GOVERNMENT OF KHYBER PAKHTUNKHWA
HEALTH DEPARTMENT
DIRECTORATE GENERAL HEALTH SERVICES

REQUEST FOR PROPOSALS

Independent External Audit of the Sehat Card Plus Program

The Health Department, Government of Khyber Pakhtunkhwa, invites proposals from chartered accountancy firms currently listed in **Category A of the State Bank of Pakistan Panel of Auditors** for an independent external audit of the Sehat Card Plus Program for **FY 2023-24, FY 2024-25 and FY 2025-26**. The assignment must be completed within two calendar months from the date of signing the contract.

Each firm shall submit a complete proposal, including all documents required by the RFP, through EPADS under the **Single Stage-One Envelope** procedure.

The Governor of Khyber Pakhtunkhwa has granted an exemption for this audit from the relevant provisions of the Act and the KPPRA Rules, 2014, under **Section 14(1) of the Khyber Pakhtunkhwa Public Procurement Regulatory Authority Act, 2012**.

Upload evidence of the proposal security of **Rs. 5 million** in favour of the Director General Health Services, Khyber Pakhtunkhwa, and deliver the original to the DGHS Procurement Cell by the submission deadline.

Pre-proposal meeting	Thursday, 3 December 2026 at 11:00 a.m. Main Conference Room, DGHS
Proposal submission	Thursday, 10 December 2026 by 11:00 a.m. EPADS
Proposal opening	Thursday, 10 December 2026 at 11:30 a.m. Main Conference Room, DGHS

The detailed RFP and Terms of Reference are available through EPADS. All procurement communications will be issued through EPADS.

Waleem Awan.

DIRECTOR GENERAL HEALTH SERVICES
Khyber Pakhtunkhwa
Ex-FATA Secretariat, Warsak Road, Peshawar
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24/11/26

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DETAILED REQUEST FOR PROPOSALS (DETAILED RFP)

Hiring of Independent External Auditor for the Sehat Card Plus Program

Health Department, Government of Khyber Pakhtunkhwa

Government Exemption

The Government of Khyber Pakhtunkhwa approved an exemption for this audit procurement from the relevant provisions of the KPPRA Act, 2012 and Rules, 2014 under Section 14(1) of the Act. On 15 November 2026, the Governor approved paragraphs 5 and 6 of the Health Department Summary No. SO(HEALTH)/17957256575854918/2026. The exemption applies solely to this audit assignment.

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1. Invitation for Proposals:

The Health Department, Government of Khyber Pakhtunkhwa (GoKP), invites complete proposals through EPADS from chartered accountancy firms currently listed in Category A of the State Bank of Pakistan (SBP) Panel of Auditors for the independent external audit of the Sehat Card Plus Program.

The assignment aims to provide an independent assessment of the financial, operational, contractual, governance, compliance, information systems, and performance aspects of the Sehat Card Plus Program, with a focus on transparency, accountability, economy, efficiency, effectiveness, and value for money in the utilization of public resources.

Qualified firms meeting the eligibility requirements contained in this RFP are invited to submit proposals in accordance with the prescribed procedures and timelines.

Only firms with current SBP Category A status are eligible. Refer to the Annexure to BPRD Circular Letter No. 01 of 2026 dated 15 January 2026 and any subsequent SBP updates. Submit evidence of current Category A status with the proposal.

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2. Procuring Entity:

Client: Health Department, Government of Khyber Pakhtunkhwa

Project: Sehat Card Plus Program

Assignment Title: Independent External Audit of the Sehat Card Plus Program

Method of Selection: Least Cost Method

Procurement Office: Directorate General Health Services (DGHS), Khyber Pakhtunkhwa.

3. Background:

The Government of Khyber Pakhtunkhwa has implemented the Sehat Card Plus Program to provide universal health coverage and financial risk protection to eligible citizens through contracted insurance providers and empaneled public and private healthcare facilities.

Given the scale of public expenditures and the strategic importance of the program, the Health Department intends to engage an independent audit firm to conduct a comprehensive review of the program's financial management, premium payments, claims administration, governance arrangements, compliance mechanisms, information systems, and overall program performance.

The audit will provide assurance regarding the proper utilization of public funds, identification of risks and control weaknesses, and recommendations to enhance accountability and service delivery.

4. Objectives of the Assignment:

The selected firm shall independently assess and report whether:

1. Public resources have been utilized economically, efficiently, effectively, and transparently.
2. Premium/Admin Cost calculations and payments comply with applicable contracts, laws, and approved procedures.
3. Claims paid to healthcare facilities are genuine, eligible, adequately supported, and compliant with program policies.
4. Governance and internal control mechanisms are adequate and functioning effectively.
5. Risks relating to fraud, abuse, duplicate claims, wastage, overbilling, and misappropriation are effectively managed.
6. The program is achieving intended objectives and providing value for money to the Government and beneficiaries.

5. Scope of Services:

The selected firm shall review the records of the Program, insurer and hospitals for all three financial years. Site visits to all ten hospitals below are mandatory. Explain how transactions and beneficiaries will be selected for verification, giving priority to higher-risk areas.

Medical Teaching Institutions (MTIs)

- Khyber Teaching Hospital, Peshawar (MTI)
- Ayub Teaching Hospital, Abbottabad (MTI)
- Lady Reading Hospital, Peshawar (MTI)
- Peshawar Institute of Cardiology, Peshawar (MTI)

Public Sector Hospitals

- District Headquarters Hospital, Batkhela
- Benazir Bhutto Shaheed Teaching Hospital, Abbottabad
- District Headquarters Hospital, Saidu Sharif, Swat

Private Hospitals

- Akber Medical Center, Mardan.
- Prime Hospital, Peshawar.
- Luqman International, Swat.

The audit shall include, but not be limited to, the following components:

A. Financial Audit:

- Review and verification of all financial transactions.
- Examination of budget allocations, releases, utilization, and reconciliation processes.
- Review of accounting records maintained by PMU (Sehat Card Plus Program), insurance company, and other stakeholders.
- Verification of supporting records and financial statements.
- Review of compliance with applicable financial and regulatory requirements.
- Identification of irregular or unsupported expenditures.

- Assessment of fund management and financial reporting systems.
- Review of hospital empanelment criteria and assessment procedures.

B. Premium Payment and Administrative Cost Audit:

- Verify premium determination methods and the calculation and payment of administrative charges.
- Review of beneficiary and population datasets.
- Assessment of duplication and double-dipping risks.
- Examination of premium invoices, approvals, and payments.
- Assessment of actuarial assumptions and premium adjustments.
- Identification of any overpayments, underpayments, or inappropriate revisions.

C. Claims Audit:

- Review of hospital claims.
- Verification of authenticity, validity, and eligibility.
- Sample-based and risk-based testing.
- Verification of admission records, patient files, discharge summaries, and supporting documentation.
- Detect duplicate, inflated, fraudulent, fictitious or unsupported claims and identify potentially unnecessary procedures, diagnostics, treatments and related claims.
- Review of claims adjudication and settlement processes.
- Evaluation of accepted and rejected claims.

D. Hospital Utilization Review:

- Analysis of utilization trends across districts and facilities.
- Review of high-cost treatments and unusual admission patterns.
- Assessment of referral practices.
- Evaluation of data quality and reporting mechanisms.
- Assessment of alignment with program objectives.

E. Internal Control Review:

Assessment of:

- Governance structures.
- Segregation of duties.
- Financial management controls.
- Claims processing controls.
- IT controls and cybersecurity.
- Monitoring mechanisms.
- Vendor management practices.
- Risk management frameworks.
- Corrective action tracking systems.

F. Compliance Audit:

Review compliance with:

- Contractual agreements.
- Program Operational Guidelines.
- Applicable procurement requirements, taking account of the exemption stated under Government Exemption.
- Government financial regulations.
- Taxation laws.
- Healthcare regulations.
- Relevant laws, rules, notifications, and directives.

G. Information Systems and Data Audit:

- Evaluation of IT systems supporting the program.
- Verification of database completeness and reliability.
- Review of beneficiary enrollment records.
- Assessment of access controls and cybersecurity safeguards.
- Examination of claim-processing applications and reporting tools.

H. Fraud Risk Assessment and Forensic Review:

- Identification of indicators of fraud, waste, abuse, and corruption.

- Detection of duplicate beneficiaries and claims.
- Review of conflict-of-interest issues.
- Conduct forensic review procedures where required.
- Recommend fraud prevention measures.
- Quantify supported financial effects and potential recoveries.

I. Performance and Value for Money Audit:

Assessment of program performance in terms of:

Economy: Acquisition of resources at reasonable cost.

Efficiency: Conversion of inputs into outputs at optimum cost.

Effectiveness: Achievement of intended objectives and outcomes.

Value for Money: Overall benefit derived from public expenditure.

J. Beneficiary Verification:

- Field verification exercises.
- Validation of treatments against submitted claims.
- Assessment of quality & quantity of medicines, surgical items & consumables utilized.
- Beneficiary satisfaction surveys.
- Verification of beneficiary eligibility and existence.

K. Contract Management Review:

- Compliance with Service Level Agreements (SLAs).
- Performance obligations of the insurance company.
- Contract amendments and variations.
- Enforcement of contractual penalties.
- Monitoring and reporting arrangements.

6. Audit Period and Completion Deadline:

The audit shall cover FY 2023–24, FY 2024–25 and FY 2025–26.

The firm shall complete the entire assignment, including the final audit report, management letter and presentation, within two calendar months from the date of signing the contract.

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7. Expected Methodology:

The firm shall employ an internationally accepted audit methodology, including:

- Risk-based auditing.
- Compliance testing.
- Substantive testing.
- Data analytics.
- Statistical and judgmental sampling.
- Site inspections of all mentioned hospitals.
- Beneficiary verification surveys.
- Stakeholder interviews.
- Forensic audit procedures where necessary.

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8. Deliverables:

The selected firm shall submit the following deliverables:

8.1 Inception Report:

Submit within 14 calendar days of contract signing. Include the following:

- Assignment understanding.
- Audit strategy.
- Methodology.
- Work plan.
- Staffing schedule.
- Sampling plan, team responsibilities and records required.

8.2 Interim Reports:

Submit monthly progress reports. Report significant matters requiring urgent action immediately. Include the following:

- Key observations.
- Significant risks.
- Urgent control weaknesses.
- Emerging issues requiring management action.

8.3 Draft Audit Report:

Submit by the end of the first calendar month from contract signing to allow time for management comments before the final deadline. Include the following:

- Executive Summary.
- Audit scope, methodology and limitations.
- Detailed findings and supporting evidence.
- Risk analysis.
- Financial implications.
- Root cause analysis.
- Recommendations.

8.4 Final Audit Report:

Submit within two calendar months from contract signing. Incorporate management responses and final recommendations.

8.5 Management Letter:

Submit within the same two-month completion period. Cover the following:

- Internal control weaknesses.
- Governance issues.
- Corrective actions required.

8.6 Presentation:

Within the same two-month completion period, formally present the findings to the Director General Health Services or designated committee and designated stakeholders.

9. Key Outputs:

The final report shall specifically identify:

- Financial irregularities.
- Unsupported expenditures.
- Premium overpayments and underpayments.
- Fraud indicators.
- Duplicate claims.
- Internal control weaknesses.
- Governance deficiencies.
- Contractual breaches.
- Information system vulnerabilities.
- Recovery opportunities.
- Policy and procedural improvements.

Distinguish suspected fraud from established findings. State potential recoveries separately from amounts established as recoverable.

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10. Minimum Team Composition:

The proposed team shall include:

- Engagement Partner
- Audit Manager
- Chartered Accountants
- Healthcare Financing Specialist
- Medical & Surgical Specialist
- Actuarial Expert (where required)
- IT Audit Specialist
- Data Analytics Specialist

- Forensic Audit Specialist
- Field Verification Team

CVs and evidence of qualifications shall be submitted with the proposal.

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11. Proposal Submission Requirements:

Submit all required documents and the financial offer together in one complete proposal through EPADS under the Single Stage-One Envelope procedure.

Eligibility Documents

Submit evidence of current SBP Category A status, professional registration, relevant experience, applicable tax registrations including KPRA where required, signing authority, and declarations of independence, conflicts of interest and non-debarment.

Audit Approach and Team

Submit the methodology, sampling plan, two-month work plan, team details, CVs and evidence of qualifications.

Financial Proposal

Quote one lump-sum price in Pakistani rupees covering all assignment costs. Provide a breakdown that includes:

- Detailed professional fee breakdown.
- Personnel costs.
- Travel, hospital visits and field verification costs.
- Taxes and duties.
- All other assignment costs, including any reimbursable expenses, within the quoted lump sum.

Proposal Security

Upload evidence of the proposal security of Rs. 5 million in favour of the Director General Health Services, Khyber Pakhtunkhwa, through EPADS and deliver the original to the Procurement Cell, DGHS, by the proposal submission deadline.

12. Evaluation and Award:

DGHS will check eligibility and responsiveness against this RFP. The eligible and responsive firm with the lowest evaluated price will be recommended for award, subject to approval by the competent authority.

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13. Confidentiality:

The selected firm shall maintain strict confidentiality regarding all information, beneficiary records, datasets, reports, findings, and documentation obtained during the assignment. Disclosure to third parties without prior written approval of the Health Department shall be prohibited.

The selected firm shall remain independent throughout the assignment and protect patient records, financial information and other audit material.

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14. Reporting Arrangements:

The selected firm shall report directly to the Director General Health Services, Khyber Pakhtunkhwa, or a designated committee.

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15. Ownership of Reports and Retention of Working Papers:

Audit reports, findings, datasets, analyses, recommendations and supporting documentation generated as deliverables under the assignment shall remain the property of the Health Department, Government of Khyber Pakhtunkhwa. The audit firm shall retain its working papers in line with professional requirements.

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16. Right of Acceptance and Rejection:

The Health Department reserves the right to accept or reject any or all proposals or annul the procurement process at any stage, subject to applicable government requirements and the exemption stated in this RFP, without incurring liability to participating firms.

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17. Proposal Schedule and Contact Details:

Pre-proposal meeting: Thursday, 3 December 2026 at 11:00 a.m. in the Main Conference Room, DGHS.

Proposal submission: Thursday, 10 December 2026 by 11:00 a.m. through EPADS. Deliver the original proposal security to the DGHS office by the same deadline.

Proposal opening: Thursday, 10 December 2026 at 11:30 a.m. in the Main Conference Room, DGHS. Proposers or their authorised representatives may attend.

DGHS office address: Ex-FATA Secretariat, Warsak Road, Peshawar. Telephone: 091-9210269.