



भारत सरकार  
स्वास्थ्य एवं परिवार कल्याण विभाग  
स्वास्थ्य एवं परिवार कल्याण मंत्रालय

Government of India  
Department of Health and Family Welfare  
Ministry of Health and Family Welfare

D.O. Lr No. 7 (20)/2020-NHM I

31<sup>st</sup> August, 2021

राजेश भूषण, आईएएस  
सचिव

**RAJESH BHUSHAN, IAS**  
SECRETARY

*Dear Chief Secretary,*

As you are aware, the recommendations of 15<sup>th</sup> Finance Commission (FC-XV) have been accepted by the Government of India and announced as part of the Union Budget 2021-22. These include Health Grants through Local Governments, primarily for addressing the gaps in Primary Healthcare facilities. The 15<sup>th</sup> Finance Commission has recognized the importance of universal primary health care and the catalytic role that rural and urban local bodies could play in ensuring health service delivery.

2. In pursuance of the acceptance of the recommendations of FC-XV, a National Level Committee has been constituted (copy *enclosed*) and States have been requested to constitute State Level Committees and District Level Committees vide letter of even number dated 7<sup>th</sup> June, 2021 (copy *enclosed*). The Department of Expenditure has already shared Operational Guidelines for implementation of FC-XV grants with the States (copy *enclosed*).

3. The Ministry of Health and Family Welfare, has developed **Technical and Operational Guidelines** for implementation of all the components of FC-XV, as per the mandate given by the FC-XV. The guidelines include template to enable the Districts to prepare their proposals and submit to the State Level Committee and will also enable the States to send their proposals for approvals under FC-XV to the National Level Committee. Each chapter of the Technical guidelines provides the description of each of the specific components, objectives of the component, the unit cost applicable for the component, factors to be considered while planning and the negative list for which the funds should not be utilized.

4. Since the expenditure of these FC-XV grants are to be completed on-time, to claim the subsequent instalments, the States will be required to ensure completion of these activities in a time bound manner so that the FC-XV funds are efficiently utilized. The funds released under the FC-XV grants for each Financial Year have to be utilized in the respective financial year. States are required to ensure that optimal and effective utilization of funds are ensured at the District and Rural Local Bodies (RLB) / Urban Local Bodies (ULB) level. Thus, it is requested to adhere to the targeted time frames for the preparation and appraisal of the plans under XV FC as contained in the Chapter 1 of these technical guidelines.

5. You are requested to designate the Mission Director, NHM, as the Nodal Officer for implementation of FC-XV Health Grants through Local Governments, as the grants are to be implemented in the primary healthcare facilities such as SHCs, PHCs, UPHCs, CHCs and all the components are related to NHM. This will ensure proper planning and ensure non-duplication of resources.

6. As the State Level Committee is headed by the Chief Secretary, I request that the District level proposals are prepared and appraised at the State level committee at the earliest and recommended to the National Level Committee not later than 20<sup>th</sup> September 2021 for consideration and approval. I request you to personally monitor this entire process from planning to implementation and monitoring of all the activities under FC-XV Health Grants through Local Governments.

*Warm Regards.*

Yours sincerely,



**(Rajesh Bhushan)**

Encl: as stated

**Chief Secretaries of 28 States**

Copy to:

- ACS/Pr. Secretaries/Secretaries (Health) of 28 States
- Mission Directors, NHM of 28 States