

CAG Audit Report Summary

Pradhan Mantri Swasthya Suraksha Yojana

- The Comptroller and Auditor General (CAG) submitted a report on 'Performance of the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)' on August 7, 2018. PMSSY was introduced in 2003 to correct imbalances in the availability of tertiary healthcare services and improve the quality of medical education. The scheme has two components: (i) setting up of new AIIMS, and (ii) upgradation of selected Government Medical College Institutions (GMCIs). Over the years, the scheme has been expanded to cover 20 new AIIMS and 71 GMCIs. The audit covers the period from 2003 to 17. Key observations and recommendations of the audit include:
 - **Planning and implementation:** The CAG observed that no operational guidelines had been formulated for PMSSY since its inception. This resulted in several ad hoc decisions being taken with respect to key aspects of the scheme. In case of setting up new AIIMS, initial approval was not based on a comprehensive assessment of the scope of work. This led to an increase in costs and delays of up to five years. In case of GMCIs, the criteria for selection of institutes was not formulated resulting in arbitrary selection.
 - In this context, the CAG recommended that the Ministry of Health and Family Welfare must expedite the formulation of operational guidelines to regulate the implementation of the scheme. It also recommended that evaluation studies could be taken up for status check and to identify weaknesses in planning and implementation.
 - **Financial management:** During 2004-17, the government allocated Rs 14,971 crore for the scheme. However, only 61% (Rs 9,207 crore) of these funds were released. Further, a significant portion of the funds remained underutilised due to: (i) delays in obtaining approval, (ii) slow pace of procurement of equipment, (iii) non-filling up of posts, and (iv) pending utilisation certificates. The CAG noted that there was no mechanism in place for monitoring actual expenditure which led to accumulation of unspent funds.
 - It was found that the Ministry had estimated the capital cost for setting up six new AIIMS to be Rs 332 crore per institute. After four years, this cost was revised to Rs 820 crore per institute, on account of shortcomings in planning and assessment of requirements. The CAG recommended that the Ministry should ensure adherence to contract provisions in the execution of works. In addition, accountability should be fixed where there is additional expenditure without adequate justification.
 - **Delays in execution:** The CAG observed that all new AIIMS overshot their completion time by almost five years. There were similar delays observed in the upgradation of GMCIs, as only eight of the 16 GMCIs selected for the audit were completed. These delays were attributed to poor contract management and weak monitoring. Further, there were deficiencies in the execution of works, such as: (i) improper estimation of scope and quantities, (ii) delay in procurement and installation of equipment, and (iii) extra payment to contractors. In this context, the CAG recommended that steps should be taken to expedite the completion of leftover work by better monitoring of projects.
 - **Human resources:** The CAG observed that there is acute shortage of faculty and non-faculty posts at AIIMS. These shortages restricted the functioning of several departments and led to reliance on outsourced employees on a contractual basis. Further, delays in filling up sanctioned posts were attributed to delay in finalising recruitment rules, court cases and non-availability of eligible candidates. In case of GMCIs, the institutes faced shortage of manpower to run super speciality departments. The CAG recommended that the Ministry take effective steps to minimise the shortage of faculty, non faculty and technical manpower in the new AIIMS and GMCIs.
 - **Monitoring committees:** The audit noted that the committees constituted at national, state, and institute levels to review project implementation remained non-functional. Further, monitoring of upgradation of GMCIs was left entirely to concerned institutes, without any involvement of the Ministry or state governments. The CAG recommended that effective monitoring by the committees was necessary for synchronisation of activities related to completion of works and procurement of equipment.

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