

Government of Odisha
Planning & Convergence Department

No. 4717 /P

the Bhubaneswar dated 1st April 2020

From

Shri Suresh Chandra Mahapatra, IAS
Development Commissioner-cum-
Additional Chief Secretary.

To

All Collectors

Sub: Establishment and operation of district COVID Hospitals.

Ref: This Department letter No. 4699 dated 28.03.2020

Madam / Sir,

With reference to the above letter and as earlier informed the present crisis is an unprecedented one. The conventional standard response to disasters is inadequate to handle this novel virus, which is causing havoc throughout the world. The developed countries with mature healthcare systems have also found it difficult to respond to the same. There are a large number of fatalities in countries such as, Italy and the USA because of alleged failure of their hospital systems.

Further, global experience shows that the COVID-19 patients need to be put under observation and treatment in a separate hospital, instead of a general hospital, minimizing the chance of transmission to others.

Accordingly, Government of Odisha is taking this unique initiative in good faith to respond to the challenge. This unique tripartite partnership will hopefully be able to establish as a good platform for PPP and be a model in the future.

Tripartite Agreement:

A draft Tripartite Agreement (TPA) has been sent to you vide the above referred letter. However, there are some changes which have been made and the revised draft agreement is being sent to you separately. This revised template may be used for signing the agreement for the District Level COVID hospitals, hence forward.

As per the agreement the First Party (Collector & District Magistrate) has to appoint the Authorized Medical Officer and the Authorized Person to coordinate and provide oversight for the facility in both for administrative and technical matters. The Authorized Person could be the DFO/ other senior Administrative Officer. The Authorized Medical Officer may be appointed in consultation with the CDMO and could also be a Medical Doctor from a Local Government Research / Technical Institution, if available.

GoI Checklist:

The Government of India have given a check list for assessing the suitability of the exclusive dedicated Hospitals for COVID 19 cases (copy enclosed). The checklist will help to assess the readiness of the dedicated COVID hospitals and the suitability of the hospital being suggested for treatment of COVID 19 cases.

Reimbursement of Costs:

Different mechanisms for reimbursement of the expenses of the hospital partner by the corporate partner were examined. The hospitals normally give a list of medical equipment and furniture which are proposed to be used for the Odisha COVID hospitals. They also give details of the manpower proposed to be utilized by them (both medical and paramedical) and the types of consumables that would be used along with costs of the same.

In many cases the hospital partners may need to purchase equipment and furniture. They normally do not envisage any support from Government of Odisha or the corporate partner for this purpose.

Further the hospital partner will need to allocate a minimum prefixed number of medical/paramedical staff for COVID hospital irrespective of occupancy. This may be from within their existing staff or may need to be additionally engaged for this purpose.

Both the above (equipment/ furniture) and the required staff will be part of the fixed costs which the hospital partner will incur.

Accordingly, it may be decided that the hospital partners would be reimbursed a rental charge on monthly basis to cover their fixed costs. This rent would be payable on a per-bed per-day basis which would be reimbursed by the corporate partner to the hospital operator.

Considering the difficulty in sourcing quality manpower the Collector may envisage progressive building up of capacity (number of beds) over time and the payment schedule could be workout accordingly.

Apart from this, the COVID Hospital would be reimbursed variable costs which would depend upon the patient load and cover costs like consumables, drugs, PPE, patient's diet and ambulance/ mortuary services, and other variable expenses as per actuals.

In order to finalize the fixed rental charges (on per-bed per-day basis) and the expected variable costs, a committee under the chairmanship of the Collector & District Magistrate (or their representative) may be constituted which would consist of the Authorized Person, the Authorized Medical Officer (both as defined in the TPA) and a representative of the corporate partner. This committee will discuss with the representatives of the hospital partner and finalize the rental charges to be reimbursed and the components of the variable costs which will be reimbursed on an actuals basis. On technical issues the Committee will be guided by the DMET/ Joint DMET. Further, an initial advance of about 50% estimated rental charges for three months may be considered by the corporate partner, if needed, after signing of the agreement. The balance would be released based on the recommendations of the above committee on monthly basis.

Time Period:

Initially the commitment is being made for a period of three months for the COVID Hospitals which could be extended based on requirements.

Any issues in the establishment and operationalization of the Odisha COVID Hospitals may be brought to the notice of the Health and Family Welfare Department.

Yours faithfully,


**Development Commissioner-cum-
Additional Chief Secretary**

Memo. No. 4718 /P

Dt. 1st April 2020

Copy forwarded to P.S. to Principal Secretary, Health & Family Welfare Department for information of Principal Secretary, Health and FW Deptt.


Deputy Secretary to Government