



## GOVERNMENT OF KERALA

No.HI.1/1/EOI/2017/FIN

Dated:8/11/2017

### **Expression of Interest (EoI) for Kerala Government Employees and Pensioners Health Insurance Scheme (KGEPHIS)**

#### **Background**

The medical treatment for Kerala Government employees, their family members and pensioners in Kerala is currently covered under the Kerala Government Servants Medical Attendant Rules [KGMOA) Rules, 1960]. The employees are eligible for medical reimbursement for both outpatient and inpatient medical care from government hospitals and empanelled private hospitals. Further, the employees also have the provision to avail interest free medical advance (IFMA) for medical treatment. Along with this, the State Government provides Rs.300 per month as medical allowance for pensioner/family pensioners. The State Government spends around Rs 230 crores a year to meet medical expenses of the employees and pensioners. This includes Rs 70 crore for medical reimbursement, Rs 150 crore for medical allowance for pensioners and Rs 10 crore for interest-free medical loans.

The Tenth Pay Revision Commission has recommended introducing Health Insurance Scheme for employees and pensioners in Kerala. Based on this, the Hon'ble Finance Minister has announced the implementation of the Health Insurance program in the budget speech of 2017-18. Government of Kerala vide GO (P) No. 54/2017/Fin dated 24<sup>th</sup> April 2017 accorded sanction for implementing the Health Insurance Scheme for State Government employees, pensioners and family pensioners. The proposed health insurance scheme will be known as ***“KERALA GOVERNMENT EMPLOYEES AND PENSIONERS HEALTH INSURANCE SCHEME (KGEPHIS)”***.

#### **Overview of the Health Insurance Scheme**

The scheme intends to provide comprehensive health insurance coverage to all serving employees of the State Government and pensioners who are covered under the existing Kerala Government Servants Medical Attendant Rules [KGMOA) Rules, 1960]. This includes newly recruited, employees and their family, part time contingent employees, part time teachers, teaching, non-teaching staff of aided schools and colleges and their family and pensioners and their spouses and family pensioners on compulsory basis, and all Civil Service officers serving in the State who are covered under the existing

Kerala Government Servants Medical Attendant Rules [KGMOA) Rules, 1960] on optional basis. It is estimated that approximately 5 lakh State Government Employees pensioners each will be beneficiaries of the scheme. Additionally, the scheme will include the employees and pensioners who are under the ambit of Group Personal Accident Insurance Scheme (GPAIS) including Universities, Local bodies, autonomous institutions, public Sector undertakings, co operative institutions etc. with the same terms and conditions.

The scheme envisages cashless treatment facility to beneficiaries through an insurance company and a network of empanelled hospitals according to the criteria specified by the Government. The benefit package of the scheme may entail coverage for catastrophic tertiary care procedures; inpatient procedures; maternity and new-born care and / or day care procedures mandated by IRDA. The scheme also proposes an additional coverage for specified treatment for critical illnesses like transplant surgeries. The scheme will also cover all pre-existing diseases of the beneficiaries from the inception of the scheme. The premium contribution of beneficiary will be up to a maximum of Rs. 3,600 per annum. This will be based on the payroll deduction of Rs.300 from the salary and pension of the beneficiaries.

### **Invitation of Expression of Interest**

The Department of Finance, Government of Kerala invites Expression of Interest (EOI) from IRDA accredited insurance Companies having enough experience in concerned sector with satisfactory medical claim settlement record and average annual turnover not less than Rs. 1,000 crores during the last three financial years individually or as a consortium.

The purpose of the EOI is to solicit the views of insurance companies/consortium on the feasible coverage and package of services which could be provided under the Kerala Government Employees and Pensioners Health Insurance Scheme. Based on the inputs received from this process, Request for Proposal (RFP) will be issued inviting technical and financial bids for the scheme. The scheme is proposed to be implemented from 1<sup>st</sup> of April 2018.

The Companies/ consortium interested to associate with the above scheme are requested to furnish the following details as part of the EOI submission.

#### **A. Company Profile and Experience in Health Insurance Sector**

1. Company Profile – Management Structure, Main Business & Areas of Specialization, Duration of Business
2. Key Corporate Clients, Value of Contracts and Salient Features of Contract/Agreement with Clients, Experience of operating government sponsored health insurance programs

3. Details of Third Party Administrators and their roles & responsibilities.
4. Average Annual Turnover during the last three financial years as certified by the Auditor

**B. Details of Benefit Package for the Health Insurance Scheme**

In this section, the companies/ consortium is required to provide the details of the proposed benefit package which would be offered as part of the scheme. The broad package details should include the procedures which could be part of the scheme, total covered amount and indicative package rates in descending order of priority as given below.

1. Catastrophic illnesses for speciality and super speciality care procedures
2. Inpatient Treatment procedures
3. Day Care procedures

Interested agencies may submit their Expression of Interest (EoI) by providing all the necessary documents in English. The Expression of Interest document should be submitted in a sealed cover along with an application duly signed by an authorized signatory and the same is addressed to ‘**The Principal Secretary, Finance Department, Government Secretariat, Thiruvananthapuram-695001 Tele: No. 0471 2517486**’ by **3.00 PM** on or before 04/12/2017. Any submission beyond the stipulated time will not be considered. Finance Department, GOVT. OF KERALA reserves the right to extend the time of submission.

**The purpose of the present scheme is to getting inputs from various insurance companies and drafting appropriate package of benefits which could be provided to the employees and pensioners. Government of Kerala propose to float and Request for Proposal (RFP) subsequently with a certain different package of benefits for employees and beneficiaries in which various insurance companies would be asked to bid based on insurance premium to be quoted. Government of Kerala proposes to implement the scheme w.e.f 1<sup>st</sup> April, 2018.**

This document does not constitute an offer or invitation, or solicitation of an offer, nor does this document or anything contained herein, shall form a basis of any contract or commitment whatsoever. Finance Department reserves its right to cancel or modify this Expression of Interest without assigning reason(s) whatsoever.

(Sd)  
Principal Secretary.  
Finance Department  
Government Secretariat  
Government of Kerala