

THE ASSOCIATION OF HOSPITALS
A FORUM FOR NOT-FOR-PROFIT HOSPITALS

12th May, 2020

To:

Shri Uddhavji Balasaheb Thackeray
Hon'ble Chief Minister,
Government of Maharashtra
Mumbai

Pricing Issues relating to Non Covid beds

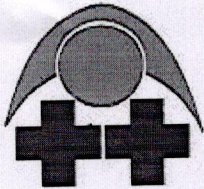
*Govt Notification ref No: Corona-2020/CR.97/Ar0-5 dt April 30, 2020
issued by Public Health Department (copy enclosed as Annexure 1) and*

*2) Order No. MGC/A/3176 dated 5th May, 2020 issued by Municipal
Commissioner (copy enclosed as Annexure 2)*

Respected Sir,

- 1) We are an Association of Hospitals having **53 Charitable hospitals** registered under the Maharashtra Public Trust Act, 1950 as our members, who have been treating thousands of patients in the city free or at concessional rates under the said Act.
- 2) We directly employ **over 30,000 healthcare workers** including nurses, doctors, technicians and class 3 and 4 employees across our member hospitals.
- 3) We have shouldered the healthcare requirements of people of Maharashtra for more than 6 decades now.
- 4) At the outset, wish to say that all of the member hospitals are supporting and appreciating the efforts taken by the Government to fight against the COVID-19 & also participating in this fight in whatever best way each hospital can. The hospitals are also complying with all directives of all authorities in this respect. We are ready to further strengthen hands with Govt on treating COVID-19 patients as needed.
- 5) We as charitable hospitals are already treating poor and weaker sections of the Society as per the Act and the Scheme of Mumbai High Court under Section 41AA. The treatment is either completely free or concessional depending upon the eligibility of the concerned patient under the Scheme.

We work on the principles of cross subsidising the poor (who are treated free) by charging full rates on patients who can afford to pay. It is by this method we are able to give free treatment to the needy. As such any change in charging pattern on affordable patients will adversely impact our member hospital's ability to treat the poor and may cause conflict with directions from the Charity commissioner as per the High court scheme.



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- 6) The outbreak of COVID-19 has adversely affected all our members financially. As we have very low occupancy across hospitals, have dedicated a part of our capacity for COVID-19 patients, our costs have increased as we need additional manpower, equipment, PPE's, employee welfare, etc. Special arrangements are made for transportation and accommodation in this lockdown to house our Doctors & Nurses. Moreover, **our own staff is getting infected while serving others** and the cost of their treatment is entirely borne by us.
- 7) Covid-19 has put an immense financial burden on the hospitals as a result of which most are unable to meet salary payments at month end. **At this time to cap prices of all procedures across all classes of beds will make the sector collapse and be unable to afford PPE's and salaries and will cause hardships to the patients in Maharashtra on a long term basis.**

Our prayer is that you allow the sector to survive to serve by revoking the above referred order and notification.

However, in order to contribute further to the battle against COVID-19 and to encourage other hospitals and nursing homes to rise to the occasion, we request the Govt to consider the following:-

A. 20% of COVID-19 ICU bed capacity to be reserved as per GIPSA (government insurance companies) rates as applicable, as per Municipal Commissioner's order.

B. 20 % of COVID-19 ward bed capacity to be reserved as per GIPSA (government insurance companies) rates.

C. Beds earmarked as above with Govt rates' charging to be considered as "Charity beds" under Sec 41 AA of B.P.T Act and the Scheme there under.

D. Usual Hospital rates to apply to all other class of beds and procedures and treatment subject to full transparency and upfront financial estimates provided in writing.

Looking for your support.

Yours truly,

Dr R K Choudhary
Hon. Secretary
The Association of Hospitals, Mumbai

This is to update all of you on the meeting held with Chief Secy, Municipal Commissioner , Principal Secy Dr Vyas and Dr Shinde. Meeting was attended by Gen Ravishankar , Mr Santhanam, Dr Santosh Shetty , Dr Patil, Dr Bhansali , Joy Chakraborty , Vandana and myself in the evening . Meeting lasted for about an hour . They appreciated the efforts and the proposal given by us .CS commented that we have come to 90 % agreement , he says that his concern of making sure that middle class people who were going to govt hosp should now be treated at our hosp as per rates given . Their main requirement is that we offer a large capacity of our hospitals for general category patients and they even suggested that we put additional beds in single rooms or put third bed in twin sharing etc and charge them the lowest rate . We tried to reason with them but they were not in a mood to listen and multiple times , CS mentioned that they have the power under epidemic act to take the hosp and run by IAS officers.They commented on the issue of charity not being done properly by hosp to which we objected. Dr Shinde commented that only 14 % of beds are general category and in this time it should be 80 % general beds at lower charges. They want us to make a sacrifice and reduce charges for docs etc and charge less to the patients . They wanted a firm plan by tomorrow of how many more general ward beds will be made available for non Covid to be paid at govt rates . We have taken time till Friday morning so we need to meet tomorrow and get the data from each of the hosp and send it like we have done today. Will set up a zoom call tomorrow at noon to finalise the format and close the issue . others in the meeting can comment if I have missed out anything.