AN
AGREEMENT

This Agreement is made on this _____day of _____ 2020, between the Governor of the Khyber Pakhtunkhwa through Secretary to the Government of the Khyber Pakhtunkhwa, Health Department (hereinafter referred to as the "Health Department") which expression shall include its successors-in-office and assigns of the first part and the and the Organization, which expression shall include its successors-in-office and assigns of the second part;

WHEREAS the Organization has expertise in the business of providing "Health Insurance" and has been qualified and stood successful through the procurement process conducted by the Health Department, for the Sehat Sahulat Programme. Hence, the Organization is agreed to provide insurance services by way of terms and conditions mentioned in this Agreement;

WHEREAS the Organization is agreed to implement and promote a Sehat Sahulat Programme, aimed at the entire population of all the districts and shall use its skills and expertise to enroll all the NADRA registered families having permanent address of the Province of Khyber Pakhtunkhwa;

AND WHEREAS the Health Department shall pay premium and reserve fund to the Organization of enrolled families of all the districts of the Province of Khyber Pakhtunkhwa as well as provide regulatory framework and administrative assistance wherever possible;

NOW, THEREFORE, the Parties hereby agree as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1. Definitions: In this Agreement, the following terms shall have the meanings hereby respectively assigned to them that is to say, -

(a) "applicable law" means the laws and any other instruments having the force of law in the Islamic Republic of Pakistan, as may be issued and in force from time to time;

(b) "Annexure" means the Annexure appended to this Agreement;

(c) "beneficiary" means any member of the family and includes a transgender as single member family enrolled under the Programme and whose health insurance premium is paid by the Health Department;

(d) "claim payment" means the payment of claim to the health providers under the Scheme based on agreed procedure for payment between Organization and the empanelled hospital;

(e) "Coordination Committee" means the Coordination Committee constituted under clause 8 of this Agreement;

(f) "empanelled hospital" means a hospital, nursing/maternity home or such other healthcare establishments duly registered with Health Care Commission and selected for provision of Healthcare services to the beneficiaries of the Programme;

(g) "family" means a group composed of husband, wife and unmarried children or husband and wife without any children or divorced/ separated woman/ man, widow or widower with or without unmarried children, or orphans having both parents lost. Parents are

not included in the family but will form a separate family unit if living in the same household;

(h) "Federal Programme" means Sehat Sahulat Programme managed and funded by the Federal Government;

(i) "Health Department" means the Government of the Khyber Pakhtunkhwa;

(j) "Health Care Commission" means the Khyber Pakhtunkhwa Health Care Commission established under 3 of the Khyber Pakhtunkhwa Health Care Commission Act, 2015 (Khyber Pakhtunkhwa Act No. V of 2015);

(k) "Health Insurance Services" means the healthcare services and benefits as outlined in the **Annexures VI, VII, VIII & IX**;

(l) "healthcare provider" means a Hospital, Nursing/ Maternity Home and such other medical service provider in public or private sectors duly registered by the Health Care Commission;

(m) "policy holder" means the person who has paid his/her premium and holds a valid health card for availing topup benefits of the programme;

(n) "premium" means an amount agreed by both the Parties charged per family on an annual basis as consideration for providing Health Insurance Services under this Agreement;

(o) "Programme office" means the Provincial Office of Organization, to be established at Peshawar for the implementation of Health Insurance Services under this Agreement;

(p) "Province" means the Province of the Khyber Pakhtunkhwa including the merged districts;

(q) "Programme" means the Social Health Protection Initiative of the Khyber Pakhtunkhwa with the brand name "Sehat Sahulat Programme" as out lined in this Agreement;

(r) "service agreement" means the agreement entered into between the Organization and such other parties as Organization deems necessary to ensure effective outreach and delivery of Health Insurance Services under the Programme;

(s) "Organization" means the Insurance Organization selected for implementation of the programme;

(t) "Steering Committee" means the Steering Committee constituted under clause 9 of this Agreement;

(u) ''transgender'' means a person who is registered with Zakat, Usher, Social Welfare, Special Education and Women Empowerment Department; and

(v) "reserve fund" means a fund created by the Government under clause 6.1 of this Agreement.

1.2. Interpretations: Except where the context requires otherwise, this Agreement shall be interpreted as follows:

(a) any grammatical form of a defined term herein shall have the same meaning as that of such term;

(b) the term "including" shall always mean "including, without limitation", for purposes of this Agreement;

(c) headings are used for convenience only and shall not affect the interpretation of this Agreement;

(d) reference to clauses and Annexures are to clauses and Annexures to this Agreement;

(e) other capitalized expressions used in this Agreement shall have the meanings respectively assigned to them elsewhere in this Agreement; and

(f) Annexures form part of this Agreement and shall have effect as if set out in full in the body of this Agreement and any reference to this Agreement includes the Annexures.

2. HEALTH INSURANCE PROGRAMME

2.1. Health Insurance Services to beneficiaries shall be provided by Organization. Details of health services are provided in clause 4.8.

2.2. The Health Department shall pay premium to the Organization on annual basis according to the plan provided in clause 3.1.3.

2.3. The premium, reserve fund and all terms and conditions of this Agreement may be revised annually during the period of this Agreement with mutual consent of both parties.

2.4. The beneficiaries of the Programme shall be all the families of Khyber Pakhtunkhwa registered with NADRA, whose data shall be provided by the Health Department.

2.5. In addition to the families, transgenders shall also be the beneficiaries of the Programme as single member family.

2.6. In an enrolled family any newborn during the insurance period shall be included in the family after fulfilling the formalities as agreed between the Parties.

2.7. Each beneficiary family will be issued a Health Policy document by the Organization, which would be the proof of their eligibility at health facilitation desk (for availing services under the Programme).

2.8. Health insurance services to the beneficiaries shall be provided through empanelled hospitals, selected on Hospital Assessment Criteria provided by the Health Department.

2.9. If enlisted disease/procedure is not available in empanelled hospital within the district, the same will be provided in any empanelled hospital of the nearby districts.

3. RESPONSIBILITIES OF THE HEALTH DEPARTMENT:

3.1. Payment of premium and reserve fund

3.1.1. The Health Department shall pay to Organization, Rs. ___/- per family per year as premium and Rs. 40/- per family per year as reserve fund;

3.1.2. The Health Department shall support Organization in securing exemptions from stamp duty or other taxes on health insurance wherever required.

3.1.3. The payment of premium and reserve fund shall be made to Organization as per the following schedule:

- **1st year premium payment**

  (a) 1st Installment – within 60 days of signing of this Agreement:

  (i) 15% Mobilization Advance for all the enrolled families on provision of payment invoice and inception report/ activity plan.

  (b) 2nd Installment – in 2nd quarter of the fiscal year subject to the fulfillment of the following:

  (i) 35% of the total premium of enrolled families on provision of payment invoice subject to empanelment of required number of hospitals in all the districts.

  (c) 3rd Installment – in 3rd quarter of the fiscal year subject to the fulfillment of the following:

  (i) 50% of the total premium on completion of providing necessary documents to the beneficiary families i.e. insurance policy documents and awareness material.

- **2nd, 3rd, 4th and 5th year premium payment - based on marketing of the top-up products and 75% of the hospitals' submitted claims payment of the previous year.**

3.2. Establishment of Central Management Information System (CMIS) through NADRA

The Health Department shall establish a third party Central Management Information System through NADRA. The Terms of Reference (TORs) of the Central Management Information System shall be such as given in **Annexure I**.

3.3. Provision of Beneficiaries Data

3.3.1. The Health Department shall provide beneficiary families data acquired from NADRA to the Organization for enrollment.

3.3.2. The data shall be completed in respect of names, demographics, ages, genders, complete addresses, valid relations, and contact information of beneficiaries.

3.3.3. All the families registered with NADRA shall be the targeted beneficiaries under the Programme.

3.4. Recommendation and approval of hospitals for empanelment and de-empanelment

3.4.1. The Health Department shall provide the list of hospitals registered with Health Care Commission and empanelment criteria for assessment of hospitals. Only those Healthcare providers which are registered with the Health Care Commission shall be considered for empanelment under the Programme. The Healthcare providers shall be assessed and empanelled by Organization on the basis of criteria provided by Health Department.

3.4.2. The Health Department reserve the right to review the empanelled hospitals and recommend their finding accordingly.

3.4.3. The Steering Committee shall grant final approval of the recommended hospitals for empanelment as healthcare providers.

3.5. Provision of other necessary documents/data

The Health Department shall-

3.5.1. provide free of cost, to Organization, such documents and data etc. as shall be necessary to enable Organization to implement the Programme;

3.5.2. provision of quality standards and treatment protocols for Healthcare providers participating in the Programme;

3.5.3. provide necessary advices to Organization which is deemed necessary for effective implementation of the Programme;

3.5.4. assist Organization and NGOs in seeking NOC from Health Department agencies for implementation of Programme; and

3.5.5. assist Public Sector Hospital in matters related to retention and utilization of insurance funds, tax exemptions, registration with tax and other authorities etc.

4. RESPONSIBILITIES OF THE ORGANIZATION

4.1. Compliance with Laws.--- Organization shall comply with all the relevant Federal and Provincial laws for the time being in force.

4.2. Code of Conduct.--- At all times, Organization shall act with appropriate propriety and discretion and in particular shall refrain from making any public statement concerning the Programme or Health Insurance Services without the prior approval of the Health Department and shall refrain from engaging in any political activity. The Organization shall observe the following code of conduct:

4.2.1. Except with the written consent of the Health Department, Organization shall not divulge to any person nor use for its own purposes, any information relating to the Health Insurance Services, the Programme or the Health Department, including information in respect of rates and conditions of engagement.

4.2.2. Organization shall report immediately to the Health Department any accident or injury and any damage to the property of the Government or to the property of persons or any third parties occurring in or arising out of the performance of the Health Insurance Services and any act, manner, or thing which, within his knowledge, may have caused such accident or injury. Organization shall also report immediately to the Health Department any circumstances or events which might reasonably be expected to hinder or prejudice the performance of the Health Insurance Services including circumstances and events relating to their transportation and accommodation.

4.2.3. Organization shall perform the Health Insurance Services and carry out their obligations with all due diligence, efficiency, and standards, in accordance with the professional techniques and practices duly acceptable to the Government.

4.2.4. Organization shall put forth its best efforts to employ all of its, resources to accomplish the delivery of Health Insurance Services, as agreed hereunder to the satisfaction of Health Department.

4.2.5. Any delay in the provision/completion of the Health Insurance Services shall constitute a material breach of this agreement. Organization shall always act, in respect of any matter relating to this Agreement or to the Health Insurance Services, as faithful advisers to the Government, and shall at all times support and safeguard the Government's legitimate interests in any dealings with third parties.

4.2.6. Organization shall keep the Health Department informed and respond to Health Department's requests with the most accurate and complete information available.

4.2.7. Organization shall also maintain all the technical and financial documents and data in an efficient and timely manner and provide it to the Health Department as and when required.

4.2.8. Organization shall provide all the relevant data collected during implementation of the Programme to the Health Department

4.3. Establishment of Project Offices and Recruitment of Necessary Staff

4.3.1. Organization shall establish within Sixty (60) days of signing of this Agreement, Independent Provincial Project Office and other necessary offices (Zonal and District) for implementation of the Programme.

4.3.2. The Project Offices shall have requisite staff with relevant qualification and experience including medical staff (medical officers and consultants) as per the agreed plan who shall be ascertaining the nature of ailment and verifying the need of services

for the beneficiaries and policy holders. The detailed recruitment plan of the requisite staff shall be such as given in **Annexure II**.

4.3.3. The medical staff of Organization shall not be imparting or advising on treatment or medical procedure guidance related to cure or other care aspects.

4.4. Service agreements

4.4.1. The Organization shall enter into service agreements within a period of sixty (60) days of the signing of this Agreement with such parties as Organization deems necessary to ensure effective outreach and delivery of Health Insurance Services under the Programme.

4.4.2. For the purposes of this Agreement, Organization shall be responsible for ensuring that the functions and standards outlined in this Agreement are met, whether direct implementation rests with the Organization or one or more of its partners under service agreements.

4.4.3. It shall be the responsibility of Organization to ensure appropriate course and remedies in the case of non-performance by such parties.

4.5. Enrollment of beneficiaries and distribution of necessary documents.-- -Within sixty (60) days of signing of this Agreement, the Organization shall-

4.5.1. be responsible to provide the necessary documents i.e. insurance policy documents and awareness material etc., to the targeted families certifying that they have been insured and entitled for the services they would receive as insured;

4.5.2. complete all this process of distribution unless otherwise agreed between the two parties. The insurance policy should cover one full year effective from the date agreed between the parties;

4.5.3. all the enrolment process once completed shall not be manipulated except for correction and updating of family tree; and

4.5.4. policy period shall start from 1st of July every year and shall complete on 30th of June of the following year.

4.6. Service provision

4.6.1. Organization shall enter into contracts, within ninety (90) days of signing of this Agreement, with selected public and private Healthcare providers/hospitals for provision of Health Insurance Services to the beneficiaries of the Programme.

4.6.2. Organization shall conduct a detailed assessment of the Healthcare providers/hospitals based on the assessment criteria provided by the Health Department at **Annexure III** and recommend a list of qualified hospitals for empanelment to the Steering Committee for final approval.

4.6.3. Each Tehsil shall, subject to availability, have at least one public or private sector hospital on the panel.

4.6.4. No. of empanelled hospitals in a district shall be as per **Annexure XIV**.

4.6.5. Contracts with healthcare providers shall include predetermined package rates for services. Range of rates shall be approved by the Coordination Committee and shall be reviewed annually.

4.6.6. Health Insurance Services to the beneficiaries will be offered preferably within the districts, however in case of non-availability, the beneficiaries may avail the same services in the empanelled hospitals of other districts.

4.6.7. In case of emergency or in a situation where the beneficiary is residing in the district other than the domicile district, Health Insurance Services may be availed from any nearest empanelled hospital in Pakistan.

4.6.8. Complicated cases or procedures which are not treatable at district level empanelled hospitals, shall be referred and treated at tertiary level hospitals available anywhere in the Province.

4.6.9. Organization shall take due diligence to control pilferage in procedures having potential of moral hazards, especially Appendectomy, Tonsillectomy, Septoplasty, SMR, C-Section and Hysterectomy.

4.6.10. Based on justified reasons Organization may suspend services of a panel hospital with prior intimation to Coordination Committee. The Coordination Committee shall review the case of suspension of services and decide whether the Health Insurance Services be resumed or the hospital be recommended to the Steering Committee for removal from the panel.

4.7. Establishment of Facilitation Desks. --- In order to verify and facilitate the beneficiaries, Organization shall establish Facilitation Desks with proper branding of the scheme along with instruction/guidelines for beneficiaries' rights (design to be provided by the Health Department) and required human resource and equipment in each empanelled hospital within ninety (90) days of the signing of this Agreement.

4.8. Awareness and Communication

The Organization may inter into agreement with any registered Organization for effective awareness and communication during enrollment period. The Organization shall have the necessary capacities and shall be able to fulfill the task assigned to it efficiently. The terms of reference (ToRs) for the Organization shall include the following:

(i) undertaking on rolling basis, campaigns in villages to increase awareness of the Programme and its key features;

(ii) mobilizing families in all districts for enrolment in the programme and facilitating their enrolment and subsequent re-enrolment, as the case may be;

(iii) providing advice to beneficiary families wishing to avail benefits covered under the Programme and facilitating their access to such services as needed;

(iv) providing publicity in their catchment areas on basic performance indicators of the Programme;

(v) providing assistance for the grievance redressal mechanism

developed by Organization;

(vi) general health awareness campaigns and health education, health promotion sessions on preventive health measures, to raise health insurance literacy and create a good will in community for insurance-based healthcare financing; and

(vii) providing any other service as may be mutually agreed between the Organization and the CSOs/CBOs.

4.9. Establishment of Central Management Information System (CMIS)

4.9.1. Organization shall establish Central Management Information System, whereby information regarding enrolment, health-service usage patterns, claims data, customer grievances and such other information regarding the delivery of benefits as required by the Health Department.

4.9.2. Organization shall within ninety days (90) of signing of this Agreement, provide a web-based application and Programme specific website and a dashboard. The Health Department shall have full access to this website. The web site shall be password protected to ensure confidentiality. The hospitals/Nursing Homes and beneficiaries shall have the access to the website to see their relevant information.

4.10. Experience Refund: A Premium Stabilization Reserve (PSR) shall be established to protect the Programme from adverse claims deviation. The Premium Stabilization Reserve shall be funded by the Programme underwriting profits/losses. At the time of settlement, 85% of the Premium Stabilization Reserve shall be returned to the Health Department in the form of Experience Refund. The terms and conditions of the Premium Stabilization Reserve are given in **Annexure IV**.

4.11. Reporting: The Organization shall submit progress of the Programme including patients visits, cases treated or operated and expenditure on quarterly, six monthly, annually and on need basis via Dashboard.

4.12. Beneficiaries grievance redressal system: Complaints and grievances of the beneficiaries shall be resolved according to the grievance redressal mechanism as outlined at **Annexure V**.

5. SCOPE OF HEALTH CARE SERVICES AND ADDITIONAL BENEFITS

5.1. Organization shall be responsible for provision of:

5.1.1. Inpatient Health Insurance Services to the beneficiaries in the empanelled Hospitals up to an annual limit of Rs. 40,000/- (Rupees Forty thousand only) per family member for secondary care and up to an annual limit of Rs. 400,000/- (Rupees four hundred thousand only) per family for tertiary care) Health Care Services covered under the Programme as given in **Annexures VI and VII**;

5.1.2. additional benefits, as given at **Annexure VIII** to the beneficiaries;

5.1.3. Any disease/procedure, for which rate has not been agreed between the empanelled hospital and Organization, the Organization shall negotiate the rate with hospitals on need basis for a complete package (including treatment, hospitals stay, investigations, pharmacy, allied services, taxes etc) within the benefit limits and

ensure provision of services.

5.2. The scope of services shall be reviewed and, if needed, revised on annual basis along with resulting premium by mutual consent. The revised scope of services and resulting premium shall be approved by the Steering Committee for next year.

5.3. There are some exclusion to the Programme which are enlisted at **Annexure IX**.

5.4. Payment to Healthcare providers

5.4.1. organization shall reimburse the health provider based on an agreed invoicing and payment system which shall ensure timely payment to the providers as per the schedule agreed with the service provider.

5.4.2. Organization shall ensure that the services specified in this Agreement are provided to the beneficiaries and policy holders without any out of pocket payment.

5.4.3. The package rates for medical and surgical procedures/ interventions and treatments shall be reviewed and, if needed, revised on annual basis. The revised package rates shall be approved by the Coordination Committee for next year.

5.4.4. As part of their regular review process within the Coordination Committee, the Parties shall review information about common unlisted procedures and seek to introduce them into the listed package with appropriate package rates.

5.4.5. All the priority diseases under tertiary care shall be negotiated with the Healthcare providers and package rates shall be determined. The cost within the package limit shall be paid by Organization while the additional cost to be paid from reserve fund under special circumstances for cases approved by Reserve Fund Authorization Committee.

6. RESERVE FUND

6.1. A reserve fund shall be created and paid to Organization at a rate of Rs. 40 per family per year.

6.2. Reserve fund shall be utilized by the approval of Reserve Fund Authorization Committee. The Composition and Terms of Reference (TORs) of the Reserve Fund Authorization Committee shall be as given in **Annexure X**.

6.3. The Reserve Fund shall be utilized in the following conditions, namely:

6.3.1. if during one procedure it appears that there is a second procedure (during the course of same admission) and the balance cannot cover this expense, the additional expenses (beyond the package limit) shall be covered from the reserve fund;

6.3.2. if the balance of the beneficiary is exhausted and a life saving procedure is required;

6.3.3. additional cost (beyond the package limit) of Kidney Transplant; and

6.3.4. unutilized Reserve Fund shall be returned by Organization to the Health Department without any deduction at the end of the project period.

7. DISPUTE RESOLUTION AND ARBITRATION

7.1. The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Agreement or its interpretation.

7.2. Any dispute or disagreement between the Parties as to matters arising out of this Agreement shall be referred to Resolution Committee, comprising of two senior level officers of both the parties and the dispute or disagreement shall be settled amicably within a period of fifteen (15) days.

7.3. In case a dispute, difference or disagreement cannot be settled amicably or satisfactorily within a period of fifteen (15) days, it shall be referred to the Coordination Committee for mediation.

7.4. In case, no settlement is reached within thirty (30) working days after receipt of the matter by the Coordination Committee, the matter may be submitted by either party for settlement in accordance with the provisions of the Arbitration Act, 1940 (Act No. X of 1940), for arbitration at Peshawar.

7.5. Services under this Agreement shall, if reasonably possible, continue during the arbitration proceedings and no payment due to or by the Health Department shall be withheld on account of such proceedings.

8. COORDINATION COMMITTEE

8.1. A Coordination Committee shall be notified by the Health Department to review this Agreement and its performance on periodic basis and to decide upon other matters as explained in the terms of reference (TORs) of Coordination Committee.

8.2. The Coordination Committee shall work under the chairmanship of Secretary Health and comprised of equal number of members from the Health Department and the Organization.

8.3. Composition and Terms of Reference (TORs) of the Coordination Committee shall be such as given in **Annexure XI.**

9. STEERING COMMITTEE

9.1. For oversight and policy decisions a Steering Committee with suitable membership shall be notified by the Health Department.

9.2. Composition and Terms of Reference of the Steering Committee shall be as given in **Annexure XII**.

10. MISCELLANEOUS

10.1. Referral system

10.1.1. Organization shall ensure that Health Insurance Services to the beneficiaries are provided in the empanelled public or private hospital of their choice under secondary care services only.

10.1.2. Organization reserves the right to refer patients especially the tertiary care treatment, keeping in view the availability of the Health Insurance Services, waiting time and cost-effective service provider in the best interest of the beneficiary and the Programme.

10.1.3. In case a particular treatment/ procedure is not available in the hospital of their choice, the patient shall be referred to any other hospitals where the required treatment is available.

10.2. Manual admission of patients

10.2.1. Organization shall be bound to allow manual admissions in the empanelled hospitals if-

(a) HFO is not present at the counter due to public holiday or off time;

(b) server is down; and

(c) any other reason due to which online verification/admission is not possible.

10.3. Ownership of Documents and Software

10.3.1. All plans, marketing campaigns, advertising material, photographs, reports, protocols, strategies, database, software, android applications and other documents prepared by Organization as part of the Programme shall become and remain the mutual property of the Health Department and Organization shall not later than thirty (30) days upon termination or expiration of this agreement, deliver/share (if not already delivered/shared) All plans, marketing campaigns, advertising material, photographs, reports, protocols, strategies, database, software, android applications and other documents to the Health Department, along with a detailed inventory thereof. The Organization shall retain the copies/mutual rights of all plans, marketing campaigns, advertising material, photographs, reports, protocols, strategies, database, software, android applications and other documents with the permission of the Health Department.

10.3.2. The Organization shall not use any of the plans, marketing campaigns, advertising material, photographs, reports, protocols, strategies, database, software, android applications and other documents for purposes unrelated to this Agreement during its currency without the prior written approval of the Health Department. A certificate to this effect shall be provided by the Organization whenever the Health Department shall require. Nevertheless, having mutual right, the Organization shall use the plans, marketing campaigns, advertising material, photographs, reports, protocols, strategies, database, software, android applications and other documents for providing similar services, in future, to general public.

10.4. Delegation of assignments and authority: The Organization shall not delegate any duties or obligations arising under this Agreement other than those which may expressly permitted by the Health Department.

10.5. Cashless services: The Organization shall ensure that Healthcare providers under this Agreement shall provide the Health Insurance Services specified

in this Agreement to beneficiaries and policy holders on cashless basis. Organization shall reimburse the health provider on the basis of an agreed invoicing and payment system which will insure timely payment to the providers.

10.6. Intellectual property rights and materials

10.6.1. All the intellectual property rights and materials shall (from the outset) be vested mutually in Health Department and Organization during the currency of this Agreement.

10.6.2. The Health Department and Organization shall be jointly assigned with full title and guarantee all Intellectual Property Rights and the materials for the remainder of the term during which the said rights and any renewals or extensions thereof shall subsist including the right to sue for past infringements and retain any damages obtained as a result of such action.

10.6.3. Notwithstanding, the forgoing provision, Organization shall at their own expense defend, indemnify and hold the Government harmless against any and all loss, claims, actions, damages, liabilities, costs and expenses including legal expenses incurred or suffered by it whether direct or consequential arising out of any dispute or contractual, tortuous or other claims or proceedings brought by any third party alleging infringement of its intellectual property rights in the materials or Government's use or possession of the intellectual property rights in the materials.

10.7. Governing Law---The validity, performance, construction and effect of this Agreement shall be governed by the Federal and Provincial laws for the time being in force. Any resolution of any disputes arising from or in connection with this Agreement, including a breach thereof, shall also be governed by the Federal and Provincial laws, as the case may, for the time being in force.

10.8. Severability.---If any provision of this Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable (or indications to that effect are received by either of the parties from any competent authority) the parties shall amend that provision in such reasonable manner as achieve the intention of the parties without illegality or at the discretion of the Health Department, it may be severed from this Agreement or the remaining provisions of this Agreement shall remain in full force and effect unless the Health Department in its discretion decides that the effect of such declaration is to defeat the original intention of the parties in which event the Health Department shall be entitled to terminate this Agreement pursuant to the clause 12.2.

10.9. Force Majeure

10.9.1. Both the Health Department and Organization shall not be responsible for any delay in fulfillment of the obligations under this Agreement due to circumstances of Force Majeure, such as acts of God, war, riots, civil commotion, strike, lock outs and other circumstances and disturbances, which are beyond the control of both the Parties. Any Party unable to fulfill the obligations under this Agreement shall immediately within one week inform other Party of the beginning and discontinuation of such circumstances. In the case of fulfillment of the obligations, the time of limit shall be extended for a corresponding period of time.

10.9.2. In case any Force Majeure Event continues for a period of six (6) months without interruption, the Party affected by such Force Majeure Event shall be entitled to terminate this Agreement by giving notice to the other party, pursuant to clause 12 of this Agreement.

10.10. Notices

10.10.1. Any notice given under or in connection with this Agreement shall be in writing and in the English language. Notices may be given, by being delivered to the address of the Parties as set out below. Notice may be given through courier services or by fax, however in case of fax the original shall be sent by courier services.

10.10.2. Any action required or permitted to be taken, and any document required or permitted to be executed, under this Agreement by the Health Department or Organization, shall be taken or executed by the Director-SHPI for Health Department and by Regional Head (H&AI), Organization, for the Organization. The authorized representatives specified herein under:

For Health Department

Director, SHPI
House No. 9-A, Rehman Baba Road University Town Peshawar
Telephone: 091 921 6013-14, Fax: 091 584 1792
Email: drriaztanoli@gmail.com

For Organization

_____

10.11. Corrupt Practices:

10.11.1. Organization and the Health Department agree and acknowledge that they may not request or demand or attempt to request or demand any gifts, kickbacks, gratuities or bribes from the other party and any such act may amount to immediate termination of this Agreement.

10.11.2. If the Health Department determines that Organization is engaged in corrupt practice in executing this Agreement, then the Health Department shall have the right to terminate this Agreement pursuant to the clause 12.2.

11. PERIOD OF AGREEMENT

11.1. Period of this Agreement shall be five (05) years effective from 1st July 2020, subject to the performance evaluation which shall be carried out on yearly basis by the Health Department on the basis of but not limited to the Performance Evaluation Checklist as given in **Annexure XIII**.

11.2. The period can be extended by mutual consent of both the parties if so desired on the basis of revised terms and conditions, scope and premium.

12. TERMINATION OF AGREEMENT

12.1. This Agreement may be terminated by either of the parties before the end date of this Agreement in the event of material breach of the terms of this Agreement by either of the parties.

12.2. In case of termination of this Agreement, the following processes shall be followed.

12.3. The Health Department may terminate this Agreement, by not less than ninety (90) days written notice of termination to Organization, if-

12.3.1. organization does not remedy a failure in the performance of their obligations under this Agreement within thirty (30) days after being notified or within any further period as the Health Department may have subsequently approved in writing;

12.3.2. Organization becomes insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;

12.3.3. Organization fails to comply with any final decision reached as a result of arbitration proceedings pursuant to clause 7 of this Agreement;

12.3.4. Organization submits to the Health Department a statement which has a material effect on the rights, obligations or interests of the Health Department and which Organization knows to be false; and

12.3.5. the Health Department, in its sole discretion, decides to terminate this Agreement.

12.4. Organization may terminate this Agreement, by not less than ninety (90) days written notice to the Health Department, if-

12.4.1. the Health Department fails to pay premium to Organization pursuant to clause 3.1 of this Agreement and not subject to dispute pursuant to Clause 7 within sixty (60) days after receiving written notice from Organization that such payment is overdue;

12.4.2. the Health Department is in material breach of its obligations pursuant to this Agreement and has not remedied the same within forty-five (45) days (or such longer period as Organization may have subsequently approved in writing) following the receipt by the Health Department of Organization's notice specifying such breach; and

12.4.3. the Health Department fails to comply with any final decision reached as a result of arbitration proceedings pursuant to clause 7 of this Agreement.

In WITNESS WHEREOF, the parties hereto have caused this Agreement, to be signed in their respective names in two identical counterparts each of which shall be deemed as the original, as of the day and the year first above written.

For and on behalf of the Health Department.	For and on behalf of the Organization.
Name_____	**Name**_____
Designation_____	**Designation**_____

WITNESSES

1.	**Name**_____	**Name**_____
	CNIC_____	**CNIC**_____
	Address_____	**Address**_____
2.	**Name**_____	**Name**_____
	CNIC_____	**CNIC**_____
	Address_____	**Address**_____

ANNEXURE – I: TERMS OF REFERENCE OF NADRA

1. Develop, deploy and maintain a dynamic database, data warehousing and database administration services for the Social Health Protection Initiative.
2. Review, refine and update beneficiary's data for SHPI.
3. Continuously review and update SHPI dataset with demographic event on its entries like new births, deaths as well as change in marital status.
4. To provide regular feedback on services utilization trends on SHPI, in comparison to other clients of NADRA including the PMNHP and other provincial programs for cross learning.
5. To define, authorize and/or revoke remote access points for secured communication with the database, whereby the level of authorization to any person or Organization shall be subject to approval from SHPI/Client. The major "communication points" shall include the following:
    - Access to admission, discharge and claims lodging window to HFOs for a single hospital.
    - Access to admission, discharge and claims lodging window to DMO for single district.
    - Access to final processing of the claims for the head office(s) of the insurance company.
6. Provide call center services to the program for maximum enrollment of beneficiaries.

ANNEXURE – II: ORGANIZATION STAFFING PLAN

Function	Title	Strength	Posting

ANNEXURE – III: CRITERIA FOR ASSESMENT OF HOSPITALS

The Health care facility should be either a Public or a Private Hospital having:

1. Registration with Khyber Pakhtunkhwa Healthcare Commission.
2. Facility for inpatient care (Patient beds or other required services for inpatient care) available.
3. Qualified Doctors (registered with PMDC) available round the clock
4. Qualified Nursing Staff (registered with Pakistan Nursing Council) present round the clock.
5. At least one of the specialties (Medical, Surgical, Pediatrics, Gynaecology/Obstetrics, Orthopedics/Traumatology or any other), with a qualified Specialist (FCPS/MCPS or equivalent). While competing for empanelment, preference will be given to hospital (s) with availability of maximum specialties and better quality.
6. An operational pharmacy and diagnostic services or should be able to outsource/link with the same to provide cashless service to the patients. The diagnostic services should include:
    - All essential lab tests
    - X-rays
    - ECG
    - Ultrasonography
7. The facility should be fully equipped and engaged in providing care in relevant specialty:
    - Facility providing surgical care should be equipped with operation theatre.
    - Facility providing Gynae/Obstetrical care should have fully equipped Labour Room.

ANNEXURE – IV: PREMIUM STABILIZATION RESERVE (PSR)

A Premium Stabilization Reserve (hereinafter referred to as PSR) shall be established to protect the Programme from adverse claims deviation. The PSR shall be funded by the Programme underwriting profits/losses. At the end of each Programme policy year the PSR will be set according to the following formula:

PSR = Cumulative Gross Premium Paid– Admin Cost (--% of the total gross premium) – Cumulative Incurred Claims – Total tax liability – accumulated prior losses

The PSR will be calculated within 90 days of the end of each year however it will be settled after the end of contract period (five years). If the PSR at the end of Programme is positive, it shall be split according to the following formula:

85%	Health Department
15%	Organization

a. In the event the PSR has a negative balance:

0%	Health Department
100%	Organization

If the Programme is extended, the PSR will continue to be held and settled after the closing of this Agreement.

ANNEXURE – V: GREVIENCE REDRESSAL MECHANISM

FILING A COMPLAINT

- To file a complaint beneficiary may call the toll-free help line.
- Use complaint boxes located at empanelled hospital.
- Fill feedback from provided at the time of discharge from the hospital.
- Lodge a complaint at the help desk at each hospital.

ONCE A COMPLAINT HAS BEEN FILED INITIAL

- All complaints shall be recorded in the complaint database.
- The regional project office will assign the complaint to the appropriate team at the district level.
- The complaint shall be displayed on the assigned team member's system dashboard.
- The complaint shall be redressed within 3 days.

ESCALATION

- If the complaint is not resolved it shall be automatically escalated to the provincial office for resolution.
- The complaint shall be displayed on the dashboard of the provincial level officer in charge of the district. This office shall resolve the issue within five days of receipt of the complaint.

PRIORITY ESCALATION

If the complaint is still not resolved, the complaint shall automatically move to the principal office. A full investigation shall be launched by the complaint committee to resolve the matter within seven days. The committee shall consist of senior Organization officers and the Programme's nominated members.

RESOLUTION

Complaint outcome shall be intimated to the beneficiary lodging the complaint. A follow up interview shall be conducted to ensure the satisfaction of beneficiary.

ANNEXURE –VI: OVERVIEW OF AVALIABLE SERVICES AND BENEFITS

The following Benefits are available to the Insured families under this Agreement as per limits mentioned and in accordance with terms and conditions defined in this Agreement.

Maternity Services

Ante-natal, childbirth and post-natal treatment for beneficiaries, to the extent of the limit as mentioned in this Agreement. Complications as defined below are also covered:

(i) Charges for surgery and related medical care during hospitalization for caesarean section when the concerned doctor of empanelled hospital has certified in writing that a natural delivery will endanger the life of the mother and /or child.

(ii) Charges for surgery and related medical care during hospitalization for the treatment of extra-uterine pregnancy or complications requiring intra-abdominal surgery after necessary termination of pregnancy for medical reasons.

(iii) Charges for other necessary care, which is provided during hospitalization for pernicious vomiting in pregnancy, toxemia with convulsions or spontaneous abortion (miscarriage).

(iv) Ante-natal care & post-natal.

Other Inpatient Healthcare

All the medical and allied health services, general and specialized surgical procedures /services provided by or on the order of a doctor to the beneficiaries when admitted in an Empanelled Hospital.

Cover includes Hospital accommodation (up to the cost of the general ward), nursing care, diagnostic, laboratory or other necessary medical facilities and services including fees of physician, surgeon, anesthetist and physiotherapist, operating theatre charges, intensive care unit charges, specialist consultations or visit and all drugs, dressings or medications prescribed by the treating Physician for in-hospital use. The costs of goods or services not necessary for medical treatment such items as telephone, television, newspapers or food are not covered.

Day Care Services

The cover provided through hospital and related services benefit extends to include Day Care Surgery. Day Care Surgery means all medically necessary surgical procedures and related treatment provided by or on the order of a doctor to the beneficiaries at an Empanelled Hospital.

- Rs. 40,000 per family member per year for Secondary care hospital services.
- Rs. 400,000 per family per year for Tertiary care priority diseases.
- There will be no age limits and no exclusions of pre-existing conditions (with the exception of some specific "standard exclusions" such as injuries due to suicide attempts, drug addiction or overdose, cosmetic surgery, etc.).
- Pre and post hospitalization treatment including medicines and other necessary prescriptions up to 1 day prior to hospitalization and up to 5 days from the date of discharge from the hospital shall be part of the package rates.

ANNEXURE –VII: HEALTH CARE SERVICES COVERED UNDER THE PROGRAMME

Secondary Care Services

Secondary care coverage up to Rs. 40,000/- (Rupees forty thousand only) per family member per year. Secondary care diseases include all the diseases treatable at a District Head Quarter level hospital with the exclusion of the list provided (Annexure – III).

Tertiary Care Services

Tertiary care coverage up to Rs. 400,000/- (Rupees four hundred thousand only) per family per year covering the specific treatments/conditions as per RFP.

ANNEXURE – VIII: ADDITIONAL BENEFITS

1. Burial Allowance

A burial Allowance coverage for PKR 10,000/- (Rupees ten thousand only) per family member is proposed. The benefit is payable to a beneficiary's family who expires during an admission. This benefit will assist the family to meet the immediate expenses.

2. Tertiary Transportation

The beneficiary will receive Rs. 2,000/- (Rupees two thousand only) transportation assistance cash benefit upon discharge from a tertiary care hospital.

3. Maternity Transportation

Rs. 1,000/- (Rupees one thousand only) will be paid on discharge in case of normal or surgical delivery.

ANNEXURE –IX: EXCLUSIONS TO THE PROGRAMME

The following treatment, items, conditions, activities and their related or consequential expenses are excluded from this Agreement and the Organization shall not be liable for:

1. Costs resulting from self-inflicted injury, attempted suicide, abuse of alcohol, drug addiction or sexual disorders and treatment of sexually transmitted diseases.

2. Psychotic, mental or nervous disorders (including any neuroses and their physiological or psychosomatic manifestations) or sensual reassignment (whether or not for psychological reasons).

3. Treatment or investigation of fertility, infertility, sterilization or contraception and any complication relating thereto or hormone treatment and investigations.

4. Participation in or training for any dangerous or hazardous sport, pastime or competition or any professional sport.

5. Injuries as a result of an illegal act by the Insured Person.

6. Injury or treatment resulting from war, riots, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular uprising, military uprising, insurrection, rebellion, military or usurped power or any act of any person acting on or on behalf of or in connection with any Organization actively directed towards the overthrow or to the influencing of any Health Department or ruling body by force, terrorism or violence.

7. Ionizing radiation or contamination by radioactivity from any nuclear fuel or nuclear waste, from the process of nuclear fission or from any nuclear weapons material.

8. Services or treatment in any spa, hydro clinic, sanatorium, nursing home or long term-care facility that is not a hospital.

9. Experimental or unproven treatment.

10. Dental examinations, D-rays, extraction, filling, general dental care / treatment and orthodontic treatment or oral surgery except as a result of emergency due to Accident.

11. Cost of correction of refractive errors of the eye and procedures such as Radial Keratotomy and Excimer Laser.

12. Routine medical examinations or check-ups including charges arising out of any hospital confinement or admission primarily for diagnostic purposes (except Breast Cancer Screening), routine eye or ear examinations, vaccinations, medical certificate, examination for employment or travel, spectacles, contact lenses, hearing aids and any treatment that is not considered medically necessary.

13. Cosmetic or plastic surgery, unless it is re-constructive surgery necessitated by an injury that occurred during the period whilst the insured person was covered under this Agreement and subject to the limits and sub-limits stated in the Benefits package.

14. Any charges in respect of the donor for organ transplant claims.

15. Cost of limbs or supporting equipment for revival or correction of the function(s) of body.

16. Personal comfort items such as, charges for telephone, convenience items, meals or other items not medically necessary.

ANNEXURE – X: RESERVE FUND AUTHORIZATION COMMITTEE AND TORs

The Reserved Fund Authorization Committee shall consist of the following, namely:

1.	Deputy Director (Administration), SHPI.	Chairman
2.	Deputy Director, (Empanelment), SHPI.	Member
3.	Representative of the Organization	Member
4.	Representative of the Organization	Member
5.	Concerned Hospital Manager/Hospital Director/CEO.	Member

Terms of Reference (TORs) of the Committee

The Reserve Fund Utilization Committee shall have the following, Terms of Reference, namely:

1. Verification of the request for the cost over and above the agreed package or for the cost for which the package is not agreed.
2. Consultation with the treating physician to justify the cost.
3. Approval of the cost to be met from the Reserve fund.
4. Any other decision when required.

ANNEXURE - XI
COMPOSITION AND TORs OF COORDINATION COMMITTEE

The Coordination Committee shall consist of the following, namely:

1.	Secretary Health.	Chairman
2.	Director SHPI, Health Department.	Member
3.	Deputy Director (E&A) SHPI, Health Department.	Member
4.	Deputy Director (Admin) SHPI, Health Department.	Member/Secretary
5.	Deputy Director (M&E) SHPI, Health Department.	Member
6.	Representative of the Organization	Member
7.	Representative of the Organization	Member
8.	Representative of the Organization	Member
9.	Representative of the Organization	Member

Terms of Reference of the Coordination Committee

The Coordination Committee shall have the following Terms of Reference, namely:

1. Review this Agreement and its performance on periodic basis.
2. Settlement of disputes between the parties.
3. Settlement of disputes between Organization and empanelled hospitals at initial level.
4. Approval of the standard contract template for empanelment of hospitals.
5. Approval of the package charges for empanelment of hospitals.
6. Recommend list of hospitals for empanelment to the Steering Committee.
7. Approval of the standard format for CMIS Reports.
8. Approval of the unlisted packages when and where required.
9. Any other necessary decision.

ANNEXURE – XII: COMPOSITION AND TORS OF STEERING COMMITTEE

The Steering Committee shall consist of the following, namely:

1.	Minister Health, Khyber Pakhtunkhwa.	Chairman
2.	Secretary Health, Khyber Pakhtunkhwa.	Vice Chairman/Member
3.	Chief Health Sector Reform Unit (HSRU), Khyber Pakhtunkhwa.	Member
4.	Additional Secretary (Dev), Finance Department, Khyber Pakhtunkhwa.	Member
5.	Chief Health, P&D Department, Khyber Pakhtunkhwa.	Member
6.	CEO Health Care Commission, Khyber Pakhtunkhwa.	Member
7.	Director SHPI, Khyber Pakhtunkhwa.	Member/Secretary
8.	Representative of the Organization	Member
9.	Project Manager, KfW.	Member
10.	Any other co-opted member.	

Terms of Reference (TORs) of Steering Committee

The Steering Committee shall have the following Terms or Reference, namely:

1. Oversight of the programme.

2. Approval of the insurance firm for implementation of the programme.

3. Regulation of Healthcare providers through policy guidelines issued from time to time.

4. Policy decisions regarding SHPI, including coordination with other safety net and development programs (Zakat, Bait Ul Mal, BISP, Social Welfare Department and others).

5. Approval of the list of hospitals for empanelment and de-panelment on the recommendation of Coordination Committee.

6. Any other policy decision when required.

Conduct of Business

The Steering Committee shall conduct its business in the following manner, namely:

1. In the absence of chairman, vice chairman will chair the meeting.

2. Meeting of the Steering Committee will be held quarterly if otherwise.

ANNEXURE – XIII: PERFORMANCE EVALUATION CHECK LIST

The written performance evaluation shall be done by the Health Department's members of the Coordination Committee, at least sixty (60) days before the end of annual term so that in case any dispute arises, it can be settled pursuant to the proviso defined at Clause 16 of the agreement. It shall be a formal evaluation of performance based on expectations envisaged/identified in the agreement; however, this evaluation shall not replace/substitute any continuing feedback and communications which the Health Department shall be providing to the Organization from time to time during the currency of the annual term under review.

STEPS IN THE FORMAL EVALUATION PROCESS

Before completing this form and conducting the formal evaluation, the Health Department's members of the Coordination Committee should complete the following steps:

- Review the agreement inter alia, Inception and Interim reports of the Organization.
- Review and understand the performance expectations and objectives and ensure that they were realistic and attainable during the performance evaluation period.
- Suggest remedial measures for further improvement.

DEFINITIONS OF PERFORMANCE RATINGS		
SATISFACTORY	**UNSATISFACTORY**	**INSUFFICIENT INFORMATION TO RATE**
Meets contractual requirements The actions taken by the Organization appear to be /were satisfactory.	Does not meet contractual requirements, and recovery is not likely in a timely manner. The Organization's corrective actions appear or were ineffective.	Sufficient information is not available to rate performance.

S. No	**PERFORMANCE RATING**		**COMMENTS (Attach additional sheets if necessary)**
1.	Work performed in compliance with agreement terms	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
2.	Staff and services availability?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
3.	Enrolment/verification of beneficiaries completed in time?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
4.	Timeliness of work?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	

5.	Staff professionalism?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
6.	Establishes and maintains effective relations/ Customer service?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
7.	Empanelment of health providers and their effective access to the beneficiaries?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
8.	Payment of claims to beneficiaries and Healthcare providers?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
9.	Measures to prevent unnecessary admission to hospital?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
10.	Marketing of the product?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
11.	Communication and Accessibility?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
12.	Grievance redressal?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
13.	Prompt and effective correction of situations and conditions?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
14.	Effectiveness of MIS services?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
15.	Quality of Cashless services to beneficiaries?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
16.	Documentation records, receipts, invoices and computer generated reports received in a timely manner and in compliance with agreement specifications?	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	
17.	Steps for enrolment of Additional population of the district	◯ Satisfactory ◯ Unsatisfactory ◯ Insufficient information	

PERFORMANCE STRENGTHS

Describe aspects of performance that were outstanding.

OVERALL PERFORMANCE RATING

Indicate overall rating of performance by placing a check mark in the appropriate box. The rating should be based on performance of all responsibilities and objectives listed for this review period. In the Comments section briefly state the reason for the overall rating, taking into consideration the ratings and specific examples cited for key areas of responsibility and performance objectives. The relative priority of the responsibilities and objectives should be considered. Also, exceptional circumstances that had an impact on results should be taken into account.

Did not meet Expectations.

Short of Expectations.

Met Expectations.

Exceeded Expectations.

Far Exceeded Expectations.

COMMENTS:

RECOMMENDATIONS (for next annual term extension):

AREAS FOR IMPROVEMENT
Describe areas where performance could be improved.