



Government of Rajasthan
State Health System Resource Centre
Rajasthan State Health Society-NRHM
Swasthya Bhawan, Tilak Marg, Jaipur

F. (2)/NRHM/SHSRC/Health Care Financing/2009/ 03,

Date: 1/09/09

- 1) Collectors of Alwar, Jaipur, Udaipur
- 2) CM& HOs of Alwar, Jaipur, Udaipur
- 3) DPMs of Alwar, Jaipur, Udaipur

Sub: SHSRC Study on Financial Management


The State Health Systems Resource Centre (SHSRC) in the State Health Society will be undertaking a study of Financial Management in a joint collaboration with National Health System Resource Centre (NHSRC, New Delhi). The Terms of Reference of the study are attached. A study team will be undertaking the field visit in the second week of September 09. You are requested to extend necessary cooperation for the visit.


(V.Srinivas)

Secretary, Family Welfare
Mission Director-NRHM

Copy to –

1. PD- NRHM cum ED SARC
2. Addl. Director RCH cum ED SHSRC
3. CFA, NRHM
4. SPM
5. All concerned



Secretary, Family Welfare
Mission Director-NRHM

Upload the letter

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Datasheets needed:

- 1. District Health Society:** SOE of NRHM funds (last 3yrs); Form 9 (last 3 yrs), Bank Statements
- 2. District Hospital:** Treasury Budget & Exp details (last 3 yrs); RMRS Balance Sheet & Income Statement (last 3 yrs); SOE of NRHM funds (last 3 yrs); and Form C to E (last 3 yrs) , Bank Statements
- 3. Sub Division Hospital (any 1):** Treasury Budget & Exp details (last 3 yrs); RMRS Balance Sheet & Income Statement (last 5 yrs); SOE of NRHM funds (last 4 yrs); and Form C to E (last 3 yrs), Bank Statements
- 4. Community Health Centre (CHC)/First Referral Unit(FRU)(any 2):** Treasury Budget & Exp details (last 3 yrs); RMRS Balance Sheet & Income Statement (last 3 yrs); SOE of NRHM funds (last 3 yrs); and Form C to E (last 3 yrs); Form 8 (last 3 yrs), Bank Statements
- 5. PHC (any 2):** Treasury Budget & Exp details (last 3 yrs); RMRS Balance Sheet & Income Statement (last 3 yrs); SOE of NRHM funds (last 3 yrs); and Form C to E (last 3 yrs); Form 7 (last 3 yrs), Bank Statements.

Institutions of Study-

Alwar District -

1. District hospital
2. Sub divisional hospital
3. CHC
 - a. Tejara
 - b. Rajgarh
4. PHC
 - a. Nangalwadi
 - b. Katarpur

Jaipur District -

1. District hospital
2. Sub divisional hospital
3. CHC
 - a. Amer
 - b. Dudu
4. PHC
 - a. Asrol
 - b. Bithoon

Udaipur District -

1. District hospital
2. Sub divisional hospital
3. CHC
 - a. Rishabhdev
 - b. Kherwada
4. PHC
 - a. Nai
 - b. Bassi

State Health Systems Resource Centre

(National Rural Health Mission)

Government of Rajasthan

Terms of Reference

SHSRC and Rajasthan State Health Society (NRHM)

Background

- 1) The NRHM, launched by the government of India in 2005 across India, aims at architectural correction in the health system, focussing in systems strengthening and enhanced capacity of the public health system to deliver quality health services, especially to the rural population and vulnerable groups.
- 2) The sudden inflow of funds across all levels of healthcare (district, block, panchayat / village, and individual health facilities) has done away with funds shortage as an operational constraint, but on the other hand as suddenly confronted the healthcare providers with the issue of capacity of absorbing financial resources. Over the last 4-5 year, a lot of fund has got accumulated as unspent balance at various levels (district, health facility, village, etc.) which had reduced the uptake of the funds originally allocated under NRHM for the 11th plan period.
- 3) NRHM had confronted the state and the district health administrators with the task of looking at their health needs, and prepare need-based annual plans (state and district PIPs), against which the NRHM funds are sanctioned by the state govt. The need assessment not only requires at collecting evidence for the health & health service needs at district & state levels, but also justifying the funding requirements. This calls for cost & expenditure analysis at health facility and block/district level.
- 4) Keeping the above in mind, & with the focus of NRHM on decentralisation, local autonomy and need – based resource allocation, it becomes necessary to look at the funds flow for the "district health system" in a comprehensive manner (including the treasury and off –budget i.e. treasury route funds), and relate the funds flow (allocation & expenditure) with the local needs and requirements in terms of disease burden and quantity and quality of health resources available.

Objectives

1. The district level funds flow and expenditure analysis , proposed to be undertaken by SHSRC in partnership with various institutions/agencies, aims at developing a comprehensive picture of resource flows and requirements at the district level, along with standardising a framework of health finance for district health system, which can be adapted across the state.
2. The specific objectives of the district level funds flow analysis are as follows:
 - a. Develop a comprehensive picture of funds flow across all levels of health care services (state-district-block-individual health facilities), within which the framework of "district health system", which the NRHM aims at strengthening and empowering.
 - b. Develop financial indicators with standardised data definition, for the district health system, which the health administrators at district and health facility level can use not only for justifying their funds requirements, but also to track efficiency & effectiveness of health programmes and services.
 - c. Evolve a standardised framework for estimating district health financing needs and tracking thereof, that can be adapted by all states in India. The standardisation of the framework will also try to make it (the framework of district health financial tracking) compatible with internationally accepted frameworks like NHA and PETS, for universal comparative analysis, necessary for positioning Indian health needs and achievements at the global platform.

Scope of Work

1. The scope of work for the district level funds flow analysis involves the following:
 - a. Expenditure tracking of the district health system- based on analysis of financial and performance reports at state, district (DHS) and health facility (MRS) levels. This will look at frequency and volume of treasury and society route funds flow vis-a-vis expenditure undertaken at these levels.
 - b. Analysis of financial management systems at DHS and MRS levels- including looking at financial data and indicators being reported , reporting formats and protocols, audit and feedback protocols, systems for reconciling bank transfers, SOE /UC and cheques/ vouchers.
 - c. Capacity analysis for absorbing funds at the district (DHS) and health facility (MRS) level- involving both the systems as well as the human resources capacity. Systems capacity will include reviewing the guidelines and protocols of financial planning and expenditure management at DHS and MRS levels. The assessment of HR capacity will involve looking at the quantity and quality of staff available for financial planning and expenditure management vis-a-vis the nature of work and workload at DHS and MRS.
2. To undertake the above mentioned broad tasks , under the district level funds flow and expenditure tracking, it is proposed to take 2-3 districts, which are representative of the variations expected in the healthcare provisioning in the state under study. Within each district sample of 1-2 sub-district hospitals, 2-3 block hospitals/FRUs, and 5-7 PHCs, will be selected in consultation with the state and district officials.
3. It is also envisaged that the state identifies one nodal official at the state level and one each at each of the study districts, to coordinate with SHSRC and the partner agency, for the task of undertaking the district funds flow and expenditure. SHSRC, along with the selected partner agency, will provide the technical support in undertaking the study, which will include technical person/consultant interacting with identified nodal officials at the state and district levels.

Timeframe

1. The district funds flow and expenditure tracking is expected to be completed in a period of 3 months in a selected state, involving around a fortnight (15 days) of field at work at each of the selected districts, after around a month of state level. The third month is to be used for report writing, which will be written jointly by the SHSRC, partner agency and the selected state nodal officials, and coordinated by the Health Financing team of SHSRC.
2. The above will be followed by a state level consultative meeting where the findings and the framework (including the methodology and tools) will be shared with the larger audience from various district and state government level officials. The inputs from the consultative workshop will be used to finalise the tools and protocols of district funds flow and expenditure tracking, which can then be adopted by states.

Deliverables & Outcome

1. Following are the expected deliverables and outcome of the district funds flow and expenditure tracking exercise being undertaken by SHSRC:
 - a. Comprehensive report of Funds Flows across all levels of healthcare services (state-district- block-individual health facilities).
 - b. Enumeration of capacity building requirements at DHS and MRS level for effective absorption of funds.
 - c. Financial indicators with standardised data definition, for the district health system.
 - d. Standardised framework for estimating district health financing needs and tracking thereof.