

MEMORANDUM OF AGREEMENT

**AGREEMENT
BETWEEN
DIRECTOR, NIMHANS
AND**

.....**(Name & Address of Hospital / Centre)**

This Agreement is made on -----day-----2011 between the Director, National Institute of Mental Health & Neurosciences , Bangalore (hereinafter called NIMHANS which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors the office and assigns) of the **First Part**

AND

.....**(Name & Address of Hospital / Centre)**

Second Part

WHEREAS, the NIMHANS is providing comprehensive medical care facilities to Employees/Pensioners and their dependent family members.

AND WHEREAS, NIMHANS HEALTH SCHEME (NHS) proposes to provide treatment facilities in Allopathy to the NHS beneficiaries in the Private Recognized Hospitals/Centres.

AND WHEREAS.....Hospital/Centre offered to give the treatment to the NHS Beneficiaries who may produce a permission letter from their NIMHANS HEALTH CENTRE.

NOW, THEREFORE, IT IS HEREBY AGREED between the Parties as follows:

1. DEFINITIONS & INTERPRETATIONS

1.1 The following terms and expressions shall have the following meanings for purposes of this Agreement:

1.1.1 "Agreement" shall mean this Agreement and all Schedules, supplements, appendices, appendages and modifications thereof made in accordance with the terms of this Agreement.

1.1.2 "Benefit" shall mean the extent or degree of service the beneficiaries are entitled to receive as per the rules on the subject.

1.1.3 "Card" shall mean the NHS Card, issued by any competent authority of NIMHANS.

1.1.4 “Card Holder” shall mean a person having a NHS Card.

1.1.5 “NHS Beneficiary” shall mean a person who is eligible for coverage of NHS and hold a valid NHS card for the benefit.

1.1.6 “Coverage” shall mean the persons eligible as beneficiaries of the NIMHANS HEALTH SCHEME.

1.1.7 “Empanelment” shall mean the hospital / diagnostic center authorized by the NIMHANS for treatment purposes for a particular period.

1.1.8 “Hospital” shall mean thewhile performing under this Agreement providing medical investigation, treatment and the Healthcare of human beings.

1.1.9 “Recognition of Hospital” shall mean the Hospital empanelled by the NHS for a particular period for providing treatment facilities and procedures etc. to the NHS beneficiaries at the rules laid down.

1.1.10 “De- recognition of Hospital” shall mean debarring the hospital on account of adopting unethical practices or fraudulent means in providing medical treatment to or not following the good industry practices of the health care for the NHS beneficiaries after following certain procedure of inquiry.

1.1.11 “Party” shall mean either the NIMHANS or the Hospital/Center and “Party” shall mean both the NIMHANS and the Hospital / Diagnostic Center.

1.1.12 (a) “Package Rate” means rates for a package of treatment of standard set of procedures that are administered to the patient while undergoing treatment for a pre-diagnosed disease-condition for the specified time period.

- i) This includes all charges pertaining to a particular treatment/procedure including registration charges, admission charges, accommodation charges, cost of medicines, Panchakarma charges, Labour Room Charges, Charges for Ksharasutra, operation /procedure charges, doctor/consultant visit charges, monitoring charges, operation theatre charges, procedural charges/surgeon’s fee, cost of disposable surgical charges 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.
- ii) No additional charge on account of extended period shall be allowed if that extension is due to any improperly conducted procedure.

1.1.13 “Bill Clearing Agency” (BCA means the agency appointed by NIMHANS for processing of Data / Bills of all NHS beneficiaries (both serving and pensioner) attending the empanelled private Hospitals and for making payment.

2. SERVICE AREA

The Hospital / Diagnostic Center shall provide treatment facilities to the NHS beneficiaries who may produce a permission letter from NIMHANS HEALTH CENTRE (NHC)

3. SERVICE CHARGES

The Hospital / Center shall charge from the NHS beneficiaries as per the rates for a particular procedure / package deal as prescribed by the CGHS which shall be an integral part of this Agreement. This also includes the ward entitlement as per CGHS rules. It further includes description of General ward, semiprivate ward, private ward as per CGHS norms.

4. DURATION

The Agreement shall remain in force for a period of 2 years or till it is modified or revoked, whichever is earlier. The Agreement may be extended for subsequent periods as required by NIMHANS subject to fulfillment of all the terms and conditions of this Agreement and with mutual consent.

5. MEDICAL AUDIT OF BILLS

The medical audit of the bills of the hospital / center will be conducted by the NIMHANS or any authority designated by NIMHANS or the Ministry of Health & Family Welfare for that purpose within 90 days of discharge of the NHS beneficiary, as the case may be, from Hospital.

6. REVISION OF RATES

In case the notified rates are revised by the Ministry of Health & Family Welfare after empanelment and such revised rates are not acceptable to the empanelled hospital / Center, or for any other reason, the hospital / center no longer wishes to continue on the list of empanelled hospitals / centers, it can apply for exclusion from the panel by giving three months notice and by depositing an exit fee equivalent to the average monthly bill submitted by it to the NIMHANS in the preceding one year.

7. TREATMENT IN EMERGENCY

In emergency the hospital shall not refuse admission or demand an advance payment from the beneficiary or his family member and shall provide credit facilities to the patient whether the patient is a serving employee or a pensioner availing NHS facilities, on production of a valid NHS card within 24 hrs and the hospital shall submit the bill to BCA. The refusal to provide the treatment to bonafide NHS beneficiaries in emergency cases without valid ground, would attract disqualification for continuation of empanelment.

8. GENERAL CONDITIONS

- 8.1 All investigations regarding fitness for the surgery will be done prior to the admission for any elective procedure and are part of package. For any material / additional procedure / investigation other than the condition for which the patient was initially permitted, would require the permission of the competent authority.
- 8.2 The package rate will be calculated as per the duration specified in the tender document under the "treatment requirements". No additional charge on account of extended period of stay shall be allowed if that extension is due to infection on the consequences of surgical procedure or due to any improper procedure and is not justified.
- 8.3 The rate being charged will not be more than what is being charged for same procedure from other (CGHS, non-CGHS and non Central Govt.) patients or institutions. An authenticated list of rates being charged from other non-CGHS, non-Central Govt. Institutions if available will also be supplied within 10 days of this agreement.
- 8.4 The procedure and package rates for any procedure and other medical treatment for NHS beneficiary under this Agreement shall not be increased during the validity period of this Agreement.
- 8.5 The empanelled Hospital / Center shall provide services only for which it has been empanelled at rates that will be fixed from time to time and shall be binding.
- 8.6 The Hospital will intimate all instances of patients admitted on the basis of the Authority letter issued by the NHS authorities in the prescribed format within one working day through fax / email (the number of which shall be notified) followed by post.
- 8.7 The Hospital / Center shall provide reports on monthly basis by the 10th day of the succeeding calendar month in the prescribed format to the NIMHANS in respect of the beneficiaries treated.
- 8.8 The Hospital / Center agrees that any liability arising due to any default or negligence in providing or performance of the medical services shall be borne exclusively by the hospital / center who shall alone be responsible for the defect and / or deficiencies in rendering such services.
- 8.9 The Hospital agrees that during the in-patient treatment of the NHS beneficiary, the Hospital will not ask the beneficiary or his attendant to purchase separately the medicines / sundries / equipment or accessories from outside and will provide the treatment within the package deal rate, which includes the cost of all the items. Appropriate action, including removing from NHS empanelment and/ or termination of this Agreement, may be initiated on the basis of a complaint, medical audit or inspections carried out by NHS teams.

- 8.10 On production of a valid permission by the NHS / beneficiaries, the hospital / center shall provide credit facilities to the NHS beneficiaries after verifying the photo in the card. The NIMHANS is not liable to pay in cases of impersonation or treatment of ineligible persons.
- 8.11 The Hospital / Center will submit an annual report regarding number of referrals received, admitted, bills submitted to the NHS and payment received.
- 8.12 Authorized signatory / representative of the hospital / center shall attend the periodic meetings held by Director, NIMHANS.
- 8.13 The Hospital / Diagnostic Center will not make any commercial publicity projecting the name of NIMHANS. However, the fact of empanelment under NHS shall be displayed at the premises of the empanelled center, indicating that the charges will be as per CGHS approved rates.
- 8.14 The hospital will investigate / treat the NHS beneficiary patient only for the condition for which they are referred with permission, and in the specialty and / or purpose for which they are approved by NHS.
- 8.15 The Hospital shall not undertake treatment of referred cases in the system of medicine for which it is not empanelled.
- 8.16 The hospital will not refer the patient to other specialist / other hospital without prior permission of NIMHANS. Prior intimation shall be given by the NHS whenever patient needs further referral.
- 8.17 The rates notified by CGHS shall be available on web site of Ministry of Health & Family Welfare Govt of India at www.mohfw.nic.in,

9. SUBMISSION OF BILLS TO BILL CLEARING AGENCY

The Hospital / Centre shall submit the bills of the NHS beneficiaries both electronically as well as physically to the BCA for processing the same for payment.

Payment within twenty days: -

NIMHANS shall appoint a Bill Clearing Agency (BCA), for processing of Data / Bills of all NHS beneficiaries attending these Hospitals. NIMHANS would ensure that payment of hospital claims would be done in time bound manner- **within a period of 20 working days from the date of submission of bills in physical format / complete information related to the claim to the designated BCA.**

NHS beneficiary attending hospital: -

In such a situation the Hospital shall intimate to BCA within 2 hours of admission and BCA shall respond in 4 working hours (however treatment shall not be denied to any NHS member and this is only an initiation of the eworkflow). Post discharge, hospital would upload bills and download documents as per requirements of NHS within 96 hours.

Infrastructure for interaction with BCA: -

The Hospital shall have:

Dedicated personal Computer with Dual Core / core 2 DUO processor and minimum 2 GB RAM supported by UPS. OS should be Windows. Dedicated Colour scanner with a minimum resolution 200dpi.

Scalable Broad Band Internet connectivity with minimum assured speed of 512kbps.

Necessary security systems should be taken care of.

A designated Nodal Person to interact with BCA.

The Private Hospital would be legally responsible for user authentication.

Processing of Claims / Bills by BCA: -

The actual auditing shall start when physical copies containing complete information of these bills are submitted by concerned Hospital to the BCA on behalf of the NIMHANS.

The BCA during the course of the auditing shall restrict the claims as per CGHS rules and regulations. BCA shall also examine in terms of the following:

- ❑ Appropriateness of treatment including screening of patients records to identify unnecessary admissions and unwarranted treatments
- ❑ Whether the planned treatment is shown as emergency treatment
- ❑ Whether the diagnostic medical or surgical procedures that were not required were conducted by hospital including unnecessary investigations
- ❑ Maintaining database of such information of NHS beneficiaries for future use,
- ❑ Whether the treatment procedures have been provided as per the approved rates and the packages.
- ❑ Whether procedures performed were only those for which permission has been granted

The BCA shall record their findings and intimate the same to the Hospital concerned with a copy endorsed to NIMHANS. The payment of the bill / claim to the hospital concerned shall be made directly by NIMHANS after receipt of the bills which are duly adjudicated by the BCA.

The Hospital / Centre is required to pay processing fee to the bill Clearing Agency. The processing Fee is as under:

Claim Amount Range	Process fee (Rs)
Below Rs 500.00	7-00
Rs 501 to Rs 1000.00	15-00
Rs 1001 to Rs 5000.00	30-00
Rs 5001 to Rs 10000.00	150-00
Above Rs 10000.00	266-00

10. DUTIES AND RESPONSIBILITIES OF HOSPITALS / CENTERS

It shall be the duty and responsibility of the Hospital / Center, at all times, to obtain, maintain and sustain the valid registration, recognition and high quality and standard of its services and healthcare and to have all statutory / mandatory licenses, permits or approvals of the concerned authorities under or as per the existing laws.

11. NON ASSIGNMENT

The Hospital / Center shall not assign, in whole or in part, its obligations to perform under the agreement, except with the NIMHANS's prior written consent at its sole discretions and on such terms and conditions as deemed fit by the NIMHANS. Any such assignment shall not relieve the Hospital / Center from any liability or obligation under this agreement.

12. HOSPITAL'S / CENTER'S INTEGRITY AND OBLIGATIONS DURING AGREEMENT PERIOD

The Hospital / Center is responsible for and obliged to conduct all contracted activities in accordance with the Agreement using state-of-the-art methods and economic principles and exercising all means available to achieve the performance specified in the Agreement. The Hospital / Center is obliged to act within its own authority and abide by the directives issued by the NIMHANS. The Hospital / Center is responsible for managing the activities of its personnel and will hold itself responsible for their misdemeanors, negligence, misconduct or deficiency in services, if any.

13. LIQUIDATED DAMAGES

13.1 The Hospital / Diagnostic Center shall provide the services as per the requirements specified by the NIMHANS in terms of the provisions of this Agreement. In case of initial violation of the provisions of the Agreement by the Hospital / Diagnostic Center such as refusal of service or direct charging from the NHS Beneficiaries or defective service and negligence, in the first instance, the complaint will be examined by the NIMHANS authorities and if the complaint is found to be true the NIMHANS shall have the right to give a show cause notice to the Hospital to be replied within 10 days of its receipt, and the reply of the Hospital will be examined by a Standing committee constituted for the purpose of deciding the appropriateness of the treatment or diagnostic procedures, as the case maybe. If the Committee concludes that the Hospital / Diagnostic Center has violated the provisions of the Agreement necessary action will be taken for de-recognition of that Hospital. The decision of the NIMHANS will be final.

13.2 For over- billing and unnecessary procedures, the extra amount so charged will be deducted from the pending / future bills of the Hospital / Diagnostic Center and the NIMHANS shall have the right to issue a written warning to the Hospital / Diagnostic Center not to do so in future. The recurrence, if any, will lead to stoppage of referral to that Hospital / Diagnostic Center.

14. TERMINATION FOR DEFAULT

14.1 The NIMHANS may, without prejudice to any other remedy for breach of Agreement, by written notice of default sent to the Hospital / Center terminate the Agreement in whole or part:

- a) If the Hospital / Center fails to provide any or all of the services for which it has been recognized within the period (s) specified in the Agreement, or within any extension thereof if granted by the NIMHANS as the case may be, pursuant to Condition of Agreement, or
- b) If the Hospital / Center fails to perform any other obligation (s) under the Agreement.
- c) If the Hospital / center in the judgment of the NIMHANS has engaged in corrupt or fraudulent practices in competing for or in executing the Agreement.

14.2 If the hospital / center found to be involved in or associated with any unethical illegal or unlawful activities, the Agreement will be summarily suspended by NIMHANS without any notice and thereafter may terminate the Agreement, after giving a show cause notice and considering its reply if any, received within 10 days of the receipt of show cause notice.

14.3 In case of any violation of the provisions of the Agreement by the Hospital / Center such as (but not limited to), refusal of service, refusal of credit facilities to eligible beneficiaries and direct charging from the NHS beneficiaries, undertaking unnecessary procedures, prescribing unnecessary drugs / tests, deficient or defective service, over billing and negligence in treatment, the NIMHANS shall have the right to de-recognize the hospital / center as the case may be.

15. INDEMNITY

The hospital / Center shall at all times, indemnify and keep indemnified NIMHANS against all actions, suits, claims and demands brought or made against it in respect of anything done or purported to be done by the Hospital / Center in execution of or in connection with the services under this Agreement and against any loss or damage to NIMHANS consequent to any action or suit being brought against the NIMHANS along with (or otherwise), Hospital / Center as a party for anything done or purported to be done in the course of the execution of this Agreement . The Hospital / Diagnostic Center will at all times abide by the job safety measures and other statutory requirements prevalent in India and will keep free and indemnify the NIMHANS from all demands or responsibilities arising from accidents or loss of life, the cause or result of which is the Hospital /Center negligence or misconduct.

The Hospital /Center will pay all indemnities arising from such incidents without any extra cost to NIMHANS and will not hold the NIMHANS responsible or obligated. The NIMHANS may at its discretion and shall always be entirely at the cost of the Hospital /Center defend such suit, either jointly with the Hospital / Center or singly in case the latter chooses not to defend the case.

16. PAYMENT

The payment will be made to the Hospital / Center within a period of 20 days from the date of submission of the bill accompanied with all necessary and supporting documents. This clause should be read with clause Number 09.

17. MISCELLANEOUS

17.1 Nothing under this Agreement shall be construed as establishing or creating between the parties any relationship of Master and Servant or Principal and Agent between the NIMHANS and the Hospital /Center.

17.2 The Hospital /Center shall not represent or hold itself out as agent of the NIMHANS.

17.3 The NIMHANS will not be responsible in any way for any negligence or misconduct of the Hospital /Center and its employees for any accident, injury or damage sustained or suffered by any NHS beneficiary or any third party resulting from or by any operation conducted by and on behalf of the Hospital / Center or in the course of doing its work or perform their duties under this Agreement or otherwise.

17.4 The Hospital / Center shall notify the Government of any material change in their status and their shareholdings or that of any Guarantor of the Hospital / Center in particular where such change would have an impact on the performance of obligation under this Agreement.

17.5 This agreement can be modified or altered only on written agreement signed by both the parties.

17.6 Should the hospital get wound up, partnership is dissolved, the NIMHANS shall have the right to terminate the Agreement. The termination of Agreement shall not relieve the hospital or their heirs and legal representatives from the liability in respect of the services provided by the Hospital during the period when the Agreement was in force.

17.7 The Hospital shall bear all expenses incidental to the preparation and stamping of this agreement.

18. NOTICES

18.1 Any notice given by one party to the other pursuant to this Agreement shall be sent to other party in writing by registered post or by facsimile and confirmed by copy post the other party's address as below.

Director, NIMHANS, Hosur road Bangalore-560029

Hospital /Diagnostic Center with Address:

(.....)

18.2 A notice shall be effective when served or on the notice's effective date, whichever is later. Registered communication shall be deemed to have been served even if it is returned with remarks like refused, left, premises locked, etc

IN WITNESSES WHEREOF, the parties have caused this Agreement to be signed and executed on the day, month and the year first above mentioned.

Signed by

**Dr V Ravi
Registrar
NIMHANS**

In the Presence of
(Witnesses)

- 1.
- 2.

Signed By

For and or behalf of (Hospital / Center)
Duly authorized vide resolution No..... dated.....
of (name of Hospital /Center)

In the presence of
(Witnesses)

- 1.
- 2