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Central Organisation ECHS  
Adjutant General's Branch  
Integrated HQ of MoD (Army)  
Near Gopinath Circle  
Delhi Cantt-10

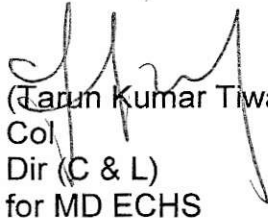
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IHQ of MoD (Navy)/PD ECHS (N)  
Air HQ (DAV), Subroto Park  
HQ Southern Command (A/ECHS)  
HQ Eastern Command (A/ECHS)  
HQ Western Command (A/ECHS)  
HQ Central Command (A/ECHS)  
HQ Northern Command (A/ECHS)  
HQ South Western Command (A/ECHS)



### PROCEDURE FOR TAKING ACTION AGAINST MEDICAL FACILITIES EMPANELLED WITH ECHS

1. Please refer the following:-
  - 1.1. MoD (DoESW) letter No. 25(02)/2018/WE/D(Res) dt 27 Aug 2025 (copy att).
  - 1.2. MoD (DoESW) letter No. 25(02)/2018/WE/D(Res-I) dt 22 Jul 2025 (copy att).
2. The SoP for taking action against medical facilities empanelled with ECHS issued vide MoD (DoESW) letter mentioned at Para 1.1 above is forwarded herewith.
3. For your information and further necessary action please.

  
(Tarun Kumar Tiwary)  
Col  
Dir (C & L)  
for MD ECHS

**Encls:-** As stated

**Copy to:-**

All Regional Centres - You are requested to fwd to all Area/ Sub Area HQ under your AoR.

No. 25(02)/2018/WE/D(Res)  
Government of India  
Ministry of Defence  
Department of Ex-Servicemen Welfare

Sena Bhawan, New Delhi-110011  
Dated: 27 August, 2025

To

The Managing Director  
Central Organisation ECHS  
Thimayya Marg. Gopinath Circle  
Maude Lines, Delhi Cantt – 110010

Sir,

**Subject: Procedure for taking action against medical facilities empanelled with ECHS - reg**

The Provisions regarding actions to be taken against private empanelled medical facilities in case of unsatisfactory performance / unethical practices / medical negligence / violations of provisions of MoA are contained in the following orders of MoD:-

(a) MoD Letter No. 25(02)/2018/WE/D(Res) dated 10.10.2019

(b) MoD Letter No 25(02)/2018/WE/D(Res-1) dated 22.07.2025

2. This SOP is issued to simplify the procedure of taking disciplinary action against the Empanelled Health Care Organisations (HCOs) and draws reference from the guidelines of the National Health Authority (NHA) under Ayushman Bharat PM-JAY, existing Government of India policies, and supersedes all previous instructions to the extent of any inconsistency. It replaces the MoD Letter No. 25(02)/2018/WE/D(Res) dated 10.10.2019 issued by the Department of Ex-Servicemen Welfare (DoESW).

3. **Objective:** To define the structured and uniform process to be followed in cases of non-compliance, fraud, or any other misconduct by empanelled hospitals. This SOP ensures fairness, transparency, and accountability in enforcement of contractual obligations.

4. **Applicability:** This SOP is applicable to all Empanelled Health Care Organizations (HCOs) functioning under the Ex-Servicemen Contributory Health Scheme (ECHS) across India.

5. **Categories of Violations:** Cases of violation of conditions of MoA are categorised as Level I, II, III and IV as under. It is clarified that the list is illustrative and not exhaustive.

Level	Category	Illustrative Examples
I	Minor	Lapses in documentation, submission delays, administrative negligence, Refusal of service, Discrimination against ECHS beneficiaries vis-a-vis others, charging directly from ECHS beneficiaries, Non authentication of ECHS beneficiaries through system as laid down by ECHS from time to time.
II	Moderate	Procedural non-compliance, treatment protocol violations, Undertaking unnecessary procedures, Prescribing unnecessary drugs/tests, Non submission of the report, habitual late submission or submission of incorrect data in the report, Repetition of Level I violations despite issue of warning to the HCO by CO ECHS.
III	Major	Denial of services, recurring grievances, overcharging, fraudulent billing, Violations would include repetition of Level I and Level II violations despite imposition of financial penalties and the following offences, Not providing access to financial and medical records to ECHS authorised persons during visit to the hospital/ medical facility.
IV	Critical	Fraudulent activities, wilful misconduct, patient endangerment, Criminal offences by staff of the hospital against any beneficiary or dependent, like rape, molestation etc.

## **6. Procedure for Action:**

**6.1 Receipt of Complaint:** Complaints may originate from beneficiaries, individuals, Regional Centres (RCs), Polyclinics, audit teams, or any Government authority. While dealing with complaints, instructions of Central Vigilance Commission, (CVC) on action on complaints shall be kept in mind. On receipt of a complaint whether directly or from MoD/DESW against an empanelled hospital or as a part of surprise check, MD, ECHS shall seek a preliminary inquiry report from the Director of concerned Regional Centre. The inquiry shall be conducted by an officer nominated by Director of concerned Regional Centre as authorized by MD, ECHS within a period of one month.

**6.2 Preliminary Inquiry by CO ECHS/ RC ECHS:** Once MD ECHS seeks a Preliminary Inquiry, the RC will undertake initial scrutiny and fact-checking. With prior approval of MD, ECHS, a formal Show Cause Notice shall be issued to the Empanelled Health Care Organisation specifying the charges. The Preliminary Inquiry shall submit its findings within 30 working days as per the enclosed format.

**6.3 Recommendations by CO ECHS:** Based on the preliminary Inquiry report, the following actions may be recommended by MD ECHS to DESW:

- (a) Administrative Warning
- (b) Financial Penalty /Recovery of Amount
- (c) Forfeiture of PBG
- (d) Further Detailed Investigation
- (d) Suspension of Services – Stop Referral (max. 1 year)
- (e) Dis-empanelment (Blacklisting up to 5 years)

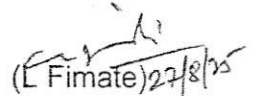
**6.4 DESW order on Preliminary Inquiry:** Based on the recommendation of the CO ECHS, the Department may order any of the actions at Para 6.3 (a) to (c) above for level I & II violations. It may order a detailed Investigation by NABH for Level –III and IV Violations.

**6.5 Detailed Investigation:** If the complaint is found to be prima facie true but it is felt that the complaint is not conclusively proven on the basis of documents/statements and further detailed inquiry is required, then DESW may order for a detailed Inquiry through an Independent Third Party i.e NABH. The NABH Inquiry Committee shall have one member of the ECHS, DESW along with a Doctor/Medical Specialist of NABH Panel or a Government Body. CO ECHS shall submit all the relevant documents to the Inquiry Committee through DESW. The timeline of the Inquiry Committee shall be 90 days within the issue of the Convening Order. The report should be submitted in sealed cover by NABH to DESW.

**6.6 Disciplinary Action:** Based on the findings and recommendations of the NABH Inquiry, the Competent Authority in DESW may decide on the Disciplinary action against the Hospital.

**7. Stop Referral or non-renewal of MoA :** Considering the sensitivity of such disciplinary actions and the reputational and functional impact on the healthcare institutions serving ECHS beneficiaries, the Guidelines for Stop Referral, non-renewal of MoA have already been promulgated vide MoD Letter No 25(02)/2018/WE/D(Res) dated 22.07.2025. The MoA renewal should be automatically done unless prior approval of DESW has been obtained.

**8. Effective Date:** This SOP shall come into force with immediate effect upon issue and shall remain valid until superseded or amended.

  
(L Fimate) 22/8/25

Under Secretary to the Government of India

Tele: 011-2301 4946

**Copy to:**

Sr PPS to Secretary (ESW)

PPS to JS(ESW)

PPS to JS/OSD(WE/I&C)

**Annexure – Format for Investigation Report**

**INVESTIGATION REPORT FORMAT**

Case Number:

Date of Complaint:

Name of the Complainant:

Hospital/Health Care Organisation (HCO) Name:

Nature of Allegation:

Show cause notice to the hospital/HCO:

Reply of the HCO to Show cause notice:

Investigating Officers:

Method of Inquiry:

Findings (include evidence):

Recommendations:

Signature of Chairperson/Committee Members:

Date & Place of the Report:

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line and a small flourish.

No. 25(02)/2018/WE/D(Res-1)  
Government of India  
Ministry of Defence  
Department of Ex-Servicemen Welfare  
D(WE)

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Sena Bhawan, New Delhi

Dated: 21 July 2025

To

The Managing Director  
Central Organisation ECHS  
Adjutant General's Branch  
Integrated HQ of MoD (Army)  
Maude Lines, Delhi Cantt - 110010

**Subject: Disciplinary Action Against Empanelled Hospitals -  
Standardisation of Process for Stop Referral and MoA Renewal  
Decisions**

Sir,

Please refer to MoD Letter No 25(02)/2018/WE/D(Res) dated 10 Oct 2019 regarding initiating disciplinary action against empanelled hospitals, including issuance of Stop Referral orders and non-renewal of MoA.

2. It has come to the notice of this Department that in certain cases, empanelled hospitals have raised grievances regarding perceived high-handedness, procedural lapses, and unilateral action during inspections and disciplinary processes, particularly at the level of Regional Centres. Complaints have specifically alleged instances of harassment by certain Directors of RCs, lack of due opportunity to respond, and decisions being made without adequate transparency or higher-level scrutiny.

3. Considering the sensitivity of such disciplinary actions and the reputational and functional impact on the healthcare institutions serving ECHS beneficiaries, it has been decided that **all the following type of cases involving punitive actions shall require approval of DESW.**

**a) Vigilance Inspections by Station ECHS Vigilance Team (SEVT) or Regional Teams:** The proposal must indicate reasons for inspection, nature of allegations (if any), and proposed team composition.

**b) Issuance of Stop Referral Orders :** The proposal for Stop Referral shall include the following

- i) The Articles of Charge including the nature and severity of the deficiencies/lapses reported.
- ii) The hospital's written or verbal representation, if submitted within the stipulated time.
- iii) The findings of any Preliminary or Follow-up Inquiry, including site verification.

**c) Non-Renewal of MoA :** The proposal shall include the following:

- i) List of deficiencies noted during the tenure of empanelment.
- ii) Correspondence and response(s) from the hospital.
- iii) Specific reasons for proposing non-renewal.

4. **Need for Due Process and Fair Hearing:** The empanelled hospitals form a critical part of ECHS service delivery, and any action that disrupts this chain must be backed by rigorous, objective, and fair process. Ensuring accountability of Health Care Organisations (HCOs) must go hand-in-hand with institutional safeguards to prevent misuse of authority or inconsistent application of disciplinary measures.

5. **Compliance and Reporting:** All ongoing and future disciplinary proposals involving Stop Referral or MoA Non-Renewal are to be routed through the DESW. CO ECHS is requested to ensure that no such action is initiated or finalised without DESW approval.

6. This issues with the approval of the Competent Authority.

Yours faithfully,

  
(L. Primate)

Under Secretary (WE)  
Ph: 23014946

**Copy to:**

PPS to Secretary (ESW)

PPS to JS(ESW)

PPS to JS/OSD(WE/I&C)