



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 No. 7(20)/2020-NHM-I  
7<sup>th</sup> June, 2021

राजेश भूषण, आईएएस  
सचिव

**RAJESH BHUSHAN, IAS**  
SECRETARY

Dear *Chief Secretary*,

The recommendations of 15<sup>th</sup> Finance Commission accepted by the Government of India and announced as part of the Union Budget 2021-22 includes sector specific grant for health sector, primarily for addressing the gaps in Primary Health. The 15<sup>th</sup> Finance Commission has recognized the importance of the universal primary health care and the catalytic role that rural and urban local bodies could play in ensuring health service delivery.

2. The Chapter 7: Empowering Local Governments in the Report of XV FC ([https://fincomindia.nic.in/WriteReadData/html\\_en\\_files/15thFcReportIndex.html](https://fincomindia.nic.in/WriteReadData/html_en_files/15thFcReportIndex.html)) recommends Rs.70,051 Cr earmarked for the improvement of health services (Copy of the Chapter 7 is attached herewith). These grants are meant for certain specified activities in the form of local health grants, which are tied and meant for:

1. Support for diagnostic infrastructure to the primary healthcare facilities.
2. Block level public health units.
3. Urban Health and Wellness Centres.
4. Building-less Sub centres, PHCs, CHCs.
5. Conversion of Rural PHCs and Sub Centres into Health and Wellness Centre.

3. In pursuance of the recommendations made by the 15<sup>th</sup> Finance Commission (2021-26), as contained in Para 7.147 of Chapter 7 – Empowering Local Governments under Section on 'Grants for Health to be Channelized through Local Governments' of its Report (Volume I – main Report), a National Committee has been constituted to draw a time line of deliverables and outcomes for each of the five years along with a definite mechanism for flow and utilization of the grants to States to strengthen the overall primary healthcare system. (copy attached). Presently, Ministry is developing Operational Guidelines for the States and the same would be shared with States after the consultation with the States in this regard.

4. Further, the FC-XV mandates that at the State level, a State Level Committee under the Chief Secretary and comprising officials of the State Departments of Health, Panchayat Raj and Urban Affairs and select representatives from all three tiers of rural and urban local bodies should be in place and this SLC should be ready with plans for implementation by July 2021. Accordingly, all the States are requested to constitute the SLC, chaired by Chief Secretary comprising officials of the State departments of Health, Panchayat Raj and Urban Affairs and select representatives from all three tiers of rural and urban local bodies, with Principal Secretary, Health of the State Government as the convener of the Committee. State is free to co-opt the experts in the field of Governance and Reforms of PRI / ULBs in the SLC.

5. Similarly, the FC-XV mandates that a district level committee needs to be constituted in the district level under the District Collector / Deputy Commissioner comprising officials of Health, Panchayat Raj and Urban Affairs and select representatives from all three tiers of

rural and urban local bodies in the District. Accordingly, it is also requested to constitute the District Level Committee (DLC), chaired by the District Collector/Deputy Commissioner comprising officials of the District Health, Panchayat Raj and Urban Affairs and select representatives from all three tiers of rural and urban local bodies in the District with Chief Medical Officer of the District as the convener of the Committee, duly co-opting the experts in the field of Governance and Reforms of PRI / ULBs available in the Districts in DLC.

6. The NHM team from MoHFW would be coordinating with the States in this regard. I request all the States to share the orders of constitution of State and District level committee as per the 15th FC recommendations of your State with [js.policy-mohfw@gov.in](mailto:js.policy-mohfw@gov.in) / [n.yuvaraj36@ias.nic.in](mailto:n.yuvaraj36@ias.nic.in).

*Warm Regards.*

Yours sincerely,

  
(Rajesh Bhushan)

Encl.: as above

**Chief Secretaries of 28 States**

Copy to

- ACS/Pr.Secy./Secy. Health of 28 States
- Mission Directors, NHM of 28 States