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NATIONAL ASSEMBLY SECRETARIAT

Subject:- REPORT OF THE STANDING COMMITTEE ON NATIONAL HEALTH SERVICES, REGULATIONS AND COORDINATION ON THE FEDERAL MEDICAL TEACHING INSTITUTE BILL, 2020 (ORDINANCE. NO. XII OF 2020).

I, Chairman of the Standing Committee on National Health Services, Regulations and Coordination, have the honor to present this report on the Bill to re-organize as a body corporate the Federal Medical Teaching Institutes and teaching hospitals thereof [The Federal Medical Teaching Institute Bill, 2020] (Ordinance. No. XII of 2020) referred to the Committee on 01st February, 2021.

2. The Committee comprises the following:-

(1)	Mr. Khalid Hussain Magsi	Chairman
(2)	Dr. Haider Ali Khan	Member
(3)	Mr. Nasir Khan Musazai	Member
(4)	Mr. Jai Parkash	Member
(5)	Raja Khurram Shahzad Nawaz	Member
(6)	Dr. Muhammad Afzal Khan Dhandla	Member
(7)	Dr. Nausheen Hamid	Member
(8)	Ms. Zille Huma	Member
(9)	Ms. Fouzia Behram	Member
(10)	Ms. Aliya Hamza Malik	Member
(11)	Prof. Dr. Shahnaz Naseer Baloch	Member
(12)	Dr. Nisar Ahmad Cheema	Member
(13)	Mr. Mukhtar Ahmad Malik	Member
(14)	Dr. Samina Matloob	Member
(15)	Dr. Darshan	Member
(16)	Mr. Mahesh Kumar Malani	Member
(17)	Dr. Shazia Sobia Aslam Soomro	Member
(18)	Mr. James Iqbal	Member
(19)	Mr. Ramesh Lal	Member
(20)	Ms. Shams-un-Nisa	Member
(21)	Minister In-Charge <i>National Health Services, Regulations and Coordination</i>	Ex-officio Member

3. The Committee considered the Bill as introduced in the National Assembly placed at Annexure-A, in its meetings held on 25th February, 2021, 13th and 19th April, 2021 and 24th May, 2021. The Committee proposed the following amendments, therein:-

i) **Preamble**

In preamble, the expressions, "body corporate", shall be omitted.

ii) **Clause – 3**

In Clause 3, in sub-clause (1).-

- (a) for the expression, "body corporate", the expression "autonomous body", shall be substituted;
- (b) after the expression, "dispose of moveable", the expression "and immoveable property", shall be omitted.

iii)

Clause-6

In Clause 6.-

- (a) In sub-clause (1), the sub-section (m), shall be omitted.
- (b) In sub-clause (2), for the expression, "Government", occurring wherever, the expressions "Ministry of National Health Services, Regulations and Coordination" shall be substituted.

iv)

Clause -7

In Clause 7, in sub-clause (1), in sub-section (a), after the expressions, "Minister concerned", the expressions "or his representative", shall be inserted.

v)

Clause -8

In Clause 8, the following new sub-clause (3) shall be added namely.-

(3) Administrative control of a college which is also a constituent college of a university shall vest in the medical teaching institution except the conduct of examinations which shall be determined by the university.

vi)

Clause-17

In Clause 17.-

- (a) For sub-clause (4) the following shall be substituted namely.-

(4) A civil servant who does not exercise the option pursuant to subsection (3) of section 17 shall remain a civil servant and shall be deemed an employee of an attached department in term of Schedule III of Rules of Business, 1973 as amended from time to time and entitled to all the perks, pension, gratuity, housing (within the medical teaching institute if available and Ministry of Housing and Works), monetization, health facilities and other privileges declared by the Federal Government from time to time.

- (b) For sub-clause (5) the following shall be substituted namely.-

(5) The civil servants under subsection (4) shall be entitled to be posted to any MTI post for which they are eligible under MTI rules and regulations and such eligibility will continue for a period of 10 years. They will remain eligible to hold the positions of chairman / head of department in line with criteria for these positions in the MTI regulations.

vii)

Clause-19

In Clause 19, in sub-clause (1), after the words, "Sixty days", for the expression, "after the commencement of this Ordinance and the inclusion of the institution in the Schedule", the expression "as prescribed under regulations" shall be substituted.

viii)

Clause -21

In Clause 21.-

- (a) In sub-clause (2), in sub-section (b), for the expression, "Government", the expressions "Ministry of National Health Services, Regulations & Coordination" shall be substituted;
- (b) In sub-clause (3), after the words "as may be prescribed" the expression "by regulations" shall be inserted;
- (c) In sub-clause (3), for the expression "Government", the expression "Ministry of National Health Services, Regulations & Coordination" shall be substituted;
- (d) In sub-clause (4), after the words "as may be prescribed" the expression "by regulations" shall be inserted;
- (e) In sub-clause (4), for the expression "Government", the expression "Ministry of National Health Services, Regulations & Coordination" shall be substituted;
- (f) For sub-clause (6), the following shall be substituted namely.-

(6) The Board may invest surplus money as prescribed under the regulations.

ix)

Clause – 22

In Clause 22, for sub-clause (2) the following shall be substituted namely.-

“(2) Government shall carry out annual audit through a third party.”

x)

Clause – 27

In Clause 27, the following new sub-clause (2) shall be added namely.-

“(2) In the event of a conflict between this Act and a statute constituting a university, the provisions of this Act shall prevail.”

4. The Committee recommended that the Bill as reported by the Committee placed at “Annexure-B” may be passed by the National Assembly. Dissent Note of Members is placed at “Annexure-C”.

-Sd/-

(MR. KHALID HUSSAIN MAGSI)
Chairman

-Sd/-

(TAHIR HUSSAIN)

Secretary

Islamabad, the 4th June, 2021

[AS INTRODUCED IN THE NATIONAL ASSEMBLY]

A

Bill

to re-organize as a body corporate the Federal medical teaching institutes and teaching hospitals thereof

**CHAPTER I
PRELIMINARY**

1. **Short title, application and commencement.**—(1) This Act shall be called the Federal Medical Teaching Institutes Act, 2020.

(2) It shall apply to all Federally owned or operated medical teaching institutes, its affiliates and subsidiaries thereof in Pakistan.

(3) It shall come into force at once.

**CHAPTER II
DEFINITIONS**

2. **Definitions.**—In this Act, unless the context otherwise requires,—

- (a) “basic science faculty” means a medical faculty not involved in patient care;
- (b) “Board” means the Board of Governors constituted under section 4;
- (c) “Chairperson” means the Chairperson of the Board;
- (d) “clinical faculty” means a medical faculty involved in any manner with a clinical care of patients, whether diagnostic or therapeutic;
- (e) “college” means a medical college, dental or a nursing college in the public sector;
- (f) “consultant” means and includes—

- (i) those medical faculties involved in patient care; or
 - (ii) those staff who act as service provider to the patients in the hospital;
- (g) "dean" means the academic head of the medical teaching institution;
- (h) "employee" means a person who is—
- (i) an employee appointed by the Board of the medical teaching institution under this Act or rules and regulations made thereunder; or
 - (ii) a civil servant who has opted to become an employee of the medical teaching institution under section 17.
- (i) "medical faculty" means and includes the basic science faculty and clinical faculty which includes senior registrar and above as well as dean of the medical teaching institute, involved in teaching, training or patient care;
- (j) "Government" means the Federal Government;
- (k) "healthcare services" means preventive, curative, promotive, rehabilitative health services and include diagnostic, support services, laboratory, accident and emergency, pharmacy and paramedic support;
- (l) "member" means a member of the Board and includes Chairperson;
- (m) "medical teaching institution" means a public sector medical, dental or nursing college or any other medical teaching institution and their affiliated teaching hospitals located anywhere in Pakistan owned and controlled by the Federal Government and included or notified by the Federal Government in Schedule-I to this Act;
- (n) "prescribed" means prescribed by rules or regulations made under this Act;
- (o) "regulations" means regulations made under this Act;
- (p) "rules" means rules made under this Act;

- (q) "search and nomination council" means search and nomination council notified by the Government under section 7, and
- (r) "Tribunal" means the Federal Medical Teaching Institutions Tribunal established under this Act.

CHAPTER III

MEDICAL TEACHING INSTITUTE

3. **The medical teaching institution.**—(1) The institutions included in Schedule-I shall be medical teaching institutions established under this Act as a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of movable and immovable property' and may in its name sue and be sued.

(2) The objective of the medical teaching institution shall be to undertake all functions required for providing health facilities and healthcare services to the people and to provide medical education and training and research and to perform such other functions as are assigned to it by the Government from time to time.

4. **Board of Governors.**—(1) There shall be a Board of Governors of the medical teaching institution to administer and manage its affairs and shall have overall superintendence and control over the functions and all their related matters.

(2) The Board of Governors shall comprise such number of members as may be determined by the Government but shall neither be, less than three members and nor exceed seven members and all of whom shall be from the private sector.

(3) The members shall be appointed by the Government on the recommendation of the search and nomination council constituted under section 7:

Provided that the members shall, unless otherwise directed by the Government, hold office for a period of three years and be eligible for reappointment.

(4) The members may include eminent technical and professional persons in their respective fields having significant aptitude and time available for improving the hospital services, such as legal, finance, economics, management, medical profession, retired civil servants, educationists, social workers, representatives of civil society, businessmen and renowned philanthropists.

(5) The Chairperson shall be elected by the members through voting from amongst themselves and he shall preside over the Board meetings. In case of his absence, the Chairperson may nominate a Board member as acting Chairperson or if he has not done so, the members present shall elect an acting Chairperson for that meeting.

(6) The membership of a member shall cease and fall vacant if the member resigns, or fails to attend three consecutive meetings of the Board without sufficient cause or for any other reasons which incapacitate the member to remain as member. Any such vacancy shall be filled within one month.

(7) The membership of a member may be terminated by notification in the official Gazette on grounds of incompetence or for reasons noted in subsection (8) or in view of actions of such member which bring the medical teaching institution or the Board into disrepute.

(8) No person shall be appointed or remain as a member of the Board, if such person—

- (a) is by a competent court of law declared as of un-sound mind;
- (b) has before a court of law applied to be adjudicated as an insolvent and his application is pending;
- (c) is by a competent court of law declared an un-discharged insolvent;
- (d) has been by a court of law convicted for an offence involving moral turpitude;
- (e) has been debarred from holding any office under any law; or
- (f) has a conflict of interest with such a position.

5. Conduct of business.—(1) All decisions of the Board shall be taken by consensus and in case of division of opinion, the decision shall be taken by majority of votes:

Provided that in case of equality of votes, the Chairperson of the Board shall have a second casting vote.

(2) No act or proceedings of the Board shall be invalid merely on the ground of existence of any vacancy in or defect in constitution of the Board, subject to the condition that any act or proceeding of the Board taken by less than three members on account of vacancies shall be ratified immediately by the Board upon the minimum membership of the Board prescribed under sub-section (2) of section 4.

(3) The quorum for meeting of the Board shall be four members or two-thirds of the total number of Board Members, whichever is less.

(4) The member count shall be determined by actual members present and proxy votes shall not count.

(5) The Board may hold meetings as frequently as required, but shall hold at least one meeting on a quarterly basis.

(6) Special meetings of the Board shall be convened on the special request of at least one third of the Board members for consideration of any important or urgent matter.

(7) Subject to the provisions of this Act and the rules and regulations made there-under, the Board may appoint sub-committees of the Board, provided that a sub-committee shall be at all times headed by a member of the Board who is also a member of such committee and such sub-committees constituted shall perform such functions as may be prescribed by the Board or the rules or regulations made pursuant to this Act.

(8) The remuneration for attending the Board meeting shall be such as may be prescribed.

(9) The Secretary to the Board when appointed shall be an employee of the Board, who shall perform all secretarial and office functions of the Board at the direction of the Chairman and shall be responsible for recording minutes of the Board meetings, convening Board meetings, carrying out communication with all Board members and all other functions as may be prescribed.

6. Functions and powers of the Board.—(1) The Board shall be responsible for.—

- (a) ensuring that the objectives of the medical teaching institution within the overall ambit of Government policy are achieved, overseeing effective management and providing strategic direction to the medical teaching institution;
- (b) policy making of the medical teaching institution and ensuring that its performance and its programmes are efficient and effective;
- (c) prescribe procedures for appointment, terms and conditions of service, disciplinary matters and other service matters for the employees;
- (d) creation, re-designation, up-gradation, down-gradation or abolition of posts pursuant to prior consultation with the Establishment

Division where such posts may be occupied by persons in government service and provided that while creating posts having the financial implications in excess of the approved annual budget that shall require prior consultation with the Finance Division;

- (e) approval of vision and mission statement;
- (f) approval of annual business plan;
- (g) review and approval of major transactions;
- (h) approval of new programs and services and monitor organizational performance;
- (i) approval of financial plans and annual budget;
- (j) approval of regulations for medical staff and overseeing the process for appointment of members of the medical staff;
- (k) approval of programs and services to ensure that all legal, regulatory and accreditation requirements are met;
- (l) constitution of a finance committee and such other committees or sub-committees, as it may deem appropriate; and
- (m) compliance with Government policies and standards.

(2) Medical teaching institution shall be accountable to Government for its performance and shall regularly provide performance based data at set intervals based on Government's set performance monitoring format, with attendant reward and discipline measures and the Government shall also periodically evaluate the performance of the medical teaching institution against the set targets particularly related to efficiency, effectiveness and equity with attendant reward and discipline measures.

(3) The Board shall in prescribed manner appoint the dean, hospital director, medical director, nursing director and finance director of the medical teaching institution.

(4) The Chairperson, of the Board may, in case of exigency of service, appoint the dean, medical director, hospital director, nursing director and finance director on officiating basis. All such appointments shall be placed before the Board for approval within three months.

7. **Search and nomination council.**—(1) The Government shall constitute and notify a search and nomination council, to recommend persons

from private sector suitable to be appointed as members of the Board and which shall consist of—

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|-----|---|---------------|
| (a) | Minister Concerned or Federal Minister nominated by the Prime Minister; | Chairman |
| (b) | Secretary of the Division Concerned; | Vice-Chairman |
| (c) | Secretary Planning Division; | Member |
| (d) | Vice-Chancellor of the Quaid-e-Azam University; | Member |
| (e) | a philanthropist with substantial contribution to public health care to be nominated by the Government; | Member |
| (f) | a retired senior person from medical profession to be nominated by Government; | Member |
| (g) | a representative of civil society to be nominated by Government; | Member |

(2) The Chairman shall chair the meeting of the council search and nomination and in his absence, the Vice-Chairman shall chair the meeting.

(3) A member from the private sector shall, unless otherwise directed by Government, hold office for a period of three years and shall be eligible for another term of three years or part thereof as the Government may deem appropriate:

Provided that the Government may remove a member appointed pursuant to clauses (e), (f) and (g) of sub-section (1) at any time after giving him an opportunity of being heard.

8. Governance.—(1)- Each college under the medical teaching institution shall be headed by a dean and the dean of the medical college shall act as the chief executive officer of the medical teaching institution and shall further consist of chairpersons and medical faculties of various departments of the college as may be prescribed.

(2) In each college, there shall be an academic council headed by the dean of the college and consisting of members as prescribed entrusted with the function to prescribe and set principles and standards for teaching, research, training, student admissions, and curriculum development, to ensure and inculcate the highest ethical standards.

9. **Management committee.**—(1) For a medical teaching institution there shall be a management committee consisting of—

- | | |
|---|-----------------|
| (a) dean of the medical teaching institution; | <i>Chairman</i> |
| (b) hospital director; | <i>Member</i> |
| (c) medical director; | <i>Member</i> |
| (d) nursing director; | <i>Member</i> |
| (e) finance director; | <i>Member</i> |
| any other two persons appointed by the Board on | |
| (f) the recommendation of the dean of the medical | |
| teaching institution. | <i>Member</i> |

(2) The management committee shall, subject to delegation of powers by the Board, appoint or terminate any or all employees of the medical teaching institution in prescribed manner or in the absence of such delegated power recommend appointment or termination of an employee to the Board.

(3) The management committee shall review and recommend to the Board the annual budget in prescribed manner.

(4) The management committee shall make efforts to ensure achievement of the base standards in prescribed manner.

(5) The management committee shall in prescribed manner submit to the Board a quarterly report on management, health care services and financial management.

(6) The management committee shall recommend to the Board any addition of a department, facility or post at the medical teaching institution.

(7) The management committee shall perform all such other functions as may be prescribed.

10. **Dean.**—(1) The dean of the colleges shall be appointed by the Board for a period of five years and shall be eligible for re-appointment, through merit-based process on such terms and conditions and having such qualifications and experience as may be prescribed. The dean shall further act as per the directions of the Board in prescribed manner.

(2) The dean, on appointment shall simultaneously receive a faculty appointment at a level commensurate with his qualifications and the prescribed institutional requirements for the faculty post, which appointment shall not be limited to the term applicable to the office of the dean.

(3) The chairperson of various departments shall be appointed by the dean through merit-based process, on such terms and conditions and in such a manner as may be prescribed. A chairperson may be removed by the Board on the recommendation of the dean, after giving him the opportunity of being heard.

(4) The dean may in the prescribed manner be removed from the office by the Board through a process at any time on the grounds including failure to achieve targets set by the Board.

(5) In the performance of his functions, the dean shall be responsible to the Board and the chairpersons of the departments shall be responsible to the dean and academic council.

(6) The Board from amongst the chairpersons of the departments shall appoint a vice-dean to perform the functions of the dean in the absence of the dean.

11. **Hospital director.**—(1) The Board shall appoint a full time hospital director for a period of five years and shall be eligible for reappointment on such terms and conditions as may be prescribed and no Board member shall be appointed as hospital director.

(2) No person shall be appointed as the hospital director unless he possesses a recognized master's degree in hospital management or health services management or business management or public health or public administration or any other relevant management qualifications having experience of management in an organization or institution as may be prescribed:

Provided, that a person, who possesses a recognized medical degree may also apply for the post of hospital director with the condition that he shall have an additional management degree and experience provided in this sub-section and shall have no right to do private practice.

(3) The hospital director may, after giving him an opportunity of being heard, be removed from the office by the Board, before the expiration of the period of five years, on such grounds and through a process as may be prescribed.

(4) In performance of his functions, the hospital director shall be responsible to the Board.

(5) The hospital director shall not have any conflict of interest with such a position.

12. Functions of the hospital director.—The hospital director shall be responsible—

- (a) for all non-clinical functions of the hospital;
- (b) Preparation of the annual budget and business plan for presentation to the management committee and the board;
- (c) maintenance of building and engineering services;
- (d) maintenance and development of all ancillary services, including but not limited to pharmacy, nursing, materials management, human resources, clerical, communications and security services;
- (e) to act as the principal accounting officer responsible and accountable for maintaining financial discipline and transparency; and
- (f) for implementation and execution of Board and management committee policies and to achieve the targets set by the Board.

13. Medical director.—(1) The Board shall appoint a full time, medical director for the hospital for a period of five years and shall be eligible for re-appointment, on such terms and conditions as may be prescribed and no Board member shall be appointed as medical director.

(2) The medical director, on appointment, shall simultaneously receive a faculty appointment at a level commensurate with his qualifications and the prescribed institutional requirements for the faculty post, which appointment shall not be limited to the term applicable to the office of the medical director.

(3) No person shall be appointed as the medical director unless he possess a recognized medical degree with management or administrative experience of working in management positions in an institution or organization as may be prescribed.

(4) The medical director may, after giving him an opportunity of being heard, be removed from the office by the Board, before the expiration of the period of five years, on such grounds and through a process as may be prescribed.

(5) All clinical department heads will report to the medical director.

(6) in respect of performance and functions, the medical director shall be responsible to the Board.

(7) The medical director shall not have any conflict of interest with such a position.

14. Functions of the medical director.—The medical director shall be responsible for all clinical functions of the hospital, including but not limited to:-

- (a) ensuring clinical excellence in all aspects of hospital functions;
- (b) ensuring timely, appropriate management of patients;
- (c) ensuring the best outcomes for all patients;
- (d) undertaking clinical governance for quality control;
- (e) assessing and auditing existing clinical programs and developing new clinical programs; and
- (f) developing an annual clinical budget, including capital medical equipment requests for presentation to the hospital director, the management committee and the Board.

15. Nursing director.—(1) The Board shall appoint a full time, non-practicing nursing director for the hospital for a period of five years and shall be eligible for re-appointment, on such terms and conditions as may be prescribed and determine; provided no Board member shall be appointed as such.

(2) No person shall be appointed the nursing director unless he possesses such qualification and experience as may be prescribed.

(3) The nursing director may, after giving him an opportunity of being heard, be removed from the office by the Board, before the expiration of the period of five years, on such grounds and through a process as may be prescribed.

(4) In respect of performance and functions, the nursing director shall be responsible to the Board.

(5) The nursing director shall not have any conflict of interest with such a position.

(6) The nursing director shall be responsible for all nursing functions, including training of nurses, ensure adequate nursing staffing for all clinical

needs, maintaining the highest nursing standards and performing regular audits of nursing functions.

(7) The nursing director shall perform such other functions as may be prescribed by the Board.

16. **Finance director.**—The finance director shall be appointed by the Board in the prescribed manner, for a period of three years and shall be eligible for re-appointment, with minimum qualifications and to perform such functions in relation to financial matters as may be prescribed.

17. **Service of medical teaching, institution.**—(1) The Board may appoint such persons, experts or consultants, as deemed necessary and on such terms and conditions as may be prescribed.

(2) All existing administrative and teaching staff recruited in the manner prescribed under the recruitment rules as applicable before commencement of this Act, subject to sub-section (3), shall be deemed to be employees of the medical teaching institution on such terms and conditions as may be prescribed:

Provided that such terms and conditions shall not be less favorable in financial terms than the terms and conditions admissible to them immediately before the commencement of this Act.

(3) On commencement of this Act, all the civil servants serving in the medical teaching institution, within a period to be notified by the Government, may exercise a one time irrevocable option to become employees of the medical teaching institution. The civil servants who opt for such employment, shall be subject to terms and conditions of employment as may be prescribed including but not limited to their service structure, promotion and disciplinary matters. Such opting employees shall be entitled to post-retirement benefits and emoluments as per existing government laws and rules. The medical teaching institution shall deposit pension contribution on their behalf.

(4) A civil servant who does not exercise the option pursuant to sub section (3) shall remain a civil servant under the Civil Servants Act, 1973 (LXXI of 1973) and be entitled to all the privileges and facilities of the federal Government including but not limited to pension, gratuity, housing and health and shall be dealt with in such a manner as provided for under the said act, for their future promotions and posting subject to a civil servant continuing to function in the medical teaching institution subsequent to the option period notified pursuant to sub-section (3) shall be deemed to be serving in the medical teaching institution on deputation. All deductions made from the pay of such civil servants shall be deposited by the borrowing authority.

(5) A civil servant at the request of the Board may be sent on deputation to the medical teaching institution by the Government pursuant to rules applicably to such civil servant. The pension contribution for civil servants on deputation to the medical teaching institution will be made by the medical teaching institution. The deputation of a civil servant to the medical teaching institution shall be for a term to be determined by the Board and where such term may be reduced at any time without assigning any reason thereof and such civil servants services shall revert to the Government immediately upon the reduced term being notified by the Board

(6) The options under sub-section (3) once exercised shall be final. A civil servant, who opts to serve the medical teaching institution, shall cease to be a civil servant from the date of his absorption in the service of the medical teaching institution and his seniority, pension and other matters vis-a-vis employment with the medical teaching institution, shall be determined in the manner, as may be prescribed.

(7) If at any time, the management of the medical teaching institution reverts to the Government for any reason, the employees appointed under subsection (1) shall continue to serve the medical teaching institution, on the same terms and conditions as applicable to them immediately before such reversion.

(8) Subject to the other provisions of this section, all employees, whether having opted or directly appointed prior to commencement of this Act on pursuant to this Ordinance shall be at all times be governed exclusively by the terms and conditions of service as may be prescribed.

(9) All employees, except the dean, hospital director medical director, nursing director and finance director, shall have the right to appeal against any penalty to the Board unless such penalty is imposed by an order of the Board itself.

(10) Any employee aggrieved by a decision of the Board including the dean, hospital director, medical director, nursing director and finance director may seek resolution of the grievance by referral of the grievance or dispute to the Tribunal.

(11) Any and all employment disputes as may be pending before the courts of law shall be deemed transferred with immediate effect for adjudication to the Tribunal established under this Act.

18. Tribunal.—(1) The Government shall establish by notification in the official Gazette a Tribunal which shall perform its functions in the prescribed manner for the purpose of sub-sections (10) and (11) of section 17.

(2) The Tribunal shall consist of a minimum of six members appointed for a term of five years by the Government in the prescribed manner and no person shall be appointed as member of the Tribunal unless he has been a Judge of the Supreme Court or a High Court or an advocate of the Supreme Court of Pakistan having at least twenty-five years experience of active practice as an advocate.

(3) The Government shall in the prescribed manner appoint a Secretary of the tribunal who shall be responsible for managing the affairs of the Tribunal and its operations.

(4) The members of the Tribunal shall receive such remuneration as may be prescribed by rules.

(5) Each dispute referred to the Tribunal shall be decided within a maximum period of ninety days from being filed.

(6) The parties may be required to pay an institution and other fees as may be prescribed. Any shortfall in the cost of operation of the Tribunal shall be funded by the Government.

(7) Any party may within thirty days file an appeal against a decision of the Tribunal before the High Court of the competent jurisdiction and which shall be heard by a Division Bench of the High Court and decided within six months of being instituted.

19. Private practice.—(1) After the commencement of this Act, all consultants working in government hospitals, clinics, imaging facilities and laboratories belonging to the medical teaching institution shall be given an option either to do their private practice within the hospitals, clinics, imaging facilities and laboratories of the medical teaching institution or to do their private practice outside the hospitals, clinics, imaging facilities and laboratories of the Medical Teaching Institution, as the case may be. The option shall in the prescribed manner be exercised within a period of sixty days after the commencement of this Act and the inclusion of the institution in the Schedule.

(2) Employees who opt for private practice within the premises of the hospital, clinics, imaging facilities and laboratories of the medical teaching institution, may be entitled to such increase in salary, adjustment, bonuses or other ancillary benefits, as the Board may approve.

(3) Employees who do not opt for private practice within the premises of hospitals, clinics, imaging facilities and laboratories of the medical teaching institution, shall be allowed to do their private practice outside the premises of the hospitals, clinics, imaging facilities and laboratories of the medical teaching

institution and shall not be entitled to any increase in adjustment, incentives bonuses or other ancillary benefits, or to hold management or lead positions, except in case of extreme exigency as determined by the Board.

(4) All employees hired after the commencement of this Act shall be expected to perform their private practice within the medical teaching institutions hospital, clinics, imaging facilities and laboratories and shall not be permitted private practice outside these facilities.

(5) In the performance of functions in the hospital, the consultant shall be responsible to the hospital management, with respect to service provided to the patients in the hospital and shall follow all the rules and regulations relating to hospital management.

(6) The medical teaching institution shall provide facilities for the most efficient services to allow the consultants to perform their services at the highest level of excellence, including space, equipment, nursing, ancillary or clerical staff, laboratory, imaging and in patient and surgical services as needed. Such facilities, shall remain open as long as necessary to provide these services. The individual consultant shall be held responsible for the most efficient use of the facilities and shall be expected to provide cost and income projections for each new facility, equipment or service request with the support of hospital director and staff.

(7) Consultants professional fee shall not exceed the usual and customary fees charged for the same services in the community, assuring efficiency and value for money to the clients.

(8) Private patient billing shall consist of the professional fee component and the institutional charges representing the charges of the clinic, imaging facility, laboratory services or other institutional charges:

Provided that all patient billing shall be done only by the hospital, clinic, imaging facility or laboratory, and the professional fee component shall be returned to the consultant.

(9) No reduction of the professional component income to the Consultant from the patient shall be permissible by the medical teaching institution.

(10) A percentage share from the institutional charges, shall be distributed between the employees, based on employees and productivity, according to a format to be prescribed by regulations.

20. Retention of fee.—(1) Notwithstanding anything contained in any law or rules, the medical teaching institution shall retain receipts from various fees levied by Government or the Board to meet recurring and development expenditure of the medical teaching institution.

(2) The amount realized from such receipts shall not be deducted from the annual grant provided by Government and such amount realized from the receipts shall be utilized as per specification by the Board.

21. Fund.—(1) There shall be a Fund in the name of the Medical Teaching Institution Fund and the management thereof shall vest in the Board.

(2) The Fund shall consist of—

- (a) grants from the Government as a single line budget;
- (b) receipts and user charges as specified by Board in consultation with Government from time to time in such manner as may be prescribed;
- (c) voluntary contributions or donations; and
- (d) grants from other sources.

(3) The Fund shall be kept in such custody and shall be utilized and regulated in such manner as may be prescribed after consultation with the Government.

(4) The Fund account shall be maintained at such bank or treasury as may be prescribed after consultation with the Government.

(5) Subject to any other law for the time being in force in this behalf, the Board may, in so far as its money is not required for immediate expenses, invest the surplus money in such manner as may be prescribed.

(6) The Board may invest surplus money in conformity with provisions of the Public Finance Management Act, 2019.

22. Budget, audit and accounts.—(1) The budget shall be approved by the Board and its accounts shall be maintained and audited in such manner as may be prescribed on the advice of the Auditor General of Pakistan.

(2) Government may carry out special audit other than routine audit through a third party as and when deemed necessary.

(3) The medical teaching institutions accounts shall be audited by the Auditor General of Pakistan.

23. Employee's to be public servant.—The employees of the medical teaching institution shall be deemed to be public servants within the meaning of section 21 of the Pakistan Panel Code, 1860 (Act XLV of 1860) provided it shall not ascribe to them any rights of employment or benefits as may be otherwise applicable to public servants.

24. Removal of difficulties.—If a difficulty arises in giving effect to any of the provisions of this Act, the Government may, by notification in the official Gazette, make such order as it deems necessary for removal of the difficulty:

Provided that this power shall not be exercised after two years of the commencement of this Act.

25. Power to make rules.—(1) The Government may, by notification in the official Gazette, make rules for giving effect to the provisions of this Act.

(2) The power to make rules conferred by this section shall be subject to the condition of previous publication and, before making any rules, the draft thereof shall be published on the website of the medical teaching institution and the Division concerned for eliciting public opinion thereon within a period of not less than fifteen days from the date of publication.

26. Power to make regulations.—(1) The Board may make regulations, not inconsistent with the provisions of this Act and the rules, for carrying out the purposes of this Act subject to the financial regulations not being contrary to any general directions of the Finance Division pertaining to utilization of public funds.

(2) The power to make regulations conferred by this section shall be subject to the condition of previous publication and, before making any regulations, the draft thereof shall be published on the website of the medical teaching institution, for eliciting public opinion thereon within a period of not less than fifteen days from the date of publication.

27. Overriding effect.—Notwithstanding anything to the contrary contained in any other law for the time being in force, the provisions of this Act shall have an overriding effect and the provisions of any such law to the extent of such inconsistency to this Act shall cease to have effect.

SCHEDULE

(see sections 3 and 19)

List of institutions (colleges and hospitals) declared as medical teaching institutions

1. Pakistan Institute of Medical Sciences, Islamabad along-with the Federal Medical and Dental College, Islamabad being a teaching hospital and affiliated college respectively of the Shaheed Zulfiqar Ali Bhutto Medical University, Islamabad.
2. School of Dentistry, Islamabad and its Dental Hospital being an affiliated college of the Shaheed Zulfiqar Ali Bhutto Medical University, Islamabad.

STATEMENTS OF OBJECTS AND REASONS

‘The Federal Medical Teaching Institutes Act, 2020’

To provide autonomy to the Federal medical training institutes and its affiliated teaching hospitals, to enhance the services being rendered by them, to improve their performance and quality of medical education, an initiative was taken by Ministry of National Health Services, Regulation & Coordination in consultation with National Health Reforms Tasks Force constituted by the Prime Minister, to draft the law titled “The Federal Medical Teaching Institutes Act, 2020”.

2. The act inter alia will provide the following;

- Medical Teaching Institutions established under this act shall be body corporate;
- To undertake all functions required for providing health facilities and healthcare services to the people and to provide medical education, training and research, and to perform such other functions as are assigned to it by Government from time to time;
- There shall be a BOG of the Medical Teaching Institutions to administer and manage its affairs. The Board shall be responsible for ensuring achievements of objectives of medical technical institutions;

3. In order to carry out the mandate of the law. The draft act has been prepared to achieve the above said objects.

Zaheerud-Din Babar Awan

Adviser to the Prime Minister on Parliamentary Affairs

ANNEXURE-B**[AS REPORTED BY THE STANDING COMMITTEE]**

A

Bill

to re-organize the Federal medical teaching institutes and teaching hospitals thereof

WHEREAS it is expedient to re-organize and provide autonomy to the Federal medical teaching institutes and their affiliated teaching hospitals to enhance the services being rendered by the institutions to improve performance, enhance effectiveness, efficiency and responsiveness for the provision of quality healthcare services and education and to make them into state of the art model institution of Pakistan;

It is hereby enacted as follows:-

CHAPTER 1**PRELIMINARY**

1. **Short title, application and commencement.**— (1) This Act shall be called the Federal Medical Teaching Institutes Act, 2021.

(2) It shall apply to all Federally owned or operated medical teaching institutes, its affiliates and subsidiaries thereof in Pakistan,

(3) It shall come into force at once.

CHAPTER II**DEFINITIONS**

2. **Definitions.**— In this Act, unless the context otherwise requires,-

(a) “basic science faculty” means a medical faculty not involved in patient care;

(b) “Board” means the Board of Governors constituted under section 4;

(c) “Chairperson” means the Chairperson of the Board;

(d) “clinical faculty” means a medical faculty involved in any manner with a clinical care of patients, whether diagnostic or therapeutic;

(e) “college” means a medical college, dental or a nursing college in the public sector;

- (f) "consultant" means and includes-
- (i) those medical faculties involved in patient care; or
 - (ii) those staff who act as service provider to the patients in the hospital;
- (g) "dean" means the academic head of the medical teaching institution;
- (h) "employee" means a person who is-
- (i) an employee appointed by the Board of the medical teaching institution under this Act or rules and regulations made there-under; or
 - (ii) a civil servant who has opted to become an employee of the medical teaching institution under section 17.
- (i) "medical faculty" means and includes the basic science faculty and clinical faculty which includes senior registrar and above as well as dean of the medical teaching institute, involved in teaching, training or patient care;
- (j) "Government" means the Federal Government;
- (k) "healthcare services" means preventive, curative, promotive, rehabilitative health services and include diagnostic, support services, laboratory, accident and emergency, pharmacy and paramedic support;
- (l) "member" means a member of the Board and includes Chairperson;
- (m) "medical teaching institution" means a public sector medical, dental or nursing college or any other medical teaching institution and their affiliated teaching hospitals located anywhere in Pakistan owned and controlled by the Federal Government and included or notified by the Federal Government in Schedule-I to this Act;
- (n) "prescribed" means prescribed by rules or regulations made under this Act;
- (o) "regulations" means regulations made under this Act;
- (p) "rules" means rules made under this Act ;

(q) "search and nomination council" means search and nomination council notified by the Government under section 7, and

(r) "Tribunal" means the Federal Medical Teaching Institutions Tribunal established under this Act.

CHAPTER III **Medical Teaching Institute**

3. The medical teaching institution.— (1) The institutions included in Schedule-I shall be medical teaching institutions established under this Act as an autonomous body having perpetual succession and a common seal with power to acquire, hold and dispose off movable property and may in its name sue and be sued.

(2) The objective of the medical teaching institution shall be to undertake all functions required for providing health facilities and healthcare services to the people and to provide medical education and training and research and to perform such other functions as are assigned to it by the Government from time to time.

4. Board of Governors.— (1) There shall be a Board of Governors of the medical teaching institution to administer and manage its affairs and shall have overall superintendence and control over the functions and all their related matters.

(2) The Board of Governors shall comprise such number of members as may be determined by the Government but shall neither be, less than three members and nor exceed seven members and all of whom shall be from the private sector.

(3) The members shall be appointed by the Government on the recommendation of the search and nomination council constituted under section 7:

Provided that the members shall, unless otherwise directed by the Government, hold office for a period of three years and be eligible for re-appointment.

(4) The members may include eminent technical and professional persons in their respective fields having significant aptitude and time available for improving the hospital services, such as legal, finance, economics, management, medical profession, retired civil servants, educationists, social workers, representatives of civil society, businessmen and renowned philanthropists.

(5) The Chairperson shall be elected by the members through voting from amongst themselves and he shall preside over the Board meetings. In case of his absence, the Chairperson may nominate a Board member as acting Chairperson or if he has not done so, the members present shall elect an acting Chairperson for that meeting.

(6) The membership of a member shall cease and fall vacant if the member resigns, or fails to attend three consecutive meetings of the Board without sufficient cause or for any other reasons which incapacitate the member to remain as member. Any such vacancy shall be filled within one month.

(7) The membership of a member may be terminated by notification in the official Gazette on grounds of incompetence or for reasons noted in sub-section (8) or in view of actions of such member which bring the medical teaching institution or the Board into disrepute.

(8) No person shall be appointed or remain as a member of the Board, if such person-

- (a) is by a competent court of law declared as of un-sound mind;
- (b) has before a court of law applied to be adjudicated as an insolvent and his application is pending;
- (c) is by a competent court of law declared an un-discharged insolvent;
- (d) has been by a court of law convicted for an offence involving moral turpitude;
- (e) has been debarred from holding any office under any law; or
- (f) has a conflict of interest with such a position.

5. **Conduct of business.**— (1) All decisions of the Board shall be taken by consensus and in case of division of opinion, the decision shall be taken by majority of votes:

Provided that in case of equality of votes, the Chairperson of the Board shall have a second casting vote.

(2) No act or proceedings of the Board shall be invalid, merely on the ground of existence of any vacancy in or defect in constitution of the Board, subject to the condition that any act or proceeding of the Board taken by less than three members on account of vacancies shall be ratified immediately by the Board upon the minimum membership of the Board prescribed under sub-section (2) of section 4.

(3) The quorum for meeting of the Board shall be four members or two-thirds of the total number of Board Members, whichever is less.

(4) The member count shall be determined by actual members present and proxy votes shall not count.

(5) The Board may hold meetings as frequently as required, but shall hold at least one meeting on a quarterly basis.

(6) Special meetings of the Board shall be convened on the special request of at least one third of the Board members for consideration of any important or urgent matter.

(7) Subject to the provisions of this Act and the rules and regulations made there-under, the Board may appoint sub committees of the Board, provided that a sub-committee shall be at all times headed by a member of the Board who is also a member of such committee and such sub committees constituted shall perform such functions as may be prescribed by the Board or the rules or regulations made pursuant to this Act.

(8) The remuneration for attending the Board meeting shall be such as may be prescribed.

(9) The Secretary to the Board when appointed shall be an employee of the Board, who shall perform all secretarial and office functions of the Board at the direction of the Chairman and shall be responsible for recording minutes of the Board meetings, convening Board meetings, carrying out communication with all Board members and all other functions as may be prescribed.

6. Functions and powers of the Board.— (1) The Board shall be responsible for.—

- (a) ensuring that the objectives of the medical teaching institution within the overall ambit of Government policy are achieved, overseeing effective management and providing strategic direction to the medical teaching institution;
- (b) policy making of the medical teaching institution and ensuring that its performance and its programmes are efficient and effective;
- (c) prescribe procedures for appointment, terms and conditions of service, disciplinary matters and other service matters for the employees;
- (d) creation, re-designation, up-gradation, down-gradation or abolition of posts pursuant to prior consultation with the Establishment Division where such posts may be

occupied by persons in government service and provided that while creating posts having the financial implications in excess of the approved annual budget that shall require prior consultation with the Finance Division;

- (e) approval of vision and mission statement;
- (f) approval of annual business plan;
- (g) review and approval of major transactions;
- (h) approval of new programs and services and monitor organizational performance;
- (i) approval of financial plans and annual budget;
- (j) approval of regulations for medical staff and overseeing the process for appointment of members of the medical staff;
- (k) approval of programs and services to ensure that all legal, regulatory and accreditation requirements are met;
- (l) constitution of a finance committee and such other committees or sub- committees, as it may deem appropriate; and

(2) Medical teaching institution shall be accountable to Ministry of National Health Services, Regulations and Coordination for its performance and shall regularly provide performance based data at set intervals based on Ministry of National Health Services, Regulations and Coordination set performance monitoring format, with attendant reward and discipline measures and the Ministry of National Health Services, Regulations and Coordination shall also periodically evaluate the performance of the medical teaching institution against the set targets particularly related to efficiency, effectiveness and equity with attendant reward and discipline measures.

(3) The Board shall in prescribed manner appoint the dean, hospital director, medical director, nursing director and finance director of the medical teaching institution.

(4) The Chairperson, of the Board may, in case of exigency of service, appoint the dean, medical director, hospital director, nursing director and finance director on officiating basis. All such appointments shall be placed before the Board for approval within three months.

7. Search and nomination council.– (1) The Government shall constitute and notify a search and nomination council, to recommend persons from private sector suitable to be appointed as members of the Board and which shall consist of-

- | | | |
|-----|---|---------------|
| (a) | Minister Concerned or his representative or Federal
Minister nominated Chairman by the Prime Minister; | Chairman |
| (b) | Secretary of the Division concerned; | Vice Chairman |
| (c) | Secretary Planning Division; | Member |
| (d) | Vice Chancellor of the Quaid e Azam University; | Member |
| (e) | a philanthropist with substantial contribution to
public healthcare to be nominated by Government; | Member |
| (f) | a retired senior person from medical profession to
be nominated by Government; | Member |
| (g) | a representative of civil society to be nominated
by Government. | Member |

(2) The Chairman shall chair the meeting of the council search and nomination and in his absence, the Vice Chairman shall chair the meeting.

(3) A member from the private sector shall, unless otherwise directed by Government, hold office for a period of three years and shall be eligible for another term of three years or part thereof as the Government may deem appropriate:

Provided that the Government may remove a member appointed pursuant to clauses (e), (f) and (g) of sub-section (1) at any time after giving him an opportunity of being heard.

8. **Governance.**— (1) Each college under the medical teaching institution shall be headed by a dean and the dean of the medical college shall act as the chief executive officer of the medical teaching institution and shall further consist of chairpersons and medical faculties of various departments of the college as may be prescribed.

(2) In each college, there shall be an academic council headed by the dean of the college and consisting of members as prescribed entrusted with the function to prescribe and set principles and standards for teaching, research, training, student admissions, and curriculum development, to ensure and inculcate the highest ethical standards.

(3) Administrative control of a college which is also a constituent college of a university shall vest in the medical teaching institution except the conduct of examinations which shall be determined by the university.

9. **Management committee.**— (1) For a medical teaching institution there shall be a management committee consisting of—

- | | |
|--|----------|
| (a) dean of the medical teaching institution; | Chairman |
| (b) hospital director; | Member |
| (c) medical director; | Member |
| (d) nursing director; | Member |
| (e) finance director; | Member |
| (f) any other two persons appointed by the Board on the recommendation of the dean of the medical teaching institution | Member |

(2) The management committee shall, subject to delegation of powers by the Board, appoint or terminate any or all employees of the medical teaching institution in prescribed manner or in the absence of such delegated power recommend appointment or termination of an employee to the Board.

(3) The management committee shall review and recommend to the Board the annual budget in prescribed manner.

(4) The management committee shall make efforts to ensure achievement of the base standards in prescribed manner.

(5) The management committee shall in prescribed manner submit to the Board a quarterly report on management, health care services and financial management.

(6) The management committee shall recommend to the Board any addition of a department, facility or post at the medical teaching institution.

(7) The management committee shall perform all such other functions as may be prescribed.

10. **Dean.**— (1) The dean of the colleges shall be appointed by the Board for a period of five years and shall be eligible for re-appointment, through merit-based process on such terms and conditions and having such qualifications and experience as may be prescribed. The dean shall further act as per the directions of the Board in prescribed manner.

(2) The dean, on appointment, shall simultaneously receive a faculty appointment at a level commensurate with his qualifications and the prescribed institutional requirements for the faculty post, which appointment shall not be limited to the term applicable to the office of the dean.

(3) The chairperson of various departments shall be appointed by the dean through merit-based process, on such terms and conditions and in such a manner as may be prescribed. A chairperson may be removed by the Board on the recommendation of the dean, after giving him the opportunity of being heard.

(4) The dean may in the prescribed manner be removed from the office by the Board through a process at any time on the grounds including failure to achieve targets set by the Board.

(5) In the performance of his functions, the dean shall be responsible to the Board and the chairpersons of the departments shall be responsible to the dean and academic council.

(6) The Board from amongst the chairpersons of the departments shall appoint a vice-dean to perform the functions of the dean in the absence of the dean.

11. **Hospital Director.**— (1) The Board shall appoint a full time hospital director for a period of five years and shall be eligible for re-appointment, on such terms and conditions as may be prescribed and no Board member shall be appointed as hospital director.

(2) No person shall be appointed as the hospital director unless he possesses a recognized master's degree in hospital management or health services management or business management or public health or public administration or any other relevant management qualifications having experience of management in an organization or institution as may be prescribed:

Provided that a person, who possesses a recognized medical degree may also apply for the post of hospital director with the condition that he shall have an additional management degree and experience provided in this sub section and shall have no right to do private practice.

(3) The hospital director may, after giving him an opportunity of being heard, be removed from the office by the Board, before the expiration of the period of five years, on such grounds and through a process as may be prescribed.

(4) In performance of his functions, the hospital director shall be responsible to the Board.

(5) The hospital director shall not have any conflict of interest with such a position.

12. Functions of the Hospital Director.— The hospital director shall be responsible-

- (a) for all non-clinical functions of the hospital;
- (b) Preparation of the annual budget and business plan for presentation to the management committee and the board;
- (c) maintenance of building and engineering services;
- (d) maintenance and development of all ancillary services, including but not limited to pharmacy, nursing, materials management, human resources, clerical, communications and security services;
- (e) to act as the principal accounting officer responsible and accountable for maintaining financial discipline and transparency; and
- (f) for implementation and execution of Board and management committee policies and to achieve the targets set by the Board.

13. Medical Director.— (1) The Board shall appoint a full time, medical director for the hospital for a period of five years and shall be eligible for re-appointment, on such terms and conditions as may be prescribed and no Board member shall be appointed as medical director.

(2) The medical director, on appointment, shall simultaneously receive a faculty appointment at a level commensurate with his qualifications and the prescribed institutional requirements for the faculty post, which appointment shall not be limited to the term applicable to the office of the medical director.

(3) No person shall be appointed as the medical director unless he possess a recognized medical degree with management or administrative experience of working in management positions in an institution or organization as may be prescribed.

(4) The medical director may, after giving him an opportunity of being heard, be removed from the office by the Board, before the expiration of the period of five years, on such grounds and through a process as may be prescribed.

(5) All clinical department heads will report to the medical director.

(6) In respect of performance and functions, the medical director shall be responsible to the Board

(7) The medical director shall not have any conflict of interest with such a position.

14. Functions of the Medical Director.— The medical director shall be responsible for all clinical functions of the hospital, including but not limited to.—

(a) ensuring clinical excellence in all aspects of hospital functions;

(b) ensuring timely, appropriate management of patients;

(c) ensuring the best outcomes for all patients;

(d) undertaking clinical governance for quality control;

(e) assessing and auditing existing clinical programs and developing new clinical programs; and

(f) developing an annual clinical budget, including capital medical equipment requests for presentation to the hospital director, the management committee and the Board.

15. Nursing Director.— (1) The Board shall appoint a full time, non-practicing nursing director for the hospital for a period of five years and shall be eligible for re-appointment, on such terms and conditions as may be prescribed and determine; provided no Board member shall be appointed as such.

(2) No person shall be appointed the nursing director unless he possesses such qualification and experience as may be prescribed.

(3) The nursing director may, after giving him an opportunity of being heard, be removed from the office by the Board, before the expiration of the period of five years, on such grounds and through a process as may be prescribed.

(4) In respect of performance and functions, the nursing director shall be responsible to the Board.

(5) The nursing director shall not have any conflict of interest with such a position.

(6) The nursing director shall be responsible for all nursing functions, including training of nurses, ensuring adequate nursing staffing for all clinical needs, maintaining the highest nursing standards and performing regular audits of nursing functions.

(7) The nursing director shall perform such other functions as may be prescribed by the Board.

16. Finance Director.— The finance director shall be appointed by the Board in the prescribed manner, for a period of three years and shall be eligible for re-appointment, with minimum qualifications and to perform such functions in relation to financial matters as may be prescribed.

17. Service of medical teaching institution.— (1) The Board may appoint such persons, experts or consultants, as deemed necessary and on such terms and conditions as may be prescribed.

(2) All existing administrative and teaching staff recruited in the manner prescribed under the recruitment rules as applicable before commencement of this Act, subject to sub-section (3), shall be deemed to be employees of the medical teaching institution on such terms and conditions as may be prescribed:

Provided that such terms and conditions shall not be less favorable in financial terms than the terms and conditions admissible to them immediately before the commencement of this Act.

(3) On commencement of this Act, all the civil servants serving in the medical teaching institution, within a period to be notified by the Government, may exercise a one time irrevocable option to become employees of the medical teaching institution. The civil servants who opt for such employment, shall be subject to terms and conditions of employment as may be prescribed including but not limited to their service structure, promotion and disciplinary matters. Such opting employees shall be entitled to post-retirement benefits and emoluments as per existing government laws and rules. The medical teaching institution shall deposit pension contribution on their behalf.

(4) A civil servant who does not exercise the option pursuant to sub-section (3) of section 17 shall remain a civil servant and shall be deemed an employee of an attached department in terms of

Schedule III of Rules of Business, 1973 as amended from time to time and entitled to all the perks, pension, gratuity, housing (within the medical teaching institute if available and Ministry of Housing and works), monetization, health facilities and other privileges declared by the Federal Government from time to time.

(5) The civil servants under sub section (4) shall be entitled to be posted to any MTI post for which they are eligible under MTI rules and regulations and such eligibility will continue for a period of 10 years. They will remain eligible to hold the positions of chairman/ head of department in line with criteria for these positions in the MTI regulations.

(6) The options under sub-section (3) once exercised shall be final. A civil servant, who opts to serve the medical teaching institution, shall cease to be a civil servant from the date of his absorption in the service of the medical teaching institution and his seniority, pension and other matters vis-à-vis employment with the medical teaching institution, shall be determined in the manner, as may be prescribed.

(7) If at any time, the management of the medical teaching institution reverts to the Government for any reason, the employees appointed under sub-section (1) shall continue to serve the medical teaching institution, on the same terms and conditions as applicable to them immediately before such reversion.

(8) Subject to the other provisions of this section, all employees, whether having opted or directly appointed prior to commencement of this Act or pursuant to this Act shall be at all times be governed exclusively by the terms and conditions of service as may be prescribed.

(9) All employees, except the dean, hospital director, medical director, nursing director and finance director, shall have the right to appeal against any penalty to the Board unless such penalty is imposed by an order of the Board itself.

(10) Any employee aggrieved by a decision of the Board including the dean, hospital director, medical director, nursing director and finance director, may seek resolution of the grievance by referral of the grievance or dispute to the Tribunal.

(11) Any and all employment disputes as may be pending before the courts of law shall be deemed transferred with immediate effect for adjudication to the Tribunal established under this Act.

18. Tribunal.— (1) The Government shall establish by notification in the official Gazette a Tribunal which shall perform its functions in the prescribed manner for the purpose of sub-sections (10) and (11) of section 17.

(2) The Tribunal shall consist of a minimum of six members appointed for a term of five years by the Government in the prescribed manner and no person shall be appointed as member of the Tribunal unless he has been a Judge of the Supreme Court or a High Court or an advocate of the Supreme Court of Pakistan having at least twenty-five years experience of active practice as an advocate.

(3) The Government shall in the prescribed manner appoint a Secretary of the Tribunal who shall be responsible for managing the affairs of the Tribunal and its operations.

(4) The members of the Tribunal shall receive such remuneration as may be prescribed by rules.

(5) Each dispute referred to the Tribunal shall be decided within a maximum period of ninety days from being filed.

(6) The parties may be required to pay an institution and other fees as may be prescribed. Any shortfall in the cost of operation of the Tribunal shall be funded by the Government.

(7) Any party may within thirty days file an appeal against a decision of the Tribunal before the High Court of the competent jurisdiction and which shall be heard by a Division Bench of the High Court and decided within six months of being instituted.

19. Private practice.— (1) After the commencement of this Act, all consultants working in government hospitals, clinics, imaging facilities and laboratories belonging to the medical teaching institution shall be given an option either to do their private practice within the hospitals, clinics, imaging facilities and laboratories of the medical teaching institution or to do their private practice outside the hospitals, clinics, imaging facilities and laboratories of the Medical Teaching Institution, as the case may be. The option shall in the prescribed manner be exercised within a period of sixty days as prescribed under regulations.

(2) Employees who opt for private practice within the premises of the hospital, clinics, imaging facilities and laboratories of the medical teaching institution, may be entitled to such increase in salary, adjustment, bonuses or other ancillary benefits, as the Board may approve.

(3) Employees who do not opt for private practice within the premises of hospitals, clinics, imaging facilities and laboratories of the medical teaching institution, shall be allowed to do their private practice outside the premises of the hospitals, clinics, imaging facilities and laboratories of the medical teaching institution and shall not be entitled to any increase in adjustment, incentives bonuses or other ancillary benefits, or to hold management or lead positions, except in case of extreme exigency as determined by the Board.

(4) All employees hired after the commencement of this Act shall be expected to perform their private practice within the medical teaching institutions hospital, clinics, imaging facilities and laboratories and shall not be permitted private practice outside these facilities.

(5) In the performance of functions in the hospital, the consultant shall be responsible to the hospital management, with respect to service provided to the patients in the hospital and shall follow all the rules and regulations relating to hospital management.

(6) The medical teaching institution shall provide facilities for the most efficient services to allow the consultants to perform their services at the highest level of excellence, including space, equipment, nursing, ancillary or clerical staff, laboratory, imaging and inpatient and surgical services as needed. Such facilities shall remain open as long as necessary to provide these services. The individual consultant shall be held responsible for the most efficient use of the facilities and shall be expected to provide cost and income projections for each new facility, equipment or service request with the support of hospital director and staff.

(7) Consultants professional fee shall not exceed the usual and customary fees charged for the same services in the community, assuring efficiency and value for money to the clients.

(8) Private patient billing shall consist of the professional fee component and the institutional charges representing the charges of the clinic, imaging facility, laboratory services or other institutional charges:

Provided that all patient billing shall be done only by the hospital, clinic, imaging facility or laboratory, and the professional fee component shall be returned to the consultant.

(9) No reduction of the professional component income to the Consultant from the patient shall be permissible by the medical teaching institution.

(10) A percentage share from the institutional charges shall be distributed between the employees, based on performance and productivity, according to a format to be prescribed by regulations.

20. Retention of fee.— (1) Notwithstanding anything contained in any law or rules, the medical teaching institution shall retain receipts from various fees levied by Government or the Board to meet recurring and development expenditure of the medical teaching institution.

(2) The amount realized from such receipts shall not be deducted from the annual grant provided by Government and such amount realized from the receipts shall be utilized as per specification by the Board.

21. Fund.— (1) There shall be a Fund in the name of the Medical Teaching Institution Fund and the management thereof shall vest in the Board.

(2) The Fund shall consist of-

- (a) grants from the Government as a single line budget;
- (b) receipts and user charges as specified by Board in consultation with Ministry of National Health Services, Regulations and Coordination from time to time in such manner as may be prescribed;
- (c) voluntary contributions or donations; and
- (d) grants from other sources.

(3) The Fund shall be kept in such custody and shall be utilized and regulated in such manner as may be prescribed by regulations after consultation with the Ministry of National Health Services, Regulations and Coordination.

(4) The Fund account shall be maintained at such bank or treasury as may be prescribed by regulations after consultation with the Ministry of National Health Services, Regulations and Coordination.

(5) Subject to any other law for the time being in force in this behalf, the Board may, in so far as its money is not required for immediate expenses, invest the surplus money in such manner as may be prescribed.

(6) The Board may invest surplus money as prescribed under the regulations.

22. Budget, audit and accounts.—(1) The budget shall be approved by the Board and its accounts shall be maintained and audited in such manner as may be prescribed on the advice of the Auditor General of Pakistan.

(2) Government shall carry out annual audit of the Board through a third party .

(3) The medical teaching institutions accounts shall be audited by the Auditor General of Pakistan.

23. Employees to be public servant.— The employees of the medical teaching institution shall be deemed to be public servants within the meaning of section 21 of the Pakistan Panel Code, 1860 (Act XLV of 1860) provided it shall not ascribe to them any rights of employment or benefits as may be otherwise applicable to public servants.

24. Removal of difficulties.— If a difficulty arises in giving effect to any of the provisions of this Act, the Government may, by notification in the official Gazette, make such order as it deems necessary for removal of the difficulty:

Provided that this power shall not be exercised after two years of the commencement of this Act.

25. Power to make rules.—(1) The Government may, by notification in the official Gazette, make rules for giving effect to the provisions of this Act.

(2) The power to make rules conferred by this section shall be subject to the condition of previous publication and, before making any rules, the draft thereof shall be published on the website of the medical teaching institution and the Division concerned for eliciting public opinion thereon within a period of not less than fifteen days from the date of publication.

26. Power to make regulations.— (1) The Board may make regulations, not inconsistent with the provisions of this Act and the rules, for carrying out the purposes of this Act subject to the financial regulations not being contrary to any general directions of the Finance Division pertaining to utilization of public funds.

(2) The power to make regulations conferred by this section shall be subject to the condition of previous publication and, before making any regulations, the draft thereof shall be published on the website of the medical teaching institution, for eliciting public opinion thereon within a period of not less than fifteen days from the date of publication.

27. Overriding effect.— (1) Notwithstanding anything to the contrary contained in any other law for the time being in force, the provisions of this Act shall have an overriding effect and the provisions of any such law to the extent of such inconsistency to this Act shall cease to have effect.

(2) In the event of a conflict between this Act and a statute constituting a university, the provisions of this Act shall prevail.

SCHEDULE-I

(see sections 3)

List of institutions (colleges and hospitals) declared as medical teaching institutions

1. Pakistan Institute of Medical Sciences, Islamabad along with the Federal Medical and Dental College, Islamabad being a teaching hospital and constituent college respectively of the Shaheed Zulfiqar Ali Bhutto Medical University, Islamabad.
2. School of Dentistry, Islamabad and its Dental Hospital being a constituent college of the Shaheed Zulfiqar Ali Bhutto Medical University, Islamabad.

STATEMENTS OF OBJECTS AND REASONS

'The Federal Medical Teaching Institutes Act, 2020'

To provide autonomy to the Federal medical training institutes and its affiliated teaching hospitals, to enhance the services being rendered by them, to improve their performance and quality of medical education, an initiative was taken by Ministry of National Health Services, Regulation & Coordination in consultation with National Health Reforms Tasks Force constituted by the Prime Minister, to draft the law titled "The Federal Medical Teaching Institutes Act, 2020".

2. The act inter alia will provide the following;

- Medical Teaching Institutions established under this act shall be body corporate;
- To undertake all functions required for providing health facilities and healthcare services to the people and to provide medical education, training and research, and to perform such other functions as are assigned to it by Government from time to time;
- There shall be a BOG of the Medical Teaching Institutions to administer and manage its affairs. The Board shall be responsible for ensuring achievements of objectives of medical technical institutions;

3. In order to carry out the mandate of the law. The draft act has been prepared to achieve the above said objects.

Zaheerud-Din Babar Awan

Adviser to the Prime Minister on Parliamentary Affairs

Dissenting Note

A Meeting of the Standing Committee on National Health Services, Regulations and Coordination was held in Ministry of Health, Kohsar Block, Islamabad on 24th May, 2021 at 1:30 p.m.

We, the Members of the Standing Committee on National Health Services, Regulations and Coordination unanimously ~~reject~~ **reject** The Federal Medical Teaching Institute Bill, 2020 (Ord No XVIII of 2020).

We are of the opinion that this Bill would neither favor nor improve the condition of the existing hospital system. Instead, implementation of this Bill would only further deteriorate the prevailing condition and system of the above mentioned hospitals and patient care over there.

Being Members of the Standing Committee of the National Health Services, Regulations and Coordination, we, hereby, submit our dissenting note and oppose the bill in totality.

MR James Iqbal

— Dr. Samina Mallik
NA 284

— DR Shazia Sobia Aslam

Soomro NA-312

— Shamsunnissa
NA 232

— DR. NISAR AHMAD CHEEMA
NA 79

— DR. Malash Kumar
Malani
NA. 222

— Ramesh Lal

— Dr. Khan
NA 338

— N.A 340