



## GOVERNMENT OF KERALA

### Abstract

Health & Family Welfare Department - Ayushman Bharat Pradhan Mantri Jan Arogya Yojana -Karunya Arogya Suraksha Padhathi - Revised Guidelines- Orders issued.

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### HEALTH & FAMILY WELFARE (M) DEPARTMENT

G.O.(Ms)No.19/2026/H&FWD Dated,Thiruvananthapuram, 15-01-2026

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- Read 1. G.O(M.S.) No.540/2008/H&FWD dated 16.10.2008
2. G.O.(Rt) No.667/2010/H&FWD dated 22.02.2010
  3. G.O.(Rt) No.2012/2011/H&FWD dated 21.05.2011
  4. G.O.(Rt) No.2964/2017/H&FWD dated 26.10.2017
  5. G.O.(Rt) No.3338/2017/H&FWD dated 24.11.2017
  6. G.O.(Rt) No.62/2023/H&FWD dated 10.01.2023
  7. G.O.(Rt) No.74/2023/H&FWD dated 11.01.2023
  - 8 Minutes of meetings convened by Hon'ble Minister for Health, Woman and Child Development on 13.02.2024 and 11.04.2025.

### ORDER

The State Government has converged all the Government sponsored health care schemes namely Rashtriya Swasthya Bima Yojana (RSBY), Comprehensive Health Insurance Scheme (CHIS), Senior Comprehensive Health Insurance Scheme (SCHIS), Karunya Benavolent Fund (KBF) along with Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana (PMJAY) and formulated Karunya Arogya Suraksha Padathi (KASP).

2. Based on suggestions furnished by the Director of Health Services, Director of Medical Education and the Executive Director, State Health Agency and also based on the decisions taken in the meetings convened by the Hon'ble Minister for Health, Woman and Child Development on 13.02.2024 read as 8<sup>th</sup> paper above, Government are pleased to issue the following guidelines for utilization of claim revenues by Government

hospitals under Ayushman Bharat Pradhan Mantri Jan Arogya Yojana/Karunya Arogya Suraksha Padhathi, in super-session of the Government Orders read as 1<sup>st</sup> to 7<sup>th</sup> papers above.

**i.Accounting for claims**

- a.** It is the responsibility of the hospital superintendents to upload claims for all the procedures they have done for insured persons and ensure that payment is received.
- b.** If claims are rejected they must find out the reason, rectify the defects and if claims have been unjustly rejected, they must take it up with the District Grievance Redressal Committee and follow it up to State level if it is rejected at the District level.
- c.** All the claims would be examined as part of the audit and not pursuing all channels to obtain a valid claim will not be accepted.
- d.** Total eligible claims, eligible amount from claims, number of claims approved fully and number of claims approved partially are to be monitored and the reasons to be closely monitored and rectified. Amount received for approved claims, total number of rejected claims and rejected amount are to be closely monitored and all these should be properly recorded in the facility.
- e.** Superintendent and a nodal officer designated by superintendent for this purpose should closely monitor the claim management system in each hospital.

**ii. Accurate accounting**

- a.** Receipts from insurance reimbursements are subject to audit and must be properly accounted for and deposited in a separate bank account operated by the Superintendent/RMO and the Lay Secretary or any other administrative officer.
- b.** These are not to be deposited in the HMC/HDC/HDS account.

**iii. Insurance funds not to be wasted on branded drugs**

- a.** Patients from the reimbursement schemes have to be treated using generic drugs provided by KMSCL.
- b.** Insurance reimbursement are for the hospital in general and not for purchasing branded drugs for treating individual cases.
- c.** Where a drug that is not in the list of the essential medicines are to be purchased the treating doctor must prepare a request stating the reason why the specific drug is needed. This has to be approved by a committee consisting of the Superintendent/RMO, treating doctor and

Store Superintendent/ Pharmacist Store Keeper / Pharmacist, which should approve the reason stated by the doctor. Records of these decisions must be stored separately and will be periodically audited.

**d.** If there is a shortage of drugs supplied by KMSCL insurance funds can be used for purchasing generic drugs from the essential drug list. That is to say the KASP funds are to be used not for purchasing drugs for specific patients covered by KASP but for all patients of the hospitals. These can be purchased from HMC/HDC, Karunya or Neethi medical stores of that or any other hospital after purchasing usual procedures for local purchase.

**e.** If the indent has not been provided by KMSCL or the annual quota has been exhausted NAC may be waived.

**f.** There shall be no cases of time expiry for drugs purchased under this scheme as drugs are to be purchased only on need to use basis.

#### **iv. Investigations**

**a.** Insurance funds are not to be used for unnecessary investigations from outside sources but to augment diagnostics and therapeutic facilities inside hospitals.

**b.** HMC/HDC can use the funds for purchase of new equipment, improve capacity or features of existing equipment, extend AMC, carry out maintenance not covered by AMC or any other contract, purchase consumables, reagents or spare parts for them, carry out infrastructural modifications for proper use of these equipment, hire technical personnel to operate them or carry out any other expenditure deemed necessary by the technical committee for providing patient care.

#### **v. Construction and hiring**

**a.** Original construction is not to be taken up under KASP. For maintenance / renovation, the estimate can be prepared by NHM Civil Engineer or PWD. In the case where the NHM Engineer prepares the estimate, the DMO concerned has to constitute a committee to issue technical sanction. Maintenance/renovation of infrastructure for providing better patient care and ensuring patient safety can be carried out depending upon fund availability.

**b.** Executive committee for AB-PMJAY/KASP claim revenues may use the funds to undertake certain works uniformly across all government hospitals. for example: setting up of kiosks, AB-PM/KASP-JAY patient digital display board, dedicated waiting area for patient attendants, or any other hospital up-gradation tasks for improving quality of care.

c . Expenses related to process of achieving AB-PMJAY/KASP recommended quality certifications and up-gradation of facility in terms of quality standards.

d. Similarly hiring of personnel is to be limited to service provision areas as ward assistants, nursing assistants, nurses and technicians. Personnel can also be engaged as part of a project proposal to provide specific services such as specialist doctors, Dialysis Centres, Cath Labs, Neuro surgery, knee or hip replacement surgery at secondary hospitals and IVF services. These are indicative only and any feasible project can be funded from insurance funds.

e. Where adequate staff is not available cleaning services can be outsourced to an agency but individual cleaning staff are not to be engaged.

f. In order to ensure equitable distribution of funds, not more than 40 % can be used for hiring persons (HR). The balance (up to 60%) can be used for medicines, consumables, pathology/radiology tests, hospital up gradation & quality improvement, administrative expenses. Hiring of Human Resources shall be invariably done with the prior permission of the Director of Health Services/Director of Medical Education henceforth.

#### **vi. Executive committee for insurance funds**

Since expeditious decision-making is needed for use of insurance funds to improve quality of care all decisions on expenditure on these funds are to be taken by the Committee comprising the following members.

a.	Hospital Superintendent : Chairperson
b.	Deputy Superintendent/RMO : Vice Chairperson (will function as chairperson in the absence of chairperson)
c.	Administrative Officer/Lay Secretary : Treasurer
d.	Head of the Departments concerned
e.	Chief nursing officer/Nursing superintendent/Head Nurse
f.	Store superintendent/PSK
g.	Any other technical person deemed necessary by the Superintendent
h.	Public Relations Officer

**vii. Tracking of finances:**

It is important to monitor the receipt and expenditure of insurance funds. A monthly statement shall be forwarded to District Medical Officers ( to Director of Health Services from District Medical Officers) and Director of Medical Education by the hospitals and they shall review it in their monthly meetings.

Name of the scheme	Funds outstanding at the beginning of the month	Claims made during the month.	Amount received during the month	Total funds available till this month	Expenditure during the year	% of expenditure

3. If the hospital does not spend 60% of the funds received during the year the difference between the amount spent and 60% shall be transferred to an account to be opened by Director of Health Services and District Medical Officers (in the case of institutions under DHS) or Director of Medical Education(in the case of institutions under DME). This would be a challenge fund other hospitals can bid for by preparing a project proposal which will be approved by Government. They will be funded from the corpus generated by transferring unspent amounts from hospitals.

4. A format for capturing detailed monthly receipts and expenditure via one statement of expenditure from each hospital is annexed. This has to be used to monitor the expenditure of each hospital against different heads.

5. Director of Medical Education/ Director of Health Services shall ensure that each hospital furnishes the monthly Statement of Expenditure (SoE) regarding utilization of funds to the State Health Agency, in the proforma attached herewith as Annexure.

(By order of the Governor)

Dr. Rajan Namdev Khobragade I A S

## ADDITIONAL CHIEF SECRETARY

The State Mission Director, National Health Mission

The Principal Accountant General (A/E/Audit), Thiruvananthapuram

The Executive Director, State Health Agency ,Thiruvananthapuram

The Director of Medical Education , Thiruvananthapuram

The Director of Health Services, Thiruvananthapuram

All District Collectors

The Director of Insurance Department

Information and Public Relations (Web&New Media) Department

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Forwarded /By order  
Signed by

Rashmi D

Date: 16-01-2026 14:49:34  
Section Officer

Copy to

Private Secretary to Hon'ble Minister for Health

P.A to Principal Secretary, H&FW Department

C.A to Additional Secretary

A FORMAT FOR CAPTURING DETAILED MONTHLY RECEIPTS AND EXPENDITURE VIA ONE SOE FROM EACH HOSPITAL IS GIVEN BELOW. THIS WILL HELP TO MONITOR THE EXPENDITURE OF EACH HOSPITAL AGAINST DIFFERENT HEADS.

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