GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

H.M. & F.W. – Meeting of the Board of Trustee of AarogyaSri Health Care Trust held on
17th June, 2008 – Certain resolution are resolved to Launch of Aarogyasri-II Scheme –
Approval of the proposal submitted by M/s Tata Consultancy Services to develop
hardware and software for implementation of the Scheme – Certain orders - Issued.

HEALTH, MEDICAL & FAMILY WELFARE (K2) DEPARTMENT

G.O. Ms. No.225

Dated: 27th June, 2008

Read the following:-

1. Minutes of the 7th Meeting of Board of Trustees of Aarogyasri Health Care Trust
dated 17-6-2008.
2. From the Chief Executive Officer, Aarogyasri Health Care Trust Letter No.

ORDER:-

In the 7th meeting of the Board of Trustees of Aarogyasri Health Care Trust is
held on 17th June, 2008, it was decided to launch Aarogyasri-II Scheme in 18 districts
covered by Phase-I to IV of the on-going health insurance scheme. Aarogyasri-II Scheme
envisages providing free treatment to all such BPL population in the State who are
suffering from notified diseases in the network hospitals all over the State. Every day 8
to 10 thousand patients are likely to approach the network hospitals under the scheme
and approximately 1500 to 2000 patients will be admitted for treatment. This massive
programme spread all over the State will cover the entire 5 Crore BPL population
through a network of more than 200 hospitals wherein pre-authorization for treatment
and claim settlement will have to be done on 24 hours round the clock basis. For the
purpose, a state-of-art IT based system is required and it needs to be installed before 17th
July, 2008 i.e. the day fixed for the launch of the Aarogyasri-II scheme.

2. Accordingly, in the Board of Trustees Meeting, the Chief Executive Officer,
Aarogyasri Health Care Trust, Hyderabad was authorized to finalize the software and
hardware packages required for the Aarogyasri-II Scheme with M/s. Tata Consultancy
Services by associating representatives of Health, Finance & IT Departments. The Tata
Consultancy Services had been chosen, since they have already developed a workflow
system under the ongoing Aarogyasri Health Insurance Scheme, which can be adopted
with modifications for the Aarogyasri-II Scheme. The front-end of the system for both
the on-going health insurance scheme and for Aarogyasri-II Scheme viz., the
Aarogyamitras and the network hospitals and the BPL cardholders will be the same.
M/s. Tata Consultancy Services have accordingly submitted its proposal with an
estimated cost of Rs. 3.98 crores + Taxes for the software development, maintenance and
setting up of data centers, hardware and licenses etc.

3. A committee consisting of Chief Executive Officer, Aarogyasri Health Care Trust,
Director, IT Department, Deputy Secretary, Finance Department and Financial Adviser
(Health) met on 18th June, 2008 and, had deliberations with M/s. Tata Consultancy
Services. After negotiations, M/s. Tata Consultancy Services agreed to revise their quote
from Rs.3.98 crores + Taxes to Rs.3.70 crores + Taxes and submitted revised proposal for
an amount of Rs.3.70 crores + Taxes totaling to Rs. 3,91,84,266/-.
4. Government after careful examination of the matter hereby permit the Chief Executive Officer, AarogyaSri Health Care Trust, Hyderabad to install the software, hardware, licenses etc. for the AarogyaSri-II scheme with an estimated cost of Rs. 3,91,84,266/- (Rupees three crores, ninety one lakhs eighty four thousand two hundred and sixty six only) inclusive all taxes for the payment to be made to M/s. Tata Consultancy Services subject to following milestones and also hereby ratify the action of the Chief Executive Officer, AarogyaSri Health Care Trust in issuing the letter of indent to M/s. Tata Consultancy Services in anticipation of Government orders. The break up of the cost for the said purpose is as detailed below:-

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Milestone Description</th>
<th>Amount (INR)</th>
<th>Taxes</th>
<th>Total Incl. of Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ten days after Issue of the LOI</td>
<td>12,00,000</td>
<td>1,48,320</td>
<td>13,48,320</td>
</tr>
<tr>
<td>2</td>
<td>On S/W launch for AarogyaSri II (17-July-2008)</td>
<td>50,00,000</td>
<td>6,18,000</td>
<td>56,18,000</td>
</tr>
<tr>
<td>3</td>
<td>Release 1 (30-Aug-2008)</td>
<td>30,00,000</td>
<td>3,70,800</td>
<td>33,70,800</td>
</tr>
<tr>
<td>4</td>
<td>Release 2 (15-Oct-2008)</td>
<td>30,00,000</td>
<td>3,70,800</td>
<td>33,70,800</td>
</tr>
<tr>
<td>5</td>
<td>On setting up data Center</td>
<td>10,00,000</td>
<td>Included in the Price</td>
<td>10,00,000</td>
</tr>
<tr>
<td>6</td>
<td>On procurement of Internet Link</td>
<td>13,60,000</td>
<td>Included in the Price</td>
<td>13,60,000</td>
</tr>
<tr>
<td>7</td>
<td>On delivery and installation of required software licenses</td>
<td>64,18,346</td>
<td>Included in the Price</td>
<td>64,18,346</td>
</tr>
<tr>
<td>8</td>
<td>On delivery and installation of Hardware</td>
<td>1,10,80,000</td>
<td>Included in the Price</td>
<td>1,10,80,000</td>
</tr>
<tr>
<td>9</td>
<td>Software Maintenance &amp; Operational Support (01-Oct-2008)</td>
<td>12,50,000</td>
<td>1,54,500</td>
<td>14,04,500</td>
</tr>
<tr>
<td>10</td>
<td>Software Maintenance &amp; Operational Support (01-Dec-2008)</td>
<td>12,50,000</td>
<td>1,54,500</td>
<td>14,04,500</td>
</tr>
<tr>
<td>11</td>
<td>Software Maintenance &amp; Operational Support (01-Mar-2009)</td>
<td>12,50,000</td>
<td>1,54,500</td>
<td>14,04,500</td>
</tr>
<tr>
<td>12</td>
<td>Software Maintenance &amp; Operational Support (01-July-2009)</td>
<td>12,50,000</td>
<td>1,54,500</td>
<td>14,04,500</td>
</tr>
<tr>
<td>Total</td>
<td>3,70,58,346</td>
<td>21,25,920</td>
<td>3,91,84,266</td>
<td></td>
</tr>
</tbody>
</table>

i). Ownership: All the hardware and system software licenses shall be procured in the name of AAROGYASRI Health Care Trust.

ii). Source code and documentation for the application exclusively developed for AAROGYASRI project shall be provided as per the agreed upon deliverables. The Trust will own the IPR for the design, workflow and domain knowledge of the project, which will not be shared or used without the consent of the Trust. However, TCS shall continue to own the IPR of its framework (Digital Gov) and other productivity tools used for this project.

iii). Implementation Plan: TCS shall draw up an implementation plan in consultation with AAROGYASRI Trust and shall adhere to the timelines strictly.

(Contd., p. 3.)
iv). Arbitration clause: An appropriate SLA clause shall be included in the Contract
the terms of which shall be mutually discussed between TCS and AAROGYASRI
Trust.

5. The Revenue Department shall provide the funds for Aarogyasri-II from the
Chief Minister’s Relief Fund quarterly in advance in order to facilitate online payment
to the Hospitals and to meet other actual expenditures.

6. The Revenue Department shall provide an amount of Rs. 50.00 Crores (Rupees
fifty crores only) in advance from the Chief Minister’s Relief Fund to the Chief Executive
Officer, Aarogyasri Health Care Trust to incur expenditure from implementing the
Aarogyasri-II Scheme immediately.

7. The Chief Executive Officer, Aarogyasri Health Care Trust is hereby directed to
take immediate necessary steps to launch the above scheme within the time.

8. This orders issues with the concurrence of Finance (Expr.M&H-I) Department

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

P.K. AGARWAL
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Chief Executive Officer,
Aarogyasri Health Care Trust,
Municipal Complex, Koti, Hyderabad - 500001
Copy to:
All the Trustee Members (through CEO, Aarogyasri),
The Finance (Expr.M&H-I) Department,
The Revenue (CMRF) Department.
The Accountant General, A.P, Hyderabad.
The Director of Treasuries and Accounts, A.P. Hyderabad.
The Pay & Accounts Officer, Hyderabad.

//FORWARDED BY ORDER//

SECTION OFFICER