



GOVERNMENT OF THE PUNJAB
SPECIALIZED HEALTHCARE AND MEDICAL
EDUCATION DEPARTMENT

Dated Lahore the 21.08, 2017

NOTIFICATION:

No. SO(DEV-I) 1-1/2011(P-VII)(P-I): On the recommendation of the Committee constituted by Chief Minister, Punjab for formulation of a framework for outsourcing of management of healthcare facilities and provision of grants to Not-for-Profit healthcare service providers and to private sector healthcare entities for providing healthcare service and consequent on the approval of the Cabinet vide letter No. SO(CAB-II)1-2/2017(Cir-117) dated 29th June, 2017 **“Policy and Guidelines for Selection of Not-for-Profit Healthcare Service Providers for Managing, Operating & Maintaining Healthcare Facilities and for Selection of Private Sector Healthcare Entities for Providing Healthcare Services”** is hereby notified as under:

2. **POLICY FOR SELECTION OF NOT-FOR-PROFIT HEALTHCARE SERVICE PROVIDERS FOR MANAGING, OPERATING AND MAINTAINING HEALTHCARE FACILITIES**

2.1 OUR COMMITMENT

Article 9 of the Constitution of the Islamic Republic of Pakistan, 1973 recognizes the right to life as a fundamental right of every citizen; the right to life includes provision of medical facilities and medical assistance. Article 38(d) of the Constitution provides that every citizen, permanently or temporarily unable to earn a livelihood on account of infirmity, sickness or unemployment, is entitled to basic necessities of life including medical relief, irrespective of sex, caste, creed or race.

In exercise of the powers conferred under Article 139 of the Constitution, the GoPb has formulated its Rules of Business. Rule 3(3) of the Rules of Business provides that the business of the GoPb shall be distributed amongst several departments in such the manner indicated in the Second Schedule of the Rules of Business, which includes SH&MED and P&SH for health management, planning and policy.

The GoPb is committed to the principle of universal healthcare for all members of society as per their constitutional rights. The GoPb aims to achieve this objective by combining mechanisms for health financing and service provision to improve the health status of the population. Accordingly, a series of health-centric interventions have been undertaken by the GoPb with one of the major initiatives being engagement of not-for-profit service providers

for managing, operating and maintaining public sector Healthcare Facilities and providing Healthcare Services. 2

Despite increased allocation of health budget in the previous years, the province of Punjab currently faces an incessant increase in demand of Healthcare Services, due to which the provision of healthcare for a population of approximately one hundred million people in Punjab requires continued focus, innovation and investment. To improve delivery of healthcare services, the GoPb has devised this Policy for Selection of Not-for-Profit Healthcare Service Providers for managing, operating and maintaining Healthcare Facilities, in line with the global trends of engaging private sector for efficient health service delivery.

This Policy is being introduced with the objective of establishing a mechanism that effectively utilizes the existing public sector healthcare resources and facilities by engaging Not-for-Profit Healthcare Service Providers to improve quality and delivery of healthcare to patients, enhance patient experience and improve operations and maintenance services in these public-sector Healthcare Facilities. This will help the GoPb to deliver quality Healthcare Services that are accessible, readily available and affordable for the people of Punjab through efficient utilization of public resources. The engagement of Not-For-Profit Healthcare Service Providers has many advantages, including an overall improvement in quality of Healthcare Services to the patients at large and efficiency in healthcare operations. This Policy will support the SH&ME and P&SH to progress further by prioritizing policy related interventions consistent with availability of financial resources.

The GoPb aims to achieve these objectives through a fair, transparent, open and competitive process in line with the PPR Laws, for selection of Not-for-Profit Healthcare Service Providers to ensure monitoring of expenditure of public funds. This Policy sets out the basic framework for achievement of the aforesaid objectives and, for the benefit of the Administrative Departments, the Guidelines lay down the basic procedure for implementation of this Policy; the Guidelines may be improved by the Administrative Departments based on their experiences as processes evolve following Policy implementation.

This Policy is to be administered by SH&MED and P&SH according to their respective mandate.

2.2 DEFINITIONS

Capitalized terms used in this Policy shall, unless the context requires otherwise, bear the following meanings ascribed thereto.

“Administrative Department” means SH&MED or P&SH (as the context requires) and **“Administrative Departments”** means both of them.

“Constitution” means the Constitution of the Islamic Republic of Pakistan, 1973.

“GOPb” means the Government of the Punjab.

“Guidelines” mean the Guidelines made pursuant to this Policy for implementation of this Policy and its administration by the Administrative Departments.

“Healthcare Facilities” means facilities at which Healthcare Services are provided including hospitals, blood banks, medical facilities, blood/pathology testing laboratories and such other facilities as specified by the Administrative Department(s) from time to time and the term **“Healthcare Facility”** shall be construed accordingly.

“Healthcare Services” means services provided at Healthcare Facilities for the purpose of preventing, alleviating, curing or healing human illness, physical disability or injury including the furnishing of medicine, medical or surgical treatment, hospital service or any other necessary services of like character, whether or not contingent upon sickness or personal injury.

“KPIs” means key performance indicators.

“Not-for-Profit Healthcare Service Providers” means:

- i. in case of a Pakistani entity, a non-governmental organization established and licensed under Section 42 of the Companies Ordinance, 1984 (including any amendments or re-enactments thereof) **OR** a Trust registered under the applicable laws of Pakistan **OR** Societies and other persons registered under the Societies Registration Act, 1860 (including any amendments or re-enactments thereof) for advancement of charitable purposes; or
- ii. in case of a foreign entity, a non-governmental organization established under the relevant laws of that country as a non-governmental organization **OR** a Trust registered under the applicable laws of that country **OR** Societies and other persons registered under the relevant laws of that country for advancement of charitable purposes;

which, in each of the above cases, meets the following criteria:

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(A) applies its profits (if any) and other income in promoting its objects and specifically prohibits the payment of any profits or dividend to its members / shareholders; and

(B) is a reputable entity that has demonstrable experience in owning, governance, management, operation and maintenance of Healthcare Facilities for provision for Healthcare Services.

“P&SH” means the Primary and Secondary Healthcare Department, GOPb.

“Policy” means this Policy for Selection of Not-for-Profit Healthcare Service Providers for Managing, Operating and Maintaining Healthcare Facilities.

“PPR Laws” means the Punjab Procurement Regulatory Authority Act, 2009 and the Punjab Procurement Rules, 2014 (including any amendments and re-enactments thereof).

“Punjab” means the Province of Punjab.

“Rules of Business” means the Punjab Government Rules of Business, 2011 (including any amendments and re-enactments thereof).

“SH&MED” means the Specialized Healthcare & Medical Education Department, GoPb.

2.3 OBJECTIVES

The objectives of this Policy are:

- Provision of quality Healthcare Services and better value for money to the people of Punjab through appointing Not-for-Profit Healthcare Service Providers for managing, operating and maintaining selected public sector Healthcare Facilities.
- Engaging Not-for-Profit Healthcare Service Providers for improving Healthcare Services delivery in public sector Healthcare Facilities.
- Highlight key drivers for the Administrative Departments in implementation of this Policy.

2.4 PRIORITIZATION

The Administrative Departments shall identify and develop a list of public sector Healthcare Facilities and Healthcare Services that are required to be managed, operated and maintained by Not-for-Profit Healthcare Service Providers on pre-defined criteria taking into

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account healthcare needs of people across, *inter alia*, varied geographies and demographics. The prioritized list shall be submitted to the Finance Department, GoPb, for allocation of resources to each shortlisted public sector Healthcare Facility. Based on the resource allocation made available from the Finance Department, GoPb, the Provincial Minister of the relevant Administrative Department shall decide on the final prioritized list to be implemented in accordance with this Policy and the Guidelines by the respective Administrative Department.

2.5 SELECTION CRITERIA

In accordance with the Guidelines, the Administrative Departments shall develop specific selection criteria that cater, on a case to case basis, for the needs of the people of Punjab. The selection of the Not-for-Profit Healthcare Service Providers shall be based on a pre-qualification process in accordance with the requirements laid down in the Guidelines.

2.6 KEY ELEMENTS OF THE CONTRACT TO BE ENTERED INTO WITH THE SELECTED NOT-FOR-PROFIT HEALTHCARE SERVICE PROVIDERS

Upon selection of Not-for-Profit Healthcare Service Providers, the respective Administrative Department shall enter into a binding contract with the selected Not-for-Profit Healthcare Service Providers. The contract shall, at a minimum, include provisions for:

1. **KPIs:** KPIs for monitoring and measuring execution of the scope of services (including deliverables), performance of obligations under the contract and consequences of not meeting the same.
2. **Appointment of Technical Auditor:** Appointment of a technical auditor selected by the Administrative Department to periodically audit and report on status of achievement of KPIs.
3. **Appointment of Financial Auditor:** Appointment of a financial auditor selected by the Administrative Department to periodically audit and report on sums disbursed to the relevant Not-for-Profit Healthcare Service Providers and on the utilization of funds received by the Not-for-Profit Healthcare Service Providers.
4. **Non-Performance:** Termination and claw-back provisions for non-performance by Not-for-Profit Healthcare Service Providers.
5. **Monitoring and Evaluation:** Not-for-Profit Healthcare Service Providers will submit quarterly monitoring reports and the Administrative Department third party appointed

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auditors shall undertake an annual evaluation and report on compliance status for meeting KPI's and financial matters and utilization of funds received by Not-for-Profit Healthcare Service Providers.

6. **Complaint Mechanism:** Mechanism for patients to report feedback for onward submission to the Administrative Department for further monitoring and evaluation and resolution of complaints.
7. **Payment Mechanism:** Mechanism for disbursement of funds, as per approved budgetary allocations, shall be determined on a case to case basis.
8. **Healthcare Service Delivery Standards:** At a minimum, the Punjab Healthcare Commission's standards shall be followed, and all such other applicable standards, laws, rules and regulations applicable to the relevant Healthcare Facilities and Healthcare Services shall also be followed.
9. **Restrictions on Change in Status:** Not-for-Profit Healthcare Service Providers shall not be permitted to change their legal status or otherwise amend their constitutive documents except without prior written approval of the Administrative Department.
10. **Ownership of Assets:** Ownership of Healthcare Facilities being managed, operated and maintained by Not-for-Profit Healthcare Service Providers shall remain with GoPb.
11. **Dispute Resolution Mechanism:** Mechanism for resolution of disputes, including requirement for formation of a 'Dispute Resolution Committee' to resolve disputes prior to formal arbitration. All disputes which are unable to be resolved amicably shall be finally settled through arbitration under the Arbitration Act, 1940(including any amendments or re-enactments thereof) and the rules made thereunder.

2.7 PHASED IMPLEMENTATION OF THE POLICY TO EXISTING PROJECTS

The GoPb has already taken the initiative to select Not-for-Profit Healthcare Service Providers for managing, operating and maintaining selected public sector Healthcare Facilities and Healthcare Services. To ensure consistency of the existing initiatives with the objectives provided for under this Policy, such existing initiatives shall be brought within the ambit of this Policy.

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3. **GUIDELINES FOR SELECTION OF NOT-FOR-PROFIT HEALTHCARE SERVICE PROVIDERS FOR MANAGING, OPERATING AND MAINTAINING HEALTHCARE FACILITIES**

3.1 Preamble

The GOPb has announced the Policy for Selection of Not-for-Profit Healthcare Service Providers for managing, operating and maintaining Healthcare Facilities. Pursuant to the Policy, these Guidelines are made for implementation of the Policy and its administration by the Administrative Departments.

These Guidelines are to be administered by SH&MED and P&SH according to their respective mandate.

The Administrative Departments may, from time to time and with mutual consent, improve upon and modify these Guidelines as necessary to better achieve the Policy objectives.

3.2 Definitions

Capitalized terms used in these Guidelines shall, unless the context requires otherwise, bear the following meanings ascribed thereto.

“Administrative Department” means SH&MED or P&SH (as the context requires) and **“Administrative Departments”** means both of them.

“Companies Ordinance” means the Companies Ordinance, 1984 (including any amendments and re-enactments thereof).

“GOPb” means the Government of the Punjab.

“Healthcare Facilities” means facilities at which Healthcare Services are provided including hospitals, blood banks, medical facilities, blood/pathology testing laboratories and such other facilities as specified by the Administrative Department(s) from time to time and the term **“Healthcare Facility”** shall be construed accordingly.

“Healthcare Services” means services provided at Healthcare Facilities for the purpose of preventing, alleviating, curing or healing human illness, physical disability or injury including the furnishing of medicine, medical or surgical treatment, hospital service or any other necessary services of like character, whether or not contingent upon sickness or personal injury.

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“KPIs” means key performance indicators.

“Not-for-Profit Healthcare Service Providers” means:

- i. in case of a Pakistani entity, a non-governmental organization established and licensed under Section 42 of the Companies Ordinance, 1984 (including any amendments or re-enactments thereof) OR a Trust registered under the applicable laws of Pakistan OR Societies and other persons registered under the Societies Registration Act, 1860 (including any amendments or re-enactments thereof) for advancement of charitable purposes; or
- ii. in case of a foreign entity, a non-governmental organization established under the relevant laws of that country as a non-governmental organization OR a Trust registered under the applicable laws of that country OR Societies and other persons registered under the relevant laws of that country for advancement of charitable purposes;

which, in each of the above cases, meets the following criteria:

- (A) applies its profits (if any) and other income in promoting its objects and specifically prohibits the payment of any profits or dividend to its members / shareholders; and
- (B) Is a reputable entity that has demonstrable experience in owning, governance, management, operation and maintenance of Healthcare Facilities for provision for Healthcare Services.

“P&SH” means the Primary and Secondary Healthcare Department, GOPb.

“Policy” means the Policy for Selection of Not-for-Profit Healthcare Service Providers for Managing, Operating and Maintaining Healthcare Facilities.

“PPR Laws” means the Punjab Procurement Regulatory Authority Act, 2009 and the Punjab Procurement Rules (including any amendments and re-enactments thereof).

“Punjab” means the Province of Punjab.

“Punjab Procurement Rules” means the Punjab Procurement Rules, 2014 (including any amendments and re-enactments thereof).

“RFP” means Request for Proposal.

“SH&MED” means the Specialized Healthcare & Medical Education Department, GOPb.

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3.3 Selection Process

3.3.1 Prequalification

The respective Administrative Department shall in the first instance undertake a pre-qualification exercise in line with the Punjab Procurement Rules to pre-qualify Not-for-Profit Healthcare Service Providers. At a minimum, the pre-qualification criteria shall require the applicants to:

1. Confirm that they qualify as a Not-for-Profit Healthcare Service Provider.
2. Provide copies of relevant licenses under the applicable laws for managing, operating and maintaining a Healthcare Facility.
3. Provide financial statements for the last three (3) financial years audited by a reputable firm of chartered accountants.
4. Provide its constitutional documents along with organizational structure, details of its governing body and details of its shareholders / sponsors (as applicable).

3.3.2 Quality Based Selection

Prequalified Not-for-Profit Healthcare Service Providers shall be issued the RFP. The process adopted for selection of Not-for-Profit Healthcare Service Providers shall be as per the PPR Laws. The method most relevant to meet the Policy objectives is Quality Based Selection provided for in Rule 45(4) of the Punjab Procurement Rules. The GOPb shall be required to comply with any pre-conditions outlined in the PPR Laws, prior to selecting Not-for-Profit Healthcare Service Providers. Criteria for selection, at a minimum, shall require prequalified parties to:

1. Demonstrate relevant experience in managing, operating and maintaining a Healthcare Facility.
2. Demonstrate methodology and implementation plan for submission of deliverables and compliance with KPI's.
3. Submit a human resource plan for managing, operating and maintaining its respective Healthcare Facility.

3.4 Key Elements of the Contract to be Entered into with the Selected Not-for-Profit Healthcare Service Providers

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Upon selection of Not-for-Profit Healthcare Service Providers, the respective Administrative Department shall enter into a contract with the selected Not-for-Profit Healthcare Service Providers. The contract shall, at a minimum, include provisions for:

1. **KPIs:** KPIs for monitoring and measuring execution of the scope of services (including deliverables), performance of obligations under the contract and consequences of not meeting the same.
2. **Appointment of Technical Auditor:** Appointment of a technical auditor selected by the Administrative Department to periodically audit and report on status of achievement of KPIs.
3. **Appointment of Financial Auditor:** Appointment of a financial auditor selected by the Administrative Department to periodically audit and report on sums disbursed to the relevant Not-for-Profit Healthcare Service Providers and on the utilization of funds received by the Not-for-Profit Healthcare Service Providers.
4. **Non-Performance:** Termination and claw-back provisions for non-performance by Not-for-Profit Healthcare Service Providers.
5. **Monitoring and Evaluation:** Not-for-Profit Healthcare Service Providers will submit quarterly monitoring reports and the Administrative Department third party appointed auditors shall undertake an annual evaluation and report on compliance status for meeting KPI's and financial matters; and utilization of funds received by Not-for-Profit Healthcare Service Providers.
6. **Complaint Mechanism:** Mechanism for patients to report feedback for onward submission to the Administrative Department for further monitoring and evaluation and resolution of complaints.
7. **Payment Mechanism:** Mechanism for disbursement of funds, as per approved budgetary allocations, shall be determined on a case to case basis.
8. **Healthcare Service Delivery Standards:** At a minimum, the Punjab Healthcare Commission's standards shall be followed, and all such other applicable standards, laws, rules and regulations applicable to the relevant Healthcare Facilities and Healthcare Services shall also be followed.

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9. **Restrictions on Change in Status:** Not-for-Profit Healthcare Service Providers shall not be permitted to change their legal status or otherwise amend their constitutional documents except without prior written approval of the Administrative Department.
 10. **Ownership of Assets:** Ownership of Healthcare Facilities being managed, operated and maintained by Not-for-Profit Healthcare Service Providers shall remain with GOPb.
 11. **Dispute Resolution Mechanism:** Mechanism for resolution of disputes, including requirement for formation of a 'Dispute Resolution Committee' to resolve disputes prior to formal arbitration. All disputes which are unable to be resolved amicably shall be finally settled through arbitration under the Arbitration Act, 1940(including any amendments or re-enactments thereof) and the rules made there under.

4. **POLICY FOR SELECTION OF PRIVATE SECTOR HEALTHCARE ENTITIES FOR PROVIDING HEALTHCARE SERVICES**

4.1 **Our Commitment**

Article 9 of the Constitution of the Islamic Republic of Pakistan, 1973 recognizes the right to life as a fundamental right of every citizen; the right to life includes provision of medical facilities and medical assistance. Article 38(d) of the Constitution provides that every citizen, permanently or temporarily unable to earn a livelihood on account of infirmity, sickness or unemployment, is entitled to basic necessities of life including medical relief, irrespective of sex, caste, creed or race.

In exercise of the powers conferred under Article 139 of the Constitution, the GoPb has formulated its Rules of Business. Rule 3(3) of the Rules of Business provides that the business of the GoPb shall be distributed amongst several departments in such the manner indicated in the Second Schedule of the Rules of Business, which includes SH&MED and P&SH for health management, planning and policy.

The GoPb is committed to the principle of universal healthcare for all members of the society as per their constitutional rights. The GoPb aims to achieve this objective by combining mechanisms for health financing and service provision to improve the health status of the population. . Accordingly, a series of health-centric interventions have been undertaken by the GoPb with one of the major initiatives being engagement of the private sector for sharing the patient load to meet the healthcare needs of Punjab.

Despite increased allocation of developmental budget, Punjab currently faces an incessant increase in demand of Healthcare Services that has, inevitably, translated into a heightened patient load; consequently, the public sector Healthcare Facilities stand extremely overcrowded with bed occupancy ratio frequently toppling over the maximum of one hundred percent (100%), and Healthcare Service delivery being excessively compromised. To effectively intervene and provide immediate relief, the GoPb has introduced this Policy for Selection of Private Sector Healthcare Entities for Providing Healthcare Services, whereby the GoPb shall procure pre-defined Healthcare Services from the private sector, in line with the global trends of engaging the private sector for efficient healthcare service delivery.

To this end, GoPb desires to engage Healthcare Facilities owned by the Private Sector Healthcare Entities to utilize their existing resources, capacities, expertise and facilities to provide both specialized and general Healthcare Services. The GoPb considers through engaging the best Private Sector Healthcare Entities it can deliver better quality healthcare and quick access to the people of Punjab at the best value. Ensuring access to healthcare

through increasing reliance on existing Healthcare Facilities will contribute to the effectiveness of healthcare in Punjab and allow for GoPb to allocate efforts and resources on Healthcare Services not available in public or private healthcare.

The GoPb aims to achieve these objectives through a fair, transparent, open and competitive process in line with the PPR Laws, for selection of Private Sector Healthcare Entities to get best value for expenditure of public funds. This Policy sets out the basic framework for achievement of the aforesaid objectives and, for the benefit of the Administrative Departments, the Guidelines lay down the basic procedure for implementation of this Policy; the Guidelines may be improved by the Administrative Departments based on their experiences as processes evolve following Policy implementation.

This Policy is to be administered by the SH&MED and P&SH according to their respective mandate.

4.2 Definitions

Capitalized terms used in this Policy shall, unless the context requires otherwise, bear the following meanings ascribed thereto.

“Administrative Department” means SH&MED or P&SH (as the context requires) and **“Administrative Departments”** means both of them.

“Constitution” means the Constitution of the Islamic Republic of Pakistan, 1973.

“GoPb” means the Government of the Punjab.

“Guidelines” mean the Guidelines made pursuant to this Policy for implementation of this Policy and its administration by the Administrative Departments.

“Healthcare Facilities” means facilities at which Healthcare Services are provided including hospitals, blood banks, medical facilities, blood/pathology testing laboratories and such other facilities as specified by the Administrative Department(s) from time to time.

“Healthcare Services” means services provided at Healthcare Facilities for the purpose of preventing, alleviating, curing or healing human illness, physical disability or injury including the furnishing of medicine, medical or surgical treatment, hospital service or any other necessary services of like character, whether or not contingent upon sickness or personal injury.

“KPIs” means key performance indicators.

“**Private Sector Healthcare Entities**” means private sector entities owning Healthcare Facilities, including all for-profit entities and not-for-profit entities that in either case are not owned or operated by either the Federal Government of Pakistan, the GoPb or any of their respective subordinate divisions, departments, bodies or entities.

“**P&SH**” means the Primary and Secondary Healthcare Department, GoPb.

“**Policy**” means this Policy for Selection of Private Sector Healthcare Entities for Providing Healthcare Services.

“**PPR Laws**” means the Punjab Procurement Regulatory Authority Act, 2009 and the Punjab Procurement Rules, 2014 (including any amendments and re-enactments thereof).

“**Punjab**” means the Province of Punjab.

“**Rules of Business**” means the Punjab Government Rules of Business, 2011 (including any amendments and re-enactments thereof).

“**SH&MED**” means the Specialized Healthcare & Medical Education Department, GoPb.

4.3 Objectives

The objectives of this Policy are to:

- Deliver better healthcare and better value to the people of Punjab.
- Engage Private Sector Healthcare Entities through a transparent process to provide accessible and quality Healthcare Service at their respective existing Healthcare Facilities.
- Highlight key drivers for the Administrative Departments in implementation of this Policy.

4.4 Prioritization

The Administrative Departments shall identify and develop a list of Private Sector Healthcare Entities on pre-defined criteria taking into account healthcare needs of people across, *inter alia*, varied geographies and demographics. The prioritized list shall be submitted to the

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Finance Department, GoPb, for allocation of resources to each shortlisted Private Sector Healthcare Entities.

4.5 Selection Criteria

The selection criteria of the Private Sector Healthcare Entities shall be designed to select Private Sector Healthcare Entities that have existing Healthcare Facilities and experience in providing quality Healthcare Services. The Administrative Departments through the Guidelines shall develop specific selection criteria that cater, on a case to case basis, for the needs of the people of Punjab.

4.6 Key Elements of the Contract to be Entered into with the Selected Private Sector Healthcare Entities

Upon selection of Private Sector Healthcare Entities, the respective Administrative Department shall enter into a binding contract with the selected Private Sector Healthcare Entity. The contract shall, at a minimum, include provisions for:

1. **KPIs:** KPIs for monitoring and measuring execution of the scope of services (including deliverables), performance of obligations under the contract and consequences of not meeting the same.
2. **Appointment of Technical Auditor:** Appointment of a technical auditor selected by the Administrative Department to periodically audit and report on status of achievement of KPIs.
3. **Appointment of Financial Auditor:** Appointment of a financial auditor selected by the Administrative Department to periodically audit and report on sums disbursed to the relevant Private Sector Healthcare Entities and sums incurred in provision of Healthcare Services to deserving patients by the Private Sector Healthcare Entities.
4. **Non-Performance:** Termination and claw-back provisions for non-performance or discriminatory practices by Private Sector Healthcare Entities.
5. **Monitoring and Evaluation:** Private Sector Healthcare Entities will submit quarterly monitoring reports and the Administrative Department third party appointed auditors shall undertake an annual evaluation and report on compliance status for meeting KPIs and financial matters. It will be ensured that all patients are treated equitably.

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6. **Complaint Mechanism:** Mechanism for patients to report feedback for onward submission to the Administrative Department for further monitoring and evaluation and resolution of complaints.
 7. **Payment Mechanism:** Mechanism for disbursement of payments for Healthcare Services provided to patients, as per approved budgetary allocations, shall be determined on a case to case basis.
 8. **Health Facilities and Health Service Standards:** At a minimum, the Punjab Healthcare Commission's standards shall be followed, and all such other applicable standards, laws, rules and regulations applicable to the relevant Healthcare Facilities and Healthcare Services shall also be followed.
 9. **Dispute Resolution Mechanism:** Mechanism for resolution of disputes, including requirement for formation of a 'Dispute Resolution Committee' to resolve disputes prior to formal arbitration. All disputes which are unable to be resolved amicably shall be finally settled through arbitration under the Arbitration Act, 1940(including any amendments or re-enactments thereof) and the rules made thereunder.
5. **GUIDELINES FOR SELECTION OF PRIVATE SECTOR HEALTHCARE ENTITIES FOR PROVIDING HEALTHCARE SERVICES**

5.1 Preamble

The GOPb has announced the Policy for Selection of Private Sector Healthcare Entities for Providing Healthcare Services. Pursuant to the Policy, these Guidelines are made for implementation of the Policy and its administration by the Administrative Departments.

These Guidelines are to be administered by the SH&ME and the P&SH according to their respective mandate.

The Administrative Departments may, from time to time and with mutual consent, improve upon and modify these Guidelines as necessary to better achieve the Policy objectives.

5.2 Definitions

Capitalized terms used in these Guidelines shall, unless the context requires otherwise, bear the following meanings ascribed thereto.

"Administrative Department" means SH&MED or P&SH (as the context requires) and **"Administrative Departments"** means both of them.

“**GOPb**” means the Government of the Punjab.

“**Healthcare Facilities**” means facilities at which Healthcare Services are provided including hospitals, blood banks, medical facilities, blood/pathology testing laboratories and such other facilities as specified by the Administrative Department(s) from time to time.

“**Healthcare Services**” means services provided at Healthcare Facilities for the purpose of preventing, alleviating, curing or healing human illness, physical disability or injury including the furnishing of medicine, medical or surgical treatment, hospital service or any other necessary services of like character, whether or not contingent upon sickness or personal injury.

“**KPIs**” means key performance indicators.

“**P&SH**” means the Primary and Secondary Healthcare Department, GOPb.

“**Policy**” means the Policy for Selection of Private Sector Healthcare Entities for Providing Healthcare Services.

“**Private Sector Healthcare Entities**” means private sector entities owning Healthcare Facilities, including all for-profit entities and not-for-profit entities that in either case are not owned or operated by either the Federal Government of Pakistan, the GOPb or any of their respective subordinate divisions, departments, bodies or entities.

“**PPR Laws**” means the Punjab Procurement Regulatory Authority Act, 2009 and the Punjab Procurement Rules, 2014 (including any amendments and re-enactments thereof).

“**Punjab**” means the Province of Punjab.

“**Punjab Procurement Rules**” means the Punjab Procurement Rules, 2014 (including any amendments and re-enactments thereof).

“**RFP**” means Request for Proposal.

“**SH&MED**” means the Specialized Healthcare & Medical Education Department, GOPb.

5.3 Selection Process

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The process adopted for selection of Private Sector Healthcare Entities shall be as per the PPR Laws. The method most relevant to meet the Policy objectives is Direct Contracting in terms of Rule 59(c)(vi) of the Punjab Procurement Rules. *

The GOPb shall be required to comply with any pre-conditions outlined in the PPR Laws, prior to selecting Private Sector Healthcare Entities.

5.4 Selection Criteria for Selection of Private Sector Healthcare Entities

In the selection of Private Sector Healthcare Entities, Administrative Department shall, at minimum, require applicants to:

1. Confirm that they qualify as a Private Sector Healthcare Entity.
2. Demonstrate that the Healthcare Facility owned by the Private Sector Healthcare Entity provides quality specialized and general Healthcare Services as the case may be, and has capacity to accommodate an increase in its current patient load.
3. Demonstrate relevant experience in owning, managing, operating and maintaining a Healthcare Facility and providing Healthcare Services.
4. Provide copies of relevant licenses under the applicable laws for owning, managing, operating and maintaining a Healthcare Facility and providing Healthcare Services.
5. Provide financial statements for the last three financial years audited by a reputable firm of chartered accountants.
6. Provide its constitution documents along with organizational structure, details of its ownership and governing body or equivalent.

The Administrative Departments shall have the right to conduct an inspection visit of the Private Sector Healthcare Entities.

5.5 Key Elements of the Contract to be Entered into with the Selected Private Sector Healthcare Entities

Upon selection of Private Sector Healthcare Entities, the respective Administrative Department shall enter into a binding contract with the selected Private Sector Healthcare Entity. The contract shall, at a minimum, include provisions for:

1. **KPIs:** KPIs for monitoring and measuring execution of the scope of services (including deliverables), performance of obligations under the contract and consequences of not meeting the same.
2. **Appointment of Technical Auditor:** Appointment of a technical auditor selected by the Administrative Department to periodically audit and report on status of achievement of KPIs.
3. **Appointment of Financial Auditor:** Appointment of a financial auditor selected by the Administrative Department to periodically audit and report on sums disbursed to the relevant Private Sector Healthcare Entities and sums incurred in provision of Healthcare Services to deserving patients by the Private Sector Healthcare Entities.

4. **Non-Performance:** Termination and claw-back provisions for non-performance or discriminatory practices by Private Sector Healthcare Entities.
5. **Monitoring and Evaluation:** Private Sector Healthcare Entities will submit quarterly monitoring reports and the Administrative Department third party appointed auditors shall undertake an annual evaluation and report on compliance status for meeting KPI's and financial matters. It will be ensured that all patients are treated equitably.
6. **Complaint Mechanism:** Mechanism for patients to report feedback for onward submission to the Administrative Department for further monitoring and evaluation and resolution of complaints.
7. **Payment Mechanism:** Mechanism for disbursement of payments for Healthcare Services provided to deserving patients, as per approved budgetary allocations, shall be determined on a case to case basis.
8. **Health Facilities and Health Service Standards:** At a minimum, the Punjab Healthcare Commission's standards shall be followed, and all such other applicable standards, laws, rules and regulations applicable to the relevant Healthcare Facilities and Healthcare Services shall also be followed.
9. **Dispute Resolution Mechanism:** Mechanism for resolution of disputes, including requirement for formation of a 'Dispute Resolution Committee' to resolve disputes prior to formal arbitration. All disputes which are unable to be resolved amicably shall be finally settled through arbitration under the Arbitration Act, 1940 (including any amendments or re-enactments thereof) and the rules made there under.

NAJAM AHMED SHAH
SECRETARY TO GOVT. OF THE PUNJAB
SPECIALIZED HEALTHCARE AND MEDICAL
EDUCATION DEPARTMENT

NO & DATE EVEN

A copy is forwarded to the:-

1. Minister for Specialized Healthcare & Medical Education Department, Punjab.
2. Minister for primary & Secondary Healthcare Department, Punjab.
3. Chairman, Planning & Department Board, Punjab.
4. Secretary to Chief Minister, Punjab.
5. All the Administrator secretaries to Government of the Punjab.
6. Chairman, Punjab Information Technology Board(PITB), Arfa technology Park, Lahore.
7. Vice Chancellor, King Edward Medical University, Lahore / Chairman, Joint Admission Commission (JAC)
8. Vice Chancellor, University of Health Sciences, Lahore.
9. Vice Chancellor, Fatima Jinnah medical University, Lahore.
10. Vice Chancellor, Rawalpindi Medical University, Rawalpindi
11. Vice Chancellor, Faisalabad Medical University, Faisalabad.

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12. Vice Chancellor, Nistar Medical University, Multan.
 13. Chairman & dean, Sheikh Zayed Medical Complex, Lahore.
 14. All the principals of Autonomous Medical Institutions in Punjab.
 15. All the Deans/Heads of Specialized Healthcare Institutions in Punjab
 16. Principal, Post-Graduate Medical Institute, Lahore.
 17. Dean, institute of Public Health, Lahore.
 18. All the Medical Superintendent of Teaching Hospitals in Punjab.
 19. Additional secretary (General)/ Staff Officer to Chief Secretary, Punjab.
 20. Manager, Government Printing Press, Punjab, Lahore with the request to publish in the Weekly Official Gazette.
 21. Additional Secretary (Staff) to Secretary to Government of the Punjab, Specialized Healthcare & Medical Education Department.
 22. All the Additional Secretaries to Government of the Punjab, Specialized Healthcare & Medical Education Department.
 23. All the Deputy Secretaries to Government of the Punjab, Specialized Healthcare & Medical Education Department.
 24. Chief Planning Officer, Specialized Healthcare & Medical Education Department.
 - ✓ 25. Incharge, ICT Cell, Specialized Healthcare & Medical Education Department for posting at Official website.
 26. P.S.O to Additional Chief Secretary, Punjab.
 27. P.S.O to Special Secretary to Government of the Punjab, Specialized Healthcare & Medical Education Department.


PLANNING OFFICER (DEV-I)