenses during the project period. During the project period, for running the UHCs, 2 Medical Officers, 1 Pharmacist, 1 Staff Nurse, 1 Nursing Assistant and 1 Grade II/Part-time (Hospital cleaning staff) were provided under the project. In the case of MCHC, 1 JPHN was provided. The responsibility of the RCH Phase 1 Project was only for constructing the centres and operating them during the project tenure. On closure of the project the responsibility of operating the centres rests with the Corporation of Kozhikkode. However, medicine kits are provided by the DMOH to the Corporation Area. Further, presently 20 JPHNS are also provided under NRHM for carrying out MCH activities in the Corporation Area.

9 UHC are functioning in Kozhikkode District. Out of which 7 are functioning under the control of Corporation of Kozhikkode and only 2 are under Health Service Department and sufficient staff available in their UHCs under Health Department. 27 MCHCs are functioning in Kozhikkode District out of which 24 are functioning under the control of Corporation of Kozhikkode and

remaining 3 are under Health Service Department and sufficient staff available in the MCHCs under Health Department. The details as to whether sufficient staff is available in Kozhikkode Corporation are not available with the Health Department. The Urban Health Mission passed by Ministry of Health, Government of India is proposed to cover the UHCs and MCHCs in Kozhikkode District. In the case of RCH Centres in Palakkad 53 out of 54 Subcentres have one JPHN each and it is sufficient. One Subcentre viz. Poonchola, in Kanjirapuzha PHC has no sanctioned post of JPHN.

AVERAGE NUMBER OF CASES BEING ATTENDED BY EACH CENTRE DURING A DAY  
PER MONTH IS AS FOLLOWS

**9 UHCs in Kozhikkode**

Sl. No.	Name of UHC	Daily Attendance
1	Panniyankara	Average 60
2	Pallikandi	Average 70
3	Mankavu	Average 50
4	Idiyangara (Koyappathodi)	Average 75
5	Vellayi	Average 65
6	West Hill	Average 50
7	Kannadikkal	Average 50
8	NGO Quarters	Average 200
9	Medical College	Average 20

## 27 MCHCs in Kozhikode

1	Kannanchery	Average 30 to 40
2	Payyanakkal	
3	Chakkumkadavu	
4	Pallikandi	
5	Idiyangara	
6	Veliyancheripadam	
7	Kundungal	
8	Kothi	
9	Kalluthankadavu	
10	Vellayi	
11	Mankavu	
12	Kaloor Road	
13	Kommeri	
14	Kinassery	
15	Kuthiravattom	
16	Vazhipokku	
17	Ponnamkode	
18	Mundikkalthazham	
19	Chelavoor	
20	West Hill	
21	Kunduparamba	
22	Bhatt Road	
23	Civil Station	
24	Poolakadavu	
25	Beach Hospital	
26	Medical College Campus	
27	NGO Quarters	

In case of RCH Centres in Palakkad the average number of cases for anti-natal clinic is 10-20 per clinic once in a week, for immunization 30-40 per clinic once in a month and for NCD/Nutrition/Others 10-15 per day.

### **Recommendation**

*(Sl. No. 15, Para No. 63)*

Appreciating the idea conceived for the setting up of Heart Foundation, the Committee recommends that loan should be taken from HUDCO as external assistance on Government guarantee and sufficient funds allocations must be made in budgets for the repayment of loan for 4-5 years. Efforts ought to be made for the mobilisation of fund not only from Government of India but from external agencies also.

### **Action Taken**

Functions of KHF has been strengthened by providing adequate budgetary allocation in subsequent years as detailed below:

2013-2014 = 400 lakh

2014-2015 = 175 lakh

Now KHF is functioning as a base unit of Cardiology Department, Medical College, Thiruvananthapuram. By utilizing above mentioned budgetary allocation, action has already been taken for establishing Cath Lab at Medical College, Thiruvananthapuram. Now there is no situation of availing loan from HUDCO.

Thiruvananthapuram,  
18th February, 2016.

DR. T. M. THOMAS ISAAC,  
*Chairman,*  
*Committee on Public Accounts.*

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