

EXECUTIVE SUMMARY





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Why we did this Audit?

‘Health is wealth’ is an adage of far-reaching significance in a welfare State. Delivery of public health and medical services is one of the major functions of the State Government, with significant support from the Central Government. The system for healthcare delivery in the State is organised with three layers; Primary Health Centres (PHCs) providing the primary healthcare with greater focus of preventive care, District and Non-District hospitals providing secondary healthcare or the first level referral services, and the Medical College Hospitals at the top of the pyramid, providing the tertiary care or second level referral services.

Considering the importance of infrastructure and management of health services in ensuring a healthy nation and the priority accorded to health by both the Central and State Government, CAG took up this Performance Audit covering the activities during 2016-22. The objectives of this Audit were to assess the: (1) adequacy of the funding for healthcare, (2) availability and management of healthcare infrastructure, (3) availability of drugs, medicines, equipment and other consumables, (4) availability of necessary human resource at all levels, (5) effectiveness of implementing GoI schemes, (6) adequacy and effectiveness of the regulatory mechanisms for ensuring quality healthcare services and (7) achievements against Sustainable Development Goal (SDG) 3 targets.

What we found?

More than *75 per cent* of shortage was found in certain posts like in Block Extension Educator, Family Welfare Assistant/Educator, Lady Health Visitor, Maternity Child Health Officer etc., in the Directorate of Family Welfare.

Recruitment of medical manpower lagged despite constituting a separate Board for recruitment of medical manpower. Further, large number of vacancies in the HCFs under the Directorate of Indian Medicine and Homoeopathy would not augur well for popularizing alternative medicines, which is a policy of Government.

GPS devices were not used in *25 per cent* emergency calls resulting in non-availability of the details of ambulances that were in the vicinity of the accident/emergency site on a real-time basis.

Thirty six *per cent* of total deliveries were performed through Lower Segment Caesarean Section (LSCS) during 2019-21 in Government HCFs against the all India average of only *14 per cent*.

There were non-supply/short supply of drugs to the hospitals. There were deficiencies such as procuring of short-expiry drugs, non-blacklisting of suppliers for deficiencies in supply, issues in quality control, etc. Lapses on the part of Tamil Nadu Medical Services Corporation (TNMSC) resulted in lifting of non-standard quality drugs for issue to the patients by Healthcare Facilities.

The equipment at HCFs did not have a subsisting Annual Maintenance Contract (AMC). The Heads of the sampled hospitals did not monitor the performance of Bio-Medical Engineers and failed to furnish the list of equipment to TNMSC for arranging AMC.

There were serious disconnect between the HCFs and the TNMSC in assessing the requirement and procuring only the required equipment resulting in procurement of unnecessary equipment.

As against National Health Policy's recommendation of earmarking eight *per cent* of the budget for health, Government spent only around five *per cent* of its budget for health. GoTN had no system to prioritise developmental activities based on gap analysis through formal facility survey.

Huge unutilized funds, sanctioned for procurement of drugs and equipment, were held by TNMSC and Tamil Nadu Medicinal Plant Farms and Herbal Medicine Corporation Ltd (TAMPCOL).

Due to the absence of a formal facility survey and gap assessment, GoTN could not prioritise the areas requiring development.

The building constructed for the National Centre for Ageing was not commissioned for more than two years due to non-provision of required manpower and equipment.

Janani Suraksha Yojana was not paid to 26 *per cent* out of all institutional deliveries in the sampled HCFs. Only 46 *per cent* of mothers who gave birth in Government HCFs in the State were provided transport to their residences by Government/outsourced vehicle under *Janani Shishu Suraksha Karyakram*.

There was in-ordinate delay of 21 years in framing Rules under the Tamil Nadu Clinical Establishments (Regulation) Act, 1997, leading to slackness in monitoring the working of private medical institutions. Government healthcare facilities were not proactive in getting certified under National Accreditation Board for Hospitals and Healthcare Providers and National Quality Assurance Standards, leading to non-institution of systems for ensuring the quality of service.

GoTN did not monitor all the targets under SDG-3.

What we recommend?

We have made 14 recommendations covering the need to increase the outlay for health, enlarging primary care network in urban areas, maintenance of medical equipment, periodical recruitment of manpower with clear forecast of vacancies, strengthening enforcement of clinical establishments Act, monitoring SDG target achievement using the indicators developed by NITI Aayog, etc.

HUMAN RESOURCES

- ✓ Government should ensure that adequate manpower is available for continued effective implementation of the Family Welfare programmes.
- ✓ Government should ensure that the Directorates periodically compile the manpower requirement at different levels and pursue with the Medical Recruitment Board to recruit staff as per Annual Recruitment Calendar.

HEALTHCARE SERVICES

- ✓ Government should study the feasibility and implement a fully automated monitoring system for ambulance service by linking the vehicle position using Global Positioning System.
- ✓ Government should put in place a mechanism for clinical audit of the circumstances leading to the high proportion of LSCS deliveries in the HCFs.

AVAILABILITY OF DRUGS, MEDICINE, EQUIPMENT AND OTHER CONSUMABLES

- ✓ Government should direct TNMSC to ensure that drugs that fail the quality tests are not issued to HCFs/should be retrieved back from the HCFs. Further, the Suppliers of such drugs should be blacklisted as per the existing provisions.
- ✓ Government should ensure that TNMSC takes ownership of maintenance activity of all medical equipment supplied to all healthcare facilities and update the inventory based on annual physical verification.
- ✓ Government should ensure that medical equipment like X-ray machines, Electrocardiogram/Ultrasonography machines etc., are procured only after ascertaining the availability of infrastructure to house the equipment and technicians to operate/service them when under repair.

FINANCIAL MANAGEMENT

- ✓ Government should ensure that the outlay for healthcare is increased to eight *per cent* of the budget as envisaged in the National Health Policy to bridge the gaps in infrastructure and manpower needs of all three levels of public health institutions, particularly with a focus on the gaps in Urban Primary healthcare services. The Department should strive to utilise the budget allotments in full.
- ✓ Government should ensure that releasing funds to TNMSC and TAMPCOL are linked to the actual requirement of drugs and other supplies and direct these agencies to refund the unspent balances immediately.
- ✓ Government should ensure that the fund and manpower allocation are based on the gaps identified through the annual facility survey, as specified with National Health Mission.

IMPLEMENTATION OF CENTRALLY SPONSORED SCHEMES

- ✓ Government should ensure that the National Centre for Ageing, constructed with GoI assistance, is commissioned without any further delay by sanctioning required manpower and equipment.
- ✓ Government should ensure that adequate awareness is created to ensure scheme benefits to all the eligible women under 'Janani Suraksha Yojana' and 'Janani Shishu Suraksha Karyakram'.

ADEQUACY AND EFFECTIVENESS OF REGULATORY MECHANISMS

- ✓ Government should ensure that all clinical establishments (both public and private) in the State are registered under the Tamil Nadu Clinical Establishments (Regulation) Act, 1997 and Directorate of Medical and Rural Health Services may deploy adequate manpower to effectively enforce this Act.

SUSTAINABLE DEVELOPMENT GOAL - 3

- ✓ Government should ensure that all indicators devised by NITI Aayog are employed to monitor performance under SDG-3.

Government's response to Audit recommendations

Government while responding to the Audit observations raised, assured necessary corrective action wherever required. Audit acknowledges and appreciates the corrective action taken/proposed by Government to address issues pointed out in this Report.