

A BILL FOR AN ACT TO PROVIDE FOR ESTABLISHMENT OF THE FEDERAL CAPITAL TERRITORY HEALTH INSURANCE AGENCY, TO INSTITUTE THE FEDERAL CAPITAL TERRITORY HEALTH INSURANCE SCHEME TO PROVIDE COMPREHENSIVE, QUALITY AND AFFORDABLE HEALTH CARE SERVICES FOR ALL RESIDENTS OF THE FEDERAL CAPITAL TERRITORY AND FOR RELATED MATTERS. (HB. 1545)

Provisions of the Bill	Committee of the Whole Recommendations
BOARD PART I - ESTABLISHMENT OF THE FCT HEALTH INSURANCE AGENCY Establishment of the FCT Health Insurance Agency 1. (1) There is here by established in the Federal Capital Territory (FCT) a body to be known as FCT Health Insurance Agency (in this Bill referred to as "the Agency"). (2) The Agency: (a) shall be a body corporate with perpetual succession and a common seal; (b) may sue and be sued in its corporate name; (c) may acquire, hold or dispose of any moveable or immoveable property for the purpose of its functions under this Bill.	Retained
Principal Objective of the Agency 2. The principal objective of the Agency shall be to, supervise and ensure the effective administration of the FCT Health Insurance Scheme.	Retained
Establishment of the Board 3. (1) There is hereby established for the FCT Health Insurance Agency Governing Board (in this Bill referred to as "the Board"). (2) The Board shall comprise of: (a) a Chairman; (b) the Chairman of Association of Local Governments of Nigeria (ALGON), FCT Chapter; (c) Chairman of the FCT Traditional Council;	Retained

matters contained therein.	
Tenure of Office of Board Members and Cessation of Membership of the Board 4. (1) All Members of the Board shall hold office for a term of four years and may be re-appointed for another term of four years only; (2) The office of a Member of the Board shall become vacant if the Member: (a) resigns by notice in writing under his hand, addressed to the Minister and submitted through the Secretary of the Board to the Secretary HHSS, which resignation shall take effect only on acknowledgement by the Minister; (b) becomes bankrupt or enters into composition with creditors; (c) is convicted of a criminal offence; or (d) becomes incapable of discharging duties assigned by reason of mental or bodily infirmity. (3) A Member of the Board may be removed from office by the Minister, if he is satisfied that it is in the interest of the Agency or the interest of the public that the member should not continue in office. (4) Where a vacancy occurs in the membership of the Board, it shall be filled by the appointment of a successor to hold office for the remainder of the term of office of his predecessor, provided that the successor shall represent the same interest as the predecessor.	Retained
PART II - OBJECTIVES, FUNCTIONS AND POWERS Objective of the Agency 5. The Agency Shall: (1) Regulate, supervise, implement and ensure effective administration of the FCT Social Health Insurance Scheme. (2) Ensure that all residents of the FCT have financial protection, physical access to quality and affordable health care services;	Retained

(4) approve formats of contracts for the Third-Party Administrations and all Health Care Providers; (5) carry out public awareness and education on the establishment and management of the health scheme; (6) promote the development of other programs for wider participation in the scheme including developing new Health Plans; (7) implementation of the basic minimum benefit package as defined under the National Health Act, 2014; (8) the definition of benefit packages to be provided under the Health Plans as provided in Section 5 of this Bill; (9) registering National Health Insurance Scheme (NHIS) accredited Third-Party Administrations, FCT accredited health care facilities and other relevant institutions; (10) classify healthcare facilities and providers in a manner that shall help improve health outcomes in the FCT as required under the National Health Act; (11) reimburse health care providers in line with services delivered under the scheme (12) determining the percentage of the premiums or other contributions from private health plans that shall be payable as cross subsidy to the Fund for the purpose of financing the Health Equity Plan under Section 16 for the poor and vulnerable; (13) approving format of contracts for the Third-Party Administrations and all health care providers; (14) determine, after due consideration capitation, fee-for service and other payment mechanisms due to health care providers, by the Third-Party Administrators. (15) advise the relevant bodies on inter-relationship of the agency with other social security services; (16) coordinate research and statistics;	
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(viii) the imposition of surcharges in respect of late payment of contributions by employers or employees; (ix) the manner and circumstances under which contributions may be remitted and refunded; (x) negotiated fees and charges payable for medical, dental, pharmaceutical and all other health services provided under the scheme; (xi) the nature and amount of benefits to be provided under this Scheme, the circumstances and the manner under which the benefits shall be provided; (xii) the nature and amount of capitation, fee-for-service, per-diem or other payment options under this Scheme. (xiii) the reduction, suspension or withdrawal of any payment under this Scheme; (xiv) the submission of returns by employers regarding the employers and their employees; and (xv) the procedure for assessment of contributions made under this Scheme. (2) Any other matter whatsoever on which, in the opinion of the Agency, is necessary or desirable to make regulation and issue guidelines for giving effect to this Bill. (3) The guidelines issued under subsection (i), (iii) and (iv) of this Section may provide for different levels of contributions payable by different classes of persons.	
Functions and Powers of the Board 8. For the purpose of carrying out the functions of the Agency, the Board shall, subject to the direction of the Minister, have powers to: (i) determine the organizational structure of the Agency; (ii) approve for the Agency private health maintenance, organizations operating in the FCT and their private health plans; (iii) determine the overall policies of the Health Scheme, including the	Retained

(a) be the Chief Executive and Accounting Officer of the Agency and shall be responsible for the day-to-day management of the affairs of the Agency; (b) be a person of integrity with relevant qualifications in Health Management, Health Economics or Public Health with a minimum of ten (10) years professional experience; and (c) hold office for a term of four years on such terms and conditions as may be specified in their letters of appointment and may be reappointed for another term of four years only.	
Organogram. 10. The Agency shall have the power to establish and maintain such Departments, Offices, Subsidiary Divisions, Sections and Units and make other administrative arrangements as may, in its opinion, be necessary or expedient for the performance of its functions.	Retained
Employees of the Agency 11. Without prejudice to extant legislation, Public Service Rules, Scheme of Service and Operational Guidelines of the Agency, the Agency shall: (a) have the power to appoint or employ such contract or permanent employees whether professional or non-professional, including reputable and competent external consultants, as it may require to carry out its functions; and (b) determine the allowances and other terms and conditions of service of staff.	Retained
Pensions 12. (1) Employment in the Agency shall be scheduled service for purposes of the Pensions Act. (2) Employees of the Agency shall be entitled to pensions and other retirement benefits in accordance with the Pension Reform Act 2014 or such other Act as may be in force to regulate pension matters.	Retained
Confidentiality and Non-Disclosure	Retained

the informal sector. The point of entry shall be designated Public and Private health facilities; (c) The Formal Health Plan (FHP) - This shall be a contributory plan for all public and organized private formal sector employees wherein the employer and employees shall make contributions as determined by the Board. (d) Any other component as may be developed by the Agency with the approval of the Board. (2) The operational guideline shall explicitly define the content of each Health plan.	
Applicability of the Scheme 16. The Scheme shall be compulsory and apply to all residents of the FCT except those already covered by the National Health Insurance Scheme (NHIS).	Retained
Appointment of Licenses Actuary for the Agency 17. (1) The Agency shall appoint a licensed actuary on such terms and conditions as the Board may determine. (2) The actuary shall review the services package and evaluate it actuarially, including the rates of contributions payable for the service and make appropriate recommendation to the Agency. (3) If having regard to the review and evaluation carried out by the Actuary under subsection (2) of this section, the Agency considered that the rates of contributions have not retained their value in relation to the general level of earning in Nigeria, the Agency shall in consultation with the Actuary modify the rates to the extent considered appropriate and bring the new rates to the notice of the persons affected by the modification.	Retained
Registration of all FCT Residents 18. Subject to such guidelines and regulations as may be made under this Bill: (a) all residents of the FCT shall be registered under the Scheme; and (b) all employers and their employees in both public and private sectors	Retained

composition of the organization; (d) have account(s) with one or more banks as maybe designated by the Agency; (e) comply with other accreditation requirements of the NHIS (in the case of HMOs); (f) give an undertaking that the organization shall perform activities outsourced to it pursuant to this Act in accordance with the guidelines to be issued, by the Agency. (g) the organization must be registered with the Corporate Affairs Commission (CAC) or other legislations. (3) Registration of TPA, and other HIAs shall be renewed annually.	
Refusal of License 21. (1) The Agency may refuse to issue a license to any applicant pursuant to an application made under Section 20 of this Act if it is satisfied that: (a) the information contained in the application for a license is false in any material particular; or (b) the application does not meet the requirements prescribed by the Agency for grant of a license; (2) Where the Agency refuses to register any organization, it shall forthwith notify the applicant in the prescribed form, specifying the reasons for such refusal if need be. However, such an organization may re-apply at a time it has fulfilled all the necessary conditions for registration.	Retained
Revocation of License 22. (1) The Agency may revoke a license issued to an organization, if: (a) it discovers after the grant of license that a statement was made in connection with the application thereof which the applicant knew to be false in any material particular; (b) the organization is subject to any insolvency proceedings or is to be wound up or otherwise dissolved;	Retained

(i) ensuring that all monies received from the commission, are kept in accordance with guidelines issued by the Board; and (j) establishing and maintaining of a quality assurance.	
Direct Delivery of Health Care Services 24. Notwithstanding anything contained in this Bill, TPAs shall not be involved in the direct delivery of health care services.	Retained
Contribution to be Inalienable 25. Contributions payable under this Bill shall be inalienable and shall not be assets for the benefit of creditors in the event of the bankruptcy or insolvency of a contributor or an organization.	Retained
Provisions of the Companies and Allied Matters Act (CAMA) 1990 on Liabilities 26. Where, under Section 591 of the Companies and Allied Matters Act (CAMA) 1990, an order is made by a Court under subsection (3) of that section of mergers which include the transfer to the company of the whole the property and liabilities of a transferor company, the order shall include provisions for the taking over, as from such date as may be specified in the order, of any liability for any contribution which has become due and payable under this Bill (together with any accrued interest thereon) in respect of the employees concerned in the undertaking, property or liability transferred.	Retained
Role of the FCT Executive Committee 27. The FCT Executive Committee shall collaborate with relevant Federal Government Agencies in the realization of the set objective of this Bill.	Retained
Professional Indemnity 28. Health care providers shall be required to take professional indemnity cover from a list of insurance companies as may be designated by the Agency in consultation with NHIS.	Retained
Immediate access to the Fund of Uninsured Individuals with pre-existing	Retained

(e) Funds from the Basic Health Care Provision Fund (BHCPF); (f) such money as may be due from HMOs; (g) Contributions received from the formal and informal enrollees and their employers including the Federal Capital Territory Administration (FCTA) and Area Councils for public sector enrollees; (h) fees, fines and commission charged by the Agency; (i) Donations or grants-in-Aid from private organizations, philanthropists, International donor organizations and Non-Governmental organizations; (j) interests from investments; and (k) all other monies which may accrue to the Agency. (3). The fund shall be ring-fenced from other government funds and not subject to virement for other purposes other than listed below in section 35. (4) The funds will be rolled over at the end of the financial year and not subject to refund to the treasury.	
Disbursement of Fund 34. (1) The Agency shall disburse at least 80% of premium funds directly to the Health Care Providers from the fund. (2) The Agency shall on approval of the Governing Board, apply administrative funds at its disposal- (a) for and in connection with the non-medical objectives of the Agency under this Bill; (b) to the cost of administration of the Agency; (c) to the payment of fees, allowances and benefits of members of the Board; (d) marketing and distribution costs directly or indirectly payable to health insurance agents;	Retained

38. The Agency through her appointed Officers may enter, inspect and audit any premises, books, accounts and records of any HCP, HIAs that have received payments under this Bill at any time and may require the scheme stakeholder to verify in a manner prescribed, any information submitted to the Agency.	
Failure to keep record books 39. Where a HCP or HIA fails to keep the books, records and returns required under this Bill or any Regulations made there under, the Agency may levy appropriate sanction against the HCP or HIA including withholding payments due to it until the HCP or HIA complies with the provisions of this Bill and the registration made here under.	Retained
Pooling of contribution under the Scheme 40. (1) The FCT Health Insurance Scheme Fund (FHISF) shall be administered through carefully selected banks as approved by the Board, for the pooling of all contributions. (2) The Agency shall cause HIA's to pay or remit contributions or agreed proportions of contributions received from private health plans to designated Agency bank accounts. (2) The Agency shall cause HIAs to produce, in a recognized format and subject to guidelines to be issued by it performance/security bond from accredited banks or insurance companies.	Retained
PART VI – MISCELLANEOUS RESOLUTIONS, OFFENCES AND PENALTIES, PROCEEDINGS IN COURT, PROCEEDINGS OF THE BOARD, ETC Dispute Resolution 41. (1) Whenever there is a dispute amongst parties under this Bill, it shall first be referred to Arbitration, Mediation or Conciliation before resorting to litigation. (2) The membership of the panel and the applicable Arbitration and Conciliation Act, Laws of the Federation of Nigeria, 2004.	Retained
Offences and Penalties 42. (1) Any person who produces to an admitting official of a	Retained

(2) In this section, "officer" includes: (a) in the case of Ministries, Departments and Agencies (MDAs) the accounting officer; (b) in the case of a body corporate, Chief Executive, a Director, by whatever name called, Manager and Secretary of the body corporate; (c) in the case of a firm, a partner, manager and secretary of the firm; and (d) in the case of any other association of individuals, a person involved in the management of the affairs of the association.	
Prosecution by the Agency 44. Any person who contravenes any of the provisions of this Bill shall be prosecuted by the legal officers of the Agency with the necessary fiat of the Attorney General of the Federation.	Retained
Jurisdiction 45. (1) The High Court of the FCT shall have jurisdiction: (a) to try offenders under this Bill; and (b) to impose the penalties provided for the offences in this Bill, notwithstanding anything to the in other enactment.	Retained
Commencement of Proceedings 46. Proceedings for an offence under this Bill may be commenced at any time after the commission of the offence.	Retained
Limitation of Suits against the Agency 47. (1) Subject to the provisions of this Bill, the provisions of the Public Officers Protection Act shall apply in relation to any suit instituted against any officer or employee of the Agency. (2) No suit shall be commenced against the Agency, a member of the Board, the Executive Secretary, officer or employee of the Agency before the expiration of a period of one month after written notice of intention to commence the suit shall have been served upon the Agency by the	Retained

"Administrative Charge" means a portion of the fund pooled by the FCT Health Insurance Scheme, dedicated to managing the operations of the Scheme;

"Agency" means FCT Health Insurance Agency;

"Area Council Chairman" means the political head of an Area Council;

"Basic Health Plan" means an affordable plan providing a prescribed benefit package of accessible healthcare services;

"BPHCF": means Basic Health Care Provision Fund;

"Board" means the Governing Board established under Section 4 of this Bill for the Agency;

"Capitation" means a payment to a health care provider in respect of covered services to be provided to an insured person registered with the healthcare provider, whether the person uses the services or not;

"Contribution" means a premium payable to Third Party Agent (TPA's) and FCT Health Insurance Scheme Fund (FHISF) or any other funds under this Bill;

"Executive Secretary" means the Executive Secretary of the Agency;

"Employee" means any person who is ordinarily resident in FCT and is employed in the public service or private sector;

"Employer" means an employer with five or more employees which includes the Federal, FCT and Area Council, any Extra-Ministerial Department or a person with whom an employee has entered into a contract of service or apprenticeship and who is responsible for the payment of the wages or salaries of the employee including the lawful representative, successor or assignee of that person;

"FCT" Means Federal Capital Territory;

"Fee-for-service" means payment made directly by TPAs, MHAs for completed healthcare services, not included in the capitation fees paid to healthcare providers following approved referrals and/ or professional services (specialist consultation, pharmaceuticals, laboratory and radiological investigations, optometric service sand similar services under

"Staff" means staff of the Agency; "TPA" means Third Party Administrators: "Vulnerable Group" refers to pregnant women, children under the age of 5, the aged as defined by the FCT HIS operational guidelines, the disabled, the poor and others in need of special care, support, or protection because of health status, age, disability, socio-economic status or risk of abuse or neglect;	
Citation 52. This Bill may be cited as the FCT Health Insurance Agency Bill, 2019.	Retained
SCHEDULE (Section 4 (6)) SUPPLEMENTARY PROCEEDINGS RELATING TO THE BOARD Quorum 1.-(1) Subject to this Act and Section 27 of the Interpretation Act, the Agency may make standing orders regulating its proceedings and those of any of its committees. (2) The quorum of the Board shall be the Chairman or the member presiding at the meeting and five (5) other members and the quorum of any Committee of the Board shall be determined by the Board. Meeting of the Board 2.-(1) The Board shall meet quarterly in a year, and subject thereto, the Board shall meet whenever it is summoned by the Chairman, and if the Chairman is required to do so, by notice given to him by not less than seven (7) other members, he shall summon a meeting of the Board to be held within fourteen (14) days from the date on which the notice is given. (2) At any meeting of the Board, the Chairman shall preside but if he is absent, the members present at the meeting shall appoint one of their members to preside at the meeting. Power to Co-opt 3. Where the Board desires to obtain the advice of any person on a particular matter, the Board may co-opt him to the Board for such period	Retained

