

Executive Summary

Key facts

Scheme details	<ul style="list-style-type: none"> The Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was announced in August 2003 to correct imbalances in availability of tertiary care hospitals and improve medical education. The scheme has two components, viz., setting up of new AIIMS and upgradation of selected Government Medical College Institutions (GMCIs). Covers 20 new AIIMS and 71 GMCIs in six phases.
Financial management	<ul style="list-style-type: none"> New AIIMS -100 <i>per cent</i> funded by Centre. Upgradation of GMCIs: States to partly share cost. Total allocation and release upto 2016-17 were ₹ 14,970.70 crore and ₹ 9,207.18 crore respectively.
Scheme deliverables	<p>New AIIMS:</p> <ul style="list-style-type: none"> 960 hospital beds. Nine science and other departments and 33 super speciality/speciality departments in Medical College and Hospital. Medical and Nursing Colleges. <p>GMCIs:</p> <ul style="list-style-type: none"> Upgradation of facilities. Setting up of super speciality blocks and trauma centres.
Major findings	<p>In six new AIIMS:</p> <ul style="list-style-type: none"> Cost overrun of ₹ 2,928 crore. Time overrun of about four to five years in various packages of six New AIIMS. 1,318 equipment having estimated cost of ₹ 454 crore remained undelivered as on 31 March 2017 for periods upto 25 months from the due date of delivery. Shortage of faculty posts in different AIIMS ranged from 55 <i>per cent</i> to 83 <i>per cent</i>. Shortage of non-faculty posts ranged from 77 <i>per cent</i> to 97 <i>per cent</i>. In new AIIMS out of 42 departments, six to 14 speciality, super-speciality and other departments have not become functional. <p>In GMCIs:</p> <ul style="list-style-type: none"> Upgradation work in eight GMCIs of Phase-I and Phase-II was completed with delays ranging from eight to 84 months. In five GMCIs of Phase-I and Phase-II, work had not been completed even after delays ranging from three months to over five years.

	<ul style="list-style-type: none">• 408 equipment costing ₹ 71.25 crore were either not installed or installed with delay ranging from three to 90 months.• 977 equipment costing ₹ 34.99 crore were idle/non-functional in nine GMCIs.• Idling of funds of ₹ 63.85 crore.• Diversion of funds of ₹ 26.71 crore.
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The Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) was announced in August 2003 with the objective of correcting the imbalances in the availability of tertiary healthcare services and improving the quality of medical education in India. The scheme comprised setting up of AIIMS like institutions and upgradation of existing State Government Medical Colleges/Institutions (GMCIs). In its first phase, the scheme envisaged setting up six institutions like the All India Institute of Medical Sciences (AIIMS) and upgradation of 13 existing medical Colleges/Institutions. Over a period of time, the scheme has been expanded to cover 20 new AIIMS and 71 GMCIs in six phases. A total amount of ₹ 14,970.70 crore was allocated for the scheme during 2004-17 of which an amount of ₹ 9,207.18 crore had been released by the Ministry.

A performance audit of the implementation of the scheme covering the period from 2003-04 to 2016-17 brought out that inadequacies in planning and financial management coupled with poor contract management and execution of works as well as lack of synchronisation and coordination of activities resulting in undue delays as well as additional costs that frustrated achievement of the intended benefits and full achievement of the objectives of the scheme. Some of the main points brought out in the Report are summarised below:

(A) Planning

- (i) Ministry had not formulated any operational guidelines for PMSSY. Instead implementation was guided by instructions issued from time to time and decisions taken by the Project Management Committee (PMC) mostly on a case to case basis. This resulted in several *ad hoc* decisions being taken on various aspects.

(Para 2.2)

- (ii) There were shortcomings in planning of the scheme and approval was obtained in March 2006 based on a preliminary feasibility study instead of on the basis of a comprehensive assessment of scope of work. Audit noted that the area required in the initial proposal had been underestimated by approximately 37 per cent and green building norms and requirements in terms of Energy Conservation Building Code had not been catered for. Further, the requirement for equipment had also been underassessed. As a result, revised approval had to be obtained in March 2010 which held up commencement of work on many packages.

(Para 2.3)

- (iii) States selected were required to provide a minimum of 100 acres of developed land for the project. Land related issues were observed in four out of six AIIMS of Phase-I. During Phase-II of the scheme, land for the AIIMS Raebareli was provided by the State Government after four years of its approval. Further, land for the new AIIMS at Raiganj (West Bengal) was not provided by the State Government which led to the AIIMS project being shifted to Phase-IV.

(Para 2.4)

- (iv) There were no criteria for selecting GMCI's for upgradation and shortcomings were noted with respect to gap analysis undertaken for two GMCI's leading to duplication of facilities and equipment.

(Paras 2.6 and 2.7)

- (v) In the case of five GMCI's the concerned State Governments failed to provide a clear site in time leading to delay in the upgradation of these GMCI's.

(Para 2.8)

(B) Financial management

- (i) There was a large variation in estimated cost for each new AIIMS from the initially approved cost of ₹ 332 crore in March 2006 to ₹ 820 crore in March 2010. This was attributable to increase in cost indices, enhancement in area requirements, inclusion of additional items in the estimates and increase in the quantum of equipment required at each AIIMS.

(Para 3.3)

- (ii) The six new AIIMS were holding an unutilised balance of funds of ₹ 1,267.41 crore while ₹ 393.53 crore for civil works and ₹ 437.28 crore for procurement of equipment lying unspent with the executing agencies.

(Paras 3.4 and 3.5)

- (iii) Four GMCIIs (**BJMC–Ahmedabad, BMCRI-Bangalore, NIMS-Hyderabad, and RIMS-Ranchi**) diverted ₹ 26.71 crore for other purposes.

(Para 3.8)

- (iv) In seven GMCIIs, utilization certificates amounting to ₹ 234.98 crore were yet to be furnished to the Ministry raising the risk of further diversions and misutilisation of funds.

(Para 3.9)

(C) Setting up of new AIIMS

- (i) The scheduled dates of completion of six new AIIMS of Phase-I were between August 2011 and July 2013. Construction works were not completed by scheduled dates in any of the new AIIMS and there were delays of about four to five years.

(Para 4.2)

- (ii) In three new AIIMS (**Patna, Rishikesh and Raebareli**), there was deviation in actual quantities with respect to 127 items of work as

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compared to quantities given in the Bill of Quantities (BOQ) of the contract. The total monetary value of these deviations was ₹ 74.84 crore.

(Para 4.4.1)

- (iii) In four new AIIMS (**Bhopal, Jodhpur, Patna and Raipur**), there was excess payment of ₹ 19.62 crore to contractors due to adoption of higher rates in BOQ, price escalation in violation of contract and change in mode of contracting.

(Para 4.4.2)

- (iv) In three new AIIMS (**Bhubaneswar, Jodhpur and Raipur**), there was excess payment of mobilization advance of ₹ 16.91 crore to contractors.

{Para 4.4.3 (iii)}

- (v) In six new AIIMS (**Bhopal, Bhubaneswar, Jodhpur, Patna, Raipur and Rishikesh**) 1,318 equipment valued at ₹ 454 crore remained undelivered as on 31 March 2017 for period over two years from the due date of delivery.

(Para 4.5.2)

- (vi) In six new AIIMS (**Bhopal, Bhubaneswar, Jodhpur, Patna, Raipur and Rishikesh**), 195 equipment costing ₹ 72.04 crore, though received, were not installed due to reasons like pending civil work, non-availability of site, non-availability of skilled manpower etc. These equipment were lying uninstalled in the hospitals for the period ranging between three months and four years as of March 2017.

(Para 4.5.3)

- (vii) In four new AIIMS (**Bhopal, Bhubaneswar, Patna and Rishikesh**), there was delay ranging from 3 months to over three years in installation of 850 equipment costing to ₹ 76.40 crore.

(Para 4.5.4)

- (viii) In four new AIIMS (**Bhubaneswar, Patna, Raipur** and **Rishikesh**), 123 equipment costing ₹ 55.07 crore were installed but not functioning or remained unutilised/underutilised.

(Para 4.5.5)

- (ix) In six new AIIMS (**Bhopal, Bhubaneshwar, Jodhpur, Patna, Raipur** and **Rishikesh**) shortage of faculty posts ranged from 55 per cent to 83 per cent. Similarly, the shortage of non-faculty posts ranged from 77 per cent to 97 per cent.

(Para 4.6)

- (x) Though all six new AIIMS were stated to be functional, six to fourteen speciality, super-speciality and other departments have not become functional.

(Para 4.7.1)

- (xi) Only 152 to 546 beds were available against the requirement of 960 beds in each of the six new AIIMS.

(Para 4.7.2)

(D) Upgradation of GMCIs

- (i) The work of eight GMCIs of Phase-I and Phase-II was completed with delays ranging from eight months to about seven years. In five other GMCIs, work had not been completed even after delays which ranged from three months to over five years with respect to the scheduled completion dates. Further, none of the six GMCIs of Phase-III which were scheduled to be completed by March 2017 had been completed.

(Para 5.3)

- (ii) In ten GMCIs, 408 equipment costing ₹ 71.25 crore were either not installed or installed with delay ranging from three months to over seven years as on 31 March 2017.

(Para 5.6)

- (iii) In nine GMCIs, 977 equipment costing ₹ 34.99 crore were idle/non-functional as on 31 March 2017 due to lack of manpower, software problems, lack of supporting equipment/infrastructure and defects.

(Para 5.7)

- (iv) In the five GMCIs, where upgradation was stated to be completed, 19 out of 41 facilities had not been upgraded.

(Para 5.11)

(E) Monitoring and Evaluation

- (i) State Project Monitoring Committees (State PMCs) were not constituted for two new AIIMS at **Raipur** and **Rishikesh**. For the remaining four new AIIMS, though the State PMCs were constituted, the stipulated number of meetings was not held.

(Para 6.3.2)

- (ii) The State Level PMC under the chairmanship of Principal Secretary (Health/Medical Education) was required to meet on regular basis viz. at least once in a month, to review the progress of upgradation of GMCIs and share its views with the Ministry. It was, however, noted that State PMCs were not constituted in eight GMCIs. In BMCRI-Bangalore though a State PMC was constituted in March 2008, there were no records of its meetings.

(Para 6.4.1)

- (iii) Third Party Quality Assurance (TPQA) was not undertaken in 15 GMCIs. In three GMCIs viz. **GMC-Kota**, **DMCH-Darbhanga** and **SKMC-Muzaffarpur**, TPQA was established only in March 2017 but no activity for quality assurance was undertaken.

(Para 6.4.3)

