



27.03.2020

To  
Smt. Nirmala Sitaraman  
Honourable Finance Minister  
Government of India

Dear Madam,

**Sub: COVID-19 affecting survival of hospitals.**

The COVID-19 infection which has spread across the length and breadth of our country has created a sense of fear in the minds of the public.

As a result of this, due to the apprehension in the minds of the people in general, the number of patients visiting the hospitals has drastically reduced by over nearly 70%.

Further as per the directives of the Government, selective surgeries have also been postponed. Routine OPD clinics have also been closed. In essence the patient footfall in the hospital all across the country is reducing day by day. This has resulted in a cash flow crunch to the extent of about 75% and which is seriously affecting the operating revenue input of the hospitals, consequent to this it has become extremely difficult to even pay the hospital staff, resulting in an embarrassing and precarious situation.

The only recourse that is now available to the hospitals is to approach the Government of India to offer emergency relief to the hospitals by way of compensation which could be through:

1. Immediately release the huge outstanding to the hospitals from CGHS, ECHS and all other Government health schemes. This is crucial as we need to keep hospitals running to be prepared for any untoward eventuality due to COVID fall out.
2. Exemption of input GST on any procurement by the private sector hospitals, for any goods or services procured for providing inpatient services, or refund of the input GST while procuring any goods or services used in provision of inpatient medical services.
3. Enable the banking system to provide 9-12 months moratorium for the loans that have been taken by companies without any impact on the credit rating.

Most importantly our country is going through a phase of Corona infection wherein global experts have predicted that the worst is yet to come.

To tackle this effectively and to treat large number of patients, the hospitals all across the country have to be in a state of the highest level of performance, for which the monetary compensation required for, would go a long way in ensuring this.

We have also noticed that you have very appropriately announced insurance cover for Government healthcare professional dealing with COVID patients, but private labs are engaged in testing and even private hospitals are likely to deal with COVID patients, and therefore it is requested that all healthcare establishments (private hospitals which are treating COVID cases and also staff and personal deputed or volunteering with the Government) to be covered. This will keep private sector in a state of high motivation.

We also request that AHPI representing vast majority of private hospitals be included in the COVID-19 Economic Task Force.

We look forward to your positive consideration of the above appeal and early implementation of the relief measures sought.

Thanking You

Copy To: 1. Shri. Narendra Modi, Hon'ble Prime Minister of India  
2. Ms. Preeti Sudan I.A.S, Secretary, Ministry of Health and Family Welfare, GOI  
3. Shri. Lav Agarwal Joint Secretary, Ministry of Health and Family Welfare, GOI

Dr. Girdhar Gyani  
Director General, AHPI

Dr. Alexander Thomas  
President, AHPI