

**AGREEMENT  
BETWEEN  
DIRECTOR, CGHS  
AND**

.....(name & address of hospital/centre)

This Agreement is made on the \_\_\_\_\_ day of \_\_\_\_\_, 2008 between the President of India acting through DIRECTOR, Central Government Health Scheme, Ministry of Health & F.W., Government of India having its office at Nirman Bhawan, New Delhi (hereinafter called CGHS, 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 of the Hospital / Diagnostic Center with Address) of the **Second Part.**

WHEREAS, the Central Government Health Scheme is providing comprehensive medical care facilities to the Central Government Employees / Pensioners.

AND WHEREAS, CGHS proposes to provide treatment facilities in Ayurveda, Siddha, Unani, Yoga and Naturopathy to the CGHS beneficiaries and other Central Govt. employees in the Private Recognized Hospitals / Centers .

AND WHEREAS, (Name of the Hospital) offered to give the treatment to the CGHS Beneficiaries and other Central Govt. Employees who may produce a permission letter from their respective Ministry/Department /Office in the Hospital / Center in the following system of medicine:

.....

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 CGHS Card, issued by any competent authority, of any CGHS city.
  - 1.1.4 “Card Holder” shall mean a person having a CGHS Card .
  - 1.1.5 “CGHS Beneficiary” shall mean a person who is eligible for coverage of CGHS and hold a valid CGHS card for the benefit.
  - 1.1.6 “Coverage” shall mean the persons eligible as beneficiaries of the Central Government Health Scheme and other Government employees to the medical services to be provided under the Scheme and the CS (MA) Rules, subject to such terms, conditions and limitations as may be prescribed.
  - 1.1.7 “Empanelment” shall mean the hospital / diagnostic center authorized by the

CGHS for treatment purposes for a particular period.

1.1.8 “Hospital” shall mean the (*Name of the Hospital*) while 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 CGHS for a particular period for providing treatment facilities and procedures etc. to the CGHS beneficiaries and other Central Govt. employees at the rates 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 CGHS beneficiaries and other Central Govt. employees after following certain procedure of inquiry

1.1.11 “Party” shall mean either the CGHS or the Hospital / Center and “Parties” shall mean both the CGHS 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 timed period.

i) This includes all charges pertaining to a particular treatment/procedure including registration charges, admission charges, accommodation charges, cost of medicines, Panchakarma charges, Labor 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 to 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 “TPA” shall mean a Third Party Administrator authorized by CGHS to process the medical reimbursement claims or to carry out medical audit.

1.2 Annexures-I shall be deemed to be an integral part of this Agreement.

## **2 SERVICE AREA**

The Hospital/ Diagnostic Center shall provide treatment facilities to the CGHS beneficiaries and all those Central Govt. employees who may produce a permission letter from their Ministry/Department /Office.

## **3 SERVICE CHARGES**

The Hospital / Center shall charge from the CGHS beneficiaries and other Govt. Employees as per the rates for a particular procedure / package deal as prescribed by the CGHS and attached as Annexure (rate list), which shall be an integral part of this Agreement.

## **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 CGHS/Ministry of Health and Family Welfare, 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 CGHS or any authority designated by CGHS or the Ministry of Health & Family Welfare for that purpose within 90 days of discharge of the CGHS beneficiary or the Central Govt. employees, 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 CGHS in the preceding one year.

## **7 GENERAL CONDITIONS**

- 7.1 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.
- 7.2 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.
- 7.3 The rate being charged will not be more than what is being charged for same procedure from other (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.
- 7.4 The procedure and package rates for any procedure and other medical treatment for CGHS beneficiary and Central Govt. employees under this Agreement shall not be increased during the validity period of this Agreement.
- 7.5 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.
- 7.6 The Hospital will intimate all instances of patients admitted on the basis of the Authority letter issued by the CGHS authorities or other Central Govt. Ministries/Departments/Offices in the prescribed format within one working day through fax / email (the number of which shall be notified) followed by post.
- 7.7 The Hospital / Center shall provide reports on monthly basis by the 10<sup>th</sup> day of the succeeding calendar month in the prescribed format to the CGHS in respect of the beneficiaries treated.
- 7.8 The Hospital / Center shall submit all the medical records in digital format.
- 7.9 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.
- 7.10 The Hospital agrees that during the in-patient treatment of the CGHS beneficiary and other Central Government employee, 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 CGHS empanelment and / or termination of this Agreement, may be initiated on the basis of a complaint, medical audit or inspections carried out by CGHS teams.
- 7.11 On production of a valid permission by the CGHS pensioner / beneficiary and other Central Government employee, the hospital / center shall provide credit facilities to the CGHS pensioner beneficiary or his family members included in the CGHS card after verifying the photo in the CGHS card. The CGHS or the Central Govt. is not liable to pay in cases of impersonation or treatment of ineligible persons.
- 7.12 The Hospital will honour permissions issued by the Additional Director (AD) / Joint Director (JD) of CGHS of the respective city, to the Pensioner beneficiaries holding CGHS card and permissions issued by Central Government Ministries/Departments/Offices on the basis of the recommendations of the AMAs of the concerned system. Treatment will be provided as per CGHS approved rates and bills submitted for payment, in respect of treatment given on credit basis, to the AD / JD of CGHS of the respective city issuing permission.
- 7.13 The Hospital shall immediately communicate to Additional Director / Joint Director of CGHS of the respective city about any change in the infrastructure / strength of staff. The empanelment will be temporarily withheld in case of shifting of the facility to any other location without prior permission of CGHS. The new establishment of the same Hospital / Center, shall attract a fresh inspection, at the prescribed fee, for consideration of continuation of empanelment.
- 7.14 The Hospital / Center will submit an annual report regarding number of referrals received, admitted, bills submitted to the CGHS and payment received, details of monthly report submitted to the Additional Directors / Joint Directors of CGHS, of the respective city, changes in the strength of doctors / staff and infrastructure if any. Annual audit report of the hospitals / centers will also be submitted along with the statement.
- 7.15 Authorized signatory / representative of the hospital / center shall attend the periodic meetings held by Director / A.D. / J.D. / Department / Establishment of CGHS, of the respective city or the Ministry of Health and Family Welfare, required in connection with improvement of working conditions.
- 7.16 During the visit by Additional Director / Joint Director / CMO In-charge of the dispensary or any other authorized representative of the Ministry of Health and Family Welfare / Directorate General of Health Services / concerned Department, the Hospital authorities will cooperate in carrying out the inspection.
- 7.17 In case of any natural disaster / epidemic, the hospital / center shall fully cooperate with the Ministry of Health / Directorate General of Health Services, Additional Director / Joint Director of CGHS, of the respective city and will convey / reveal all the required information, apart from providing treatment.
- 7.18 The Hospital / Diagnostic Center will not make any commercial publicity projecting the name of CGHS / Ministry of Health & F.W. or Government of India. However, the fact

of empanelment under CGHS shall be displayed at the premises of the empanelled center, indicating that the charges will be as per CGHS approved rates.

7.19 The hospital will investigate / treat the CGHS beneficiary patient and other Central Govt. employees only for the condition for which they are referred with permission, and in the specialty and / or purpose for which they are approved by CGHS.

7.20 The Hospital shall not undertake treatment of referred cases in the system of medicine for which it is not empanelled. But it will provide necessary treatment to stabilize the patient and transport the patient safely to nearest recognized hospital under intimation to CGHS authorities. However in such cases the Hospital will charge as per the rates fixed only for the treatment provided.

7.21 The hospital will not refer the patient to other specialist / other hospital without prior permission of CGHS or the concerned Central Govt. authorities. Prior intimation shall be given by the CGHS and the concerned Central Govt. authorities whenever patient needs further referral.

7.22 The rates notified by CGHS shall be available on web site of Ministry of Health & F.W. and Department of AYUSH at [www.mohfw.nic.in](http://www.mohfw.nic.in), and [www.indiamedicine.nic.in](http://www.indiamedicine.nic.in)

## **8 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.

## **9 NON ASSIGNMENT**

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

## **10 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 CGHS. 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.

## **11 PERFORMANCE BANK GUARANTEE**

The Hospital / Diagnostic Center will furnish a continuous, revolving and irrevocable **Performance Bank Guarantee** from a nationalized Bank for an amount of Rs. 10.00 lakh (Rupees Ten lakh only) valid for a period of 05 years in the prescribed proforma to ensure due

performance under this Agreement and for efficient service and to safeguard against any default (**Annexure – I**). In case of any violation of the provisions of the Agreement, the provisions of Liquidated Damages (clause 12) will be applicable.

## **12 LIQUIDATED DAMAGES**

- 12.1 The Hospital / Diagnostic Center shall provide the services as per the requirements specified by the CGHS 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 CGHS Beneficiaries or defective service and negligence, the amount equivalent to 15% of the amount of Performance Bank Guarantee will be charged as agreed Liquidated Damages by the CGHS, however, the total amount of the Performance Bank Guarantee will be maintained intact being a revolving Guarantee.
- 12.2 In case of repeated defaults by the Hospital / Diagnostic Center, the total amount of Performance Bank Guarantee will be forfeited and action will be taken for removing the Hospital / Diagnostic Center from the empanelment of CGHS as well as termination of this Agreement
- 12.3 In the first instance, the complaint will be examined by the CGHS authorities and if the complaint is found to be true the CGHS shall have the right to give a show cause notice to the Hospital to be replied by it 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 may be. 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 CGHS will be final.
- 12.4 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 CGHS 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 the stoppage of referral to that Hospital / Diagnostic Center

## **13 TERMINATION FOR DEFAULT**

- 13.1 The CGHS Ministry of Health and Family Welfare 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 has been recognized within the period(s) specified in the Agreement, or within any extension thereof if granted by the CGHS or the other Central Government authorities 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 CGHS/Ministry of Health and Family Welfare has engaged in corrupt or fraudulent practices in competing for or in executing the Agreement.
- 13.2 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 CGHS/Ministry of Health and Family Welfare 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.

13.3 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 CGHS beneficiaries, undertaking unnecessary procedures, prescribing unnecessary drugs / tests, deficient or defective service, over billing and negligence in treatment, the CGHS/Ministry of Health and Family Welfare shall have the right to de-recognize the hospital / center as the case may be.

#### **14 INDEMNITY**

The Hospital / Center shall at all times, indemnify and keep indemnified CGHS / the Government 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 CGHS / the Government in consequence to any action or suit being brought against the CGHS / the Government, alongwith (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 CGHS/the Government 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 CGHS/ Government and will not hold the CGHS/ Government responsible or obligated. The CGHS / the Government 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

#### **15 PAYMENT**

The payment will be made to the hospital / center within a period of 60 days from the date of submission of the bill accompanied with all necessary and supporting documents.

#### **16 ARBITRATION**

If any dispute or difference of any kind whatsoever (the decision whereof is not herein otherwise provided for) shall arise between the CGHS/Government. and the Hospital / Center upon or in relation to or in connection with or arising out of the Agreement, shall be referred to for arbitration by the Director General Health Services, Ministry of Health & FW, Government of India, who will give written award of his decision to the Parties. The decision of the Director General of Health Services/ Ministry of Health & Family Welfare, will be final and binding. The provisions of the Arbitration and Conciliation Act, 1996 shall apply to the arbitration proceedings. The venue of the arbitration proceedings shall be at Delhi / New Delhi.

#### **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 CGHS/Government and the Hospital / Center.
- 17.2 The Hospital / Center shall not represent or hold itself out as agent of the CGHS/Government.
- 17.3 The CGHS/Government 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 CGHS beneficiary or Central Government employee 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 or partnership is dissolved, the CGHS/Ministry of Health & Family Welfare 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 original copy by post to the other Party's address as below.

CGHS : Director CGHS, Ministry of Health & FW, Government of India, Nirman Bhavan, New Delhi.

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 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. G.S Soin  
Director, Central Government Health Scheme  
Ministry of Health & Family Welfare, Government of India  
for and on behalf of  
The President of India

In the Presence of  
(Witnesses)

- 1.
- 2.

Signed by

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

In the presence of  
(Witnesses)

- 1.
- 2.

Annexure - I**Performance Bank Guarantee**

To:

The Director,  
Central Government Health Scheme,  
545-A, Nirman Bhawan,  
New Delhi

WHEREAS \_\_\_\_\_ (Name of Hospital /  
Diagnostic Center) has undertaken, Agreement No. \_\_\_\_\_  
dated, \_\_\_\_\_ 2008 to \_\_\_\_\_  
(Description of Services) hereinafter called "the Agreement".

**AND WHEREAS it has been stipulated by you in the said Agreement that the Hospital /  
Diagnostic Center selected for empanelment shall furnish you with a bank Guarantee by a  
nationalized bank for the sum specified therein as security for compliance with the Hospital /  
Diagnostic Center performance obligations in accordance with the Agreement.**

**AND WHEREAS we have agreed to give the Hospital / Diagnostic Center a guarantee:**

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of Hospital /  
Diagnostic Centre (herein after referred to "the Second Part," up to a total of  
\_\_\_\_\_ (Amount of the guarantee in Words and Figures) and we  
hereby irrevocably, unconditionally and absolutely undertake to immediately pay you, upon your first  
written demand declaring the Second Part to be in default under the Agreement and without cavil or  
argument, any sum or sums within the limit of \_\_\_\_\_ as aforesaid, without  
your needing to prove or to show this grounds or reasons for your demand or the sum specified therein.  
This guarantee is valid until the \_\_\_\_\_ day of \_\_\_\_\_ 2008

Signature and Seal of Guarantors

\_\_\_\_\_

Date

\_\_\_\_\_

Address:

\_\_\_\_\_

Z.28015/01/2006-HD Cell/CGHS(P)  
Government of India  
Ministry of Health and Family Welfare

Nirman Bhavan, New Delhi  
Dated the June, 2007

To

The Medical Superintendent.

Subject: Empanelment of AYUSH Hospitals/Centers under CGHS and CS(MA) Rules for Ayurveda, Unani and Yoga & Naturopathy treatments/procedures and fixation of package rates.

Sir,

In continuation of this Ministry's letter of even number dated 1.1.08(copy enclosed), I am directed to enclose herewith a copy of the Memorandum of Agreement. A copy of the MoA could also be down loaded from the CGHS webpage [www.mohfw.nic.in/cghs.html](http://www.mohfw.nic.in/cghs.html).

You are requested to return the duly completed and signed MoA , as per the terms of empanelment/recognition under the CGHS/CS(MA) Rules, - 1944, indicated in OM dated 1.1.2008, so that a final order of empanelment/recognition of your Hospital/Centre could be issued.

Yours faithfully,

(R. Ravi)  
Deputy Secretary to the Govt. of India  
[Tel: 2306 3483]

Encl: As above