C.No.34173-B/05/TFR/2014 FINANCE (TFR) DEPT.

Sub:- Employees Health Fund – Recovery of contribution from the salaries and Pensioners of December, 2013 – Certain clarifications sought – Reg.

Ref:- From the Director of Treasuries and Accounts, A.P. Hyderabad letter No.1/16008/2011, dated 01.01.2014.

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Please see the letter received from the Director of Treasuries and Accounts, A.P. Hyderabad at pages 1-3 c.f. , wherein she has informed that Government have issued guidelines on recovery of subscription from the salaries and pensions of employees and pensioners respectively and adjustment of Government contribution in Public Account under Employees Health Scheme. The Government have directed all D.D.Os to recover the subscription from the pay bills of employees and pensions of pensioners under the Heads of Account 8342-00-118-00-04-001-000 and 8342-00—118-00-04-002 respectively, beginning from the month of January, 2014 payable on 01.02.2014. It envisaged for adjusting HOA 8342-00-118-04-001, 002 and 003-00 and for debiting the consolidated fund from the HOA 2210-01-001-00-10-320-000 towards Government contribution.

2. Keeping in view of the budgetary controls and the Government accounting procedures, she has stated that the following issues need to be taken care of for ensuing transfer of the above said three contributions to the A.H.C.T.

1. The contribution of employees consists of
2. Salary deductions
3. Challan remittances.

As far as the salary deductions are concerned they can be reconciled employee wise based on the schedules accompanying with the paid voucher. Whoever the authority entrusted with this task, can arrive at the details of deductions for taking further action to transfer the funds to the A.H.C.T. In respect of challan remittances, as per the existing procedure, the original part of the paid challan goes to the remitter and the duplicate and triplicate is received by the Treasury alongwith bank scrolls. The treasury furnishes the duplicate part of the challan to the respective department which accounts for according to their requirement. In the present case, all such challans may be required to be furnished to the agency/department responsible for ultimate reconciliation of the receipts after closure of monthly accounts.

P.T.O.

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1. In respect of pensioners, so far no procedure for affecting this kind of deductions/recoveries is prescribed. However, it can be affected by way of a schedule deduction as is being done in respect of salary deductions of regular employees. The Treasury Officer prepares a schedule alongwith pension bills and passes the bill for payment of net amount. The schedule will be sent to the department responsible for the ultimate reconciliation after closure of monthly accounts.

3. In both the above cases, the Government may have to entrust the job of reconciliation and transfer of funds to the A.H.C.T. following the procedures for affecting such transfers. The treasury will furnish the details as at 1 and 2 above to such agency to take necessary action. In respect of calculating the equivalent Government contribution as per the ratio prescribed and transferring the same to the A.H.C.T. , the job has to be undertaken by the same agency which is entrusted with the said job of reconciliation of employees and pensioners contributions. Since, the A.H.C.T. is a society, that itself cannot undertake the above job and tap the Government contribution under the HOA 2210-01-001-00-10-320-000.

4. Further she has stated that the Government may have to accord permission for opening of PD Accounts on the above said three accounts in favour of the A.H.C.T. under category-A, since the funds form a permanent receipt to that organisation. Therefore she has requested the Government to take into consideration of the above issues and issue necessary orders for smooth operationalisation of the scheme as enunciated in the G.O. cited.

6. In view of the above, it is submitted for orders whether before taking a decision on the request of the D.T.A., the issue may be brought to the notice of Principal Accountant General (A&E) Hyderabad for their advice in the matter so as to avoid future complications in the aspect of auditing, accounting and reconciliation.

7. Subject to orders a draft letter addressed to the Principal Accountant General (A&E) Hyderabad is put up below for kind approval.

FINANCE (TFR) DEPT.

Letter No.34173-B/05/TFR/2014, Dated: 01.2014

To

The Principal Accountant General, (A&E),

A.P.Hyderabad.

Sir,

Sub:- Employees Health Fund – Recovery of contribution from the salaries and Pensioners of December, 2013 – Certain clarifications sought – Reg.

Ref:- 1. G.O.Ms.No.331, Finance (TFR) Department, dated 11.12.2013.

2. G.O.Ms.No.02, Finance (TFR) Department, dated 04.01.2014.

3. From the Director of Treasuries and Accounts, A.P. Hyderabad

letter No.1/16008/2011, dated 01.01.2014.

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In the reference 1st & 2nd  cited, Government have issued orders on the recovery of contribution towards Employees Health Scheme from the salary/pension of employees/pensioners eligible for Employees Health Scheme starting from March, 2014 payable in April, 2014.

2. In the reference 3rd cited, the Director of Treasuries and Accounts, A.P. Hyderabad has raised certain issues and requested the Government to issue necessary orders to entrust the job of reconciliation and transfer of funds to the Aarogyasri Health Care Trust following the procedures for affecting such transfers. The treasury will furnish the details as at points 1 & 2 of her letter. She has further requested to accord permission for opening of P.D. Accounts on the three head of accounts i.e. 8342-00-118-00-04-001-000/8342-00-118-00-04-002/8342-00-118-00-04-003-00 and 2210-01-001-00-10-320-00 in favour of the Aarogyasri Health Care Trust under category-A., since the funds form a permanent receipt to that organisation.

3. I therefore request you to offer their views on the suggestion of the Director of Treasuries and Accounts, A.P.Hyderabad in the reference 3rd cited (copy enclosed) at the earliest, so as to enable this department to take further action in the matter.

Yours faithfully,

GOVERNMENT OF ANDHRA PRADESH

A B S T R A C T

Employees Health Fund – Nomination of P.D. Administrator and entrusting the work of maintainance and reconciliation – Orders – Issued.

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FINANCE (TFR) DEPARTMENT

G.O.Ms.No. Dated: .03.2014

Read the following:-

1. G.O.Ms.No.43, Finance & Planning (FW.W&M) Department, dated 22.04.2000.
2. G.O.Ms.No.174, Health Medical and Family Welfare (M2) Department, dated 01.11.2013.
3. G.O.Ms.No.175, Health Medical and Family Welfare (M2) Department, dated 01.11.2013.
4. G.O.Ms.No.176, Health Medical and Family Welfare (M2) Department, dated 01.11.2013.
5. G.O.Ms.No.331, Finance (TFR) Department, dated 11.12.2013.
6. G.O.Ms.No.2, Finance (TFR) Department, dated 04.01.2014.
7. From the Director of Treasuries and Accounts, A.P. Hyderabad letter No.1/16008/2011, dated 01.01.2014.

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O R D E R :-

In the reference 2nd to 4th read above, orders were issued for implementation of Employees Health Scheme (EHS) by providing Cashless Medical Treatment to the State Government Employees, Pensioners and their dependents.

2. In the reference 5th and 6th read above, orders were issued on affecting recovery of contribution towards EHS from the salary/pension of employees/pensioners eligible for EHS from March, 2014 payable in April 1st 2014.

3. In the reference 7th read above, the Director of Treasuries and Accounts, A.P. Hyderabad has requested the Government to accord permission for opening of PD Accounts on the three heads of accounts i.e. 8342-00-118-00-04-001-000/8342-00-118-00-04-002/8342-00-118-00-04-003-00 in favour of the Aarogyasri Health Care Trust under category-A, since the funds form a

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Permanent receipt to that organisation. Therefore she has requested the Government to take into consideration of the above issues and issue necessary orders for smooth operationalisation of the scheme as enunciated in the G.O.Ms.No.331, Finance (TFR) Department, dated 11.12.2013.

4. The proposal was examined and it was decided that the P.D. Accounts shall not be opened in favour of Aarogyasri Health Care Trust for the following reasons:

a) The very purpose of creation of Aarogyasri Health Care Trust is different.

b) The Employees Health Cards has been entrusted to A.H.C.T. for a limited period, till the system is stabilised.

1. The A.H.C.T. may not possess the required skills to administrator, account for and reconcile account.

5. Government after careful examination of the matter hereby order that the deposits under Employees Health Scheme shall be categorised under category-‘A’ Non-Lapsable deposits in pursuance of classification in G.O.1st read above. Further, the Director of Treasuries and Accounts, A.P.Hyderabad is nominated as P.D. Account Administrator for operation of Employees Health Fund under category-A Non-Lapsable Deposit for the purpose of operating the following three heads as in the case of Employees Contributory Pension Scheme.

1. 8342-00-118-00-04-001-000

2. 8342-00-118-00-04-002-000

3. 8342-00-118-00-04-003-000

6. The Director of Treasuries and Accounts, A.P.Hyderabad shall also watch the monthly recoveries towards Employees Health Scheme and ensure that they are properly accounted for and the amounts are deposited in P.D. Accounts. She is also responsible to maintain and reconcile the accounts of Employees Health Scheme.

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7. Necessary amendment will be issued separately in the G.O. 1st read above.

8. This G.O., is available in the Andhra Pradesh Government Websitehttp://goir.ap.gov.in/.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

To

The Principal Accountant General, (A&E) A.P.Hyderabad.

All Departments of Secretariat.

All Heads of Departments.

All Spl.Chief Secretaries/Principal Secretaries/Secretaries to Government.

The Secretary to Governor of Andhra Pradesh, Hyderabad.

The Director of Treasuries and Accounts, A.P. Hyderabad.

The Pay and Accounts Officer, Hyderabad.

The Director of Works Accounts, A.P. Hyderabad.

The Registrar, A.P. High Court, Hyderabad.

The Registrar, A.P. Administrative Tribunal, Hyderabad.

The Secretary, A.P. Public Service Commission, Hyderabad.

The Deputy Financial Adviser, Finance (W&P) Department.

All the Director of Accounts of Projects.

The State Bank of Hyderabad Treasury Branch, Gunfoundry, Hyderabad.

The Deputy Director/District Treasury Officer, Hyderabad (Urban).

All the District Treasury Officers.

All the Chief Executive Officers of Zilla Parishads.

All the Mandal Development Officers.

All the District Educational offiucerts.

All the Secretaries of Zilla Grandhalaya Samsthas through the Director of Public Libraries, A.P.Hyderabad.

All Recognised Service Associations.

The Registrars of all Universities.

All Sections in Finance Departmentg.

Copy to S.F./S.Cs.