

FEDERAL CAPITAL TERRITORY HEALTH INSURANCE AGENCY BILL, 2019

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A BILL

FOR

AN ACT TO ESTABLISH THE FEDERAL CAPITAL TERRITORY HEALTH INSURANCE AGENCY TO INSTITUTE THE FEDERAL CAPITAL TERRITORY HEALTH INSURANCE SCHEME AND PROVIDE COMPREHENSIVE, QUALITY AND AFFORDABLE HEALTH CARE SERVICES FOR ALL RESIDENTS OF THE FEDERAL CAPITAL TERRITORY; AND FOR RELATED MATTERS.

Sponsored by Hon. Uzoma Nkem Abonta

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria:

1 PART I - ESTABLISHMENT OF THE FCT HEALTH INSURANCE

2 AGENCY AND BOARD

3 1.-(1) There is established the Federal Capital Territory (FCT) FCT
4 Health Insurance Agency (in this Act referred to as "the Agency").

Establishment of the FCT Health Insurance Agency

5 (2) The Agency:

6 (a) is a body corporate with perpetual succession and a common
7 seal;

8 (b) may sue and be sued in its corporate name;

9 (c) may acquire, hold or dispose of any moveable or immovable
10 property for the purpose of its functions under this Act.

11 2. The objective of the Agency is to, supervise and ensure the
12 effective administration of the FCT Health Insurance Scheme.

Objective of the Agency

13 3.-(1) There is established for the FCT Health Insurance Agency a
14 Governing Board (in this Act referred to as "the Board").

Establishment of the Board

15 (2) The Board shall consist of:

16 (a) a chairman;

17 (b) the Chairman of Association of Local Governments of Nigeria

18 (ALGON), FCT Chapter;

- 1 (c) Chairman of the FCT Traditional Council;
- 2 (d) one representative each of:
- 3 (i) the Health and Human Services Secretariat, not below the rank of a
- 4 Director,
- 5 (ii) the FCT Hospitals Management Board, not below the rank of a
- 6 Director,
- 7 (iii) the Executive Secretary, FCT Primary Health Care Board,
- 8 (iv) the Department of FCT Economic Planning, Research and
- 9 Statistics, not below the rank of a Deputy Director,
- 10 (v) the Department of Treasury, not below the rank of a Deputy
- 11 Director,
- 12 (vi) the Nigeria Employers Consultative Association, FCT Chapter,
- 13 (vii) Nigeria Labour Congress, FCT Chapter,
- 14 (viii) Trade Union Congress, FCT Chapter,
- 15 (ix) Health Care Providers Association of Nigeria, FCT Chapter,
- 16 (x) FCT Co-ordinator, National Health Insurance Scheme; and
- 17 (e) the Executive Secretary of the Agency, who shall also be the
- 18 Secretary to the Board.
- 19 (3) At least two of the members of the Board shall be females.
- 20 (4) Members of the Board other than the Executive Secretary, shall be
- 21 on part-time and appointed by the Minister on the recommendation of the
- 22 Secretary Health and Human Services Secretariat (HHSS).
- 23 (5) The Chairman shall be a person of integrity with a minimum
- 24 qualification of first degree or its equivalent and a minimum of 10 years
- 25 professional experience.
- 26 (6) Other members of the Board shall be persons of proven integrity.
- 27 (7) The supplementary provisions set out in the Schedule to this Act
- 28 shall have effect with respect to the proceedings of the Board and the other
- 29 matters contained in the Schedule.

1 4.-(1) All members of the Board shall hold office for four years and
2 may be re-appointed for another four years and no more.

Tenure of office
and cessation of
membership of
the Board

3 (2) The office of a member of the Board becomes vacant if the
4 member:

5 (a) resigns by notice in writing under his hand addressed to the
6 Minister, submitted through the Secretary of the Board to the Secretary
7 HHSS, and the resignation takes effect only on acknowledgement by the
8 Minister;

9 (b) becomes bankrupt or makes a compromise with his creditors;

10 (c) is convicted of a criminal offence; or

11 (d) becomes incapable of discharging the duties assigned to him by
12 reason of mental or bodily infirmity.

13 (3) The Minister may remove a member of the Board from office, if
14 he is satisfied that it is in the interest of the Agency or the public that the
15 member should not continue in office.

16 (4) Where a vacancy occurs in the membership of the Board, it
17 shall be filled by the appointment of a successor to hold office for the
18 remainder of the term of office of his predecessor, provided that the
19 successor shall represent the same interest as the predecessor.

20 PART II - OBJECTIVES, FUNCTIONS AND POWERS

21 5. The Agency shall:

Functions of the
Agency

22 (a) regulate, supervise, implement and ensure effective
23 administration of the Scheme;

24 (b) ensure that all residents of the FCT have financial protection,
25 physical access to quality and affordable health care services;

26 (c) regulate the cost of healthcare services provided under the
27 Scheme;

28 (d) ensure equitable distribution of healthcare costs across all
29 residents of the FCT;

- 1 (e) maintain high standard of healthcare delivery services within the
2 Scheme;
- 3 (f) ensure efficiency in healthcare service delivery provided under the
4 Scheme;
- 5 (g) improve and harness private sector participation in the provision
6 of healthcare services;
- 7 (h) facilitate adequate distribution of health facilities within the FCT;
- 8 (i) ensure appropriate patronage at all levels of the healthcare delivery
9 system;
- 10 (j) ensure the availability of alternative sources of funding to the
11 health sector for improved services;
- 12 (k) in cases where residents do not have available medical and other
13 health services, take such measures as are necessary to plan, organise and
14 develop medical and other health service commensurate with the needs of the
15 residents; and
- 16 (l) facilitate access to emergency ambulance or ancillary service, with
17 emergency service provider or under a private public partnership arrangement
18 for the benefit of residents of the FCT.
- 19 **6. The Agency shall:**
- 20 (a) ensure the effective implementation of the policies and procedures
21 of the Scheme;
- 22 (b) issue appropriate regulations and guidelines, as approved by the
23 Board, to maintain the viability of the health scheme;
- 24 (c) manage the health Scheme in accordance with the provisions of
25 this Act;
- 26 (d) approve formats of contracts for the Third-Party Administrations
27 (TPAs) and all HCPs;
- 28 (e) carry out public awareness and education on the establishment and
29 management of the Scheme;
- 30 (f) promote the development of other programs for wider

- 1 participation in the Scheme including developing new health plans;
- 2 (g) implement the basic minimum benefit package as defined Act No. 8, 2014
3 under the National Health Act;
- 4 (h) define benefit packages to be provided under the health plans as
5 provided under section 5 of this Act;
- 6 (i) register National Health Insurance Scheme (NHIS) accredited
7 TPAs, FCT accredited healthcare facilities and other relevant institutions;
- 8 (j) classify healthcare facilities and providers in a manner that shall Act No. 8, 2014
9 help improve health outcomes in the FCT as required under the National
10 Health Act;
- 11 (k) reimburse health care providers in line with services delivered
12 under the scheme;
- 13 (l) determine the percentage of the premiums or other
14 contributions from private health plans that shall be payable as cross subsidy
15 to the Fund for the purpose of financing the EHP under Section 15 for the
16 poor and vulnerable;
- 17 (m) approve format of contracts for the TPAs and all healthcare
18 providers;
- 19 (n) determine, after due consideration capitation, fee-for service
20 and other payment mechanisms due to health care providers, by the TPAs.
- 21 (o) advise the relevant bodies on inter-relationship of the agency
22 with other social security services;
- 23 (p) coordinate research and statistics;
- 24 (q) establish quality assurance for all stakeholders;
- 25 (r) ensure the collection, collation, analysis, and reporting on
26 quarterly returns from the TPAs and other scheme stakeholders;
- 27 (s) exchange information and data with the National Health
28 Insurance Scheme, FCT Health Management Information System, relevant
29 financial institutions development partners, non-governmental
30 organisations and other relevant bodies;

- 1 (t) ensure the training and development of staff of the Agency;
- 2 (u) receive and investigate complaints of impropriety leveled against
- 3 any TPAs, Health Care Provider enrollee and other relevant institutions and
- 4 ensure appropriate sanctions are given; and
- 5 (v) perform such other activities as are necessary or expedient for the
- 6 purpose of achieving the objectives of the Agency under this Act;

Additional
powers of the
Agency

7 7.-(1) The Agency shall have powers to regulate, implement and issue

8 guidelines for the:

- 9 (a) registration of employers and employees liable to contribute under
- 10 this Act;
- 11 (b) registration of dependents of employees covered by the Agency;
- 12 (c) compulsory payment of contributions by employers and
- 13 employees;
- 14 (d) amount of contributions to be paid by each employee;
- 15 (e) compulsory payment of contributions by self-employed persons
- 16 and other persons and rates of such contributions;
- 17 (f) maintenance of the records to be kept for the Agency and the
- 18 records to be kept by employers in respect of contributions payable under this .
- 19 Act and in respect of their employees;
- 20 (g) methods of receiving contributions under this Act;
- 21 (h) imposition of surcharges in respect of late payment of
- 22 contributions by employers or employees;
- 23 (i) manner and circumstances under which contributions may be
- 24 remitted and refunded;
- 25 (j) negotiated fees and charges payable for medical, dental,
- 26 pharmaceutical and all other health services provided under the Scheme;
- 27 (k) nature and amount of benefits to be provided under this Scheme,
- 28 the circumstances and the manner under which the benefits are to be provided;
- 29 (l) nature and amount of capitation, fee-for-service, per-diem or other
- 30 payment options under this Scheme;

1 (m) reduction, suspension or withdrawal of any payment under this
2 Scheme;

3 (n) submission of returns by employers regarding the employers
4 and their employees; and

5 (o) procedure for assessment of contributions made under this
6 Scheme.

7 (2) Any other matter on which, in the opinion of the Agency, is
8 necessary or desirable to make regulation and issue guidelines for giving
9 effect to this Act.

10 (3) The guidelines issued under subsection (1) (a), (c) and (d) may
11 provide for different levels of contributions payable by different classes of
12 persons.

13 8. For the purpose of performing the functions of the Agency, the
14 Board shall, subject to the direction of the Minister, have powers to:

Functions and
Powers of the
Board

15 (a) determine the organisational structure of the Agency;

16 (b) approve for the Agency, private health maintenance,
17 organisations operating in the FCT and their private health plans;

18 (c) determine the overall policies of the Scheme, including the
19 financial and operative procedures of the Scheme;

20 (d) ensure the effective implementation of the policies and
21 procedures of the Scheme;

22 (e) regulate and supervise the Scheme established under this Act;

23 (f) establish standards, rules and guidelines for the management of
24 the Scheme under this Act;

25 (g) approve, license, regulate and supervise TPAs and other
26 institutions relating to the health plan as the Agency may determine;

27 (h) develop or approve mechanisms for identification of the poor
28 and vulnerable persons who will benefit from the EHP as provided under
29 section 15;

30 (i) issue guidelines and approval for the administration and release

1 of funds under the Scheme;

2 (j) approve health plans as might be determined and put forward by
3 the Agency;

4 (k) approve the recommendation of the Agency relating to research,
5 consultancy and training in respect of the Scheme;

6 (l) keep and update a database on all Scheme activities;

7 (m) do such other things which, in the opinion of the Agency, are
8 necessary or expedient for the performance of its functions under this Act;

9 (n) determine the remuneration and allowances of all staff of the
10 Agency;

11 (o) engage the various ministries and levels of government,
12 stakeholders and the public during strategy development, policies and
13 procedures of the health scheme; and

14 (p) approve annual reports and statement of accounts of the Agency.

15 PART III - ADMINISTRATIVE STRUCTURE AND CONTROL

Qualification
and tenure of
the Executive
Secretary

16 9. The Executive Secretary shall:

17 (a) be the Chief Executive and Accounting Officer of the Agency;

18 (b) be responsible for the management of the affairs of the Agency;

19 (c) be a person of integrity with relevant qualifications in health
20 management, health economics or public health with a minimum of 10 years
21 professional experience; and

22 (d) hold office for four years on such terms and conditions as may be
23 specified in his letter of appointment and may be reappointed for another four
24 years and no more.

Organogram

25 10. The Agency shall have the power to establish and maintain such
26 departments, Offices, subsidiary divisions, sections and units and make other
27 administrative arrangements as may, in its opinion, be necessary or expedient
28 for the performance of its functions.

Employees of
the Agency

29 11. Without prejudice to extant legislation, Public Service Rules,
30 Scheme of Service and Operational Guidelines of the Agency, the Agency:

1 (a) may appoint or employ such contract or permanent employees
 2 whether professional or non-professional, including reputable and
 3 competent external consultants, as it may require to perform its functions;
 4 and

5 (b) shall determine the allowances and other terms and conditions
 6 of service of staff.

7 12.-(1) Employment in the Agency shall be scheduled service for Pensions
 8 purposes of the Pension Reforms Act.

9 (2) Employees of the Agency are entitled to pensions and other Act No. 4, 2014
 10 retirement benefits in accordance with the Pension Reform Act or such other
 11 Act as may be in force to regulate pension matters.

12 13.-(1) Members of the Board, employees and other persons Confidentiality
 13 engaged to work for the Agency shall: and non-disclosure

14 (a) not use any information which may come to their knowledge in
 15 the exercise of their powers or which may be obtained by them in the
 16 ordinary course of duty for personal gain except for the purpose of
 17 performing their function under this Act;

18 (b) treat as confidential any information which may be obtained by
 19 them in the performance of their functions under this Act; and

20 (c) not disclose any information referred to under paragraph (a)
 21 except when required to do so by an arbitration, litigation or similar panel of
 22 the Court or in such other circumstances as may be prescribed by the Board.

23 (2) Any person who contravenes subsection (1), commits an
 24 offence and is liable on conviction to penalties contained in Section 42 (3).

25 PART IV - ESTABLISHMENT OF THE FCT HEALTH INSURANCE SCHEME

26 14. There is established the FCT Health Insurance Scheme (in this Establishment
 27 Act referred to as "the Scheme"). of the FCT Health
 Insurance Scheme

28 15.-(1) The Scheme shall consist of the: Components of
 29 the FCT Health
 Insurance Scheme

30 (a) FCT Equity Health Plan (EHP) which is a basic plan for
 vulnerable groups as defined in this Act and other criteria for eligibility into

1 the health plan is as approved by the FCT Executive Committee on the
2 recommendation of the Agency and the point of entry is designated primary
3 health care facilities;

4 (b) Informal Health Plan (IHP) which is an 'affordable' Plan providing
5 a prescribed package of healthcare services at an agreed contribution
6 accessible to all residents of the FCT employed or engaged in the informal
7 sector and the point of entry is designated public and private health facilities;

8 (c) Formal Health Plan (FHP) which is a contributory plan for all
9 public and organised private formal sector employees wherein the employer
10 and employees shall make contributions as determined by the Board; and

11 (d) any other component as may be developed by the Agency with the
12 approval of the Board.

13 (2) The operational guideline shall explicitly define the content of
14 each health plan.

15 16. The Scheme is compulsory and applies to all residents of the FCT
16 except those already covered by the NHIS.

17 17.-(1) The Agency shall appoint a licensed actuary on such terms and
18 conditions as the Board may determine.

19 (2) The actuary shall review the service package and evaluate it
20 actuarially, including the rates of contributions payable for the service and
21 make appropriate recommendation to the Agency.

22 (3) If, having regard to the review and evaluation carried out by the
23 actuary under subsection (2), the Agency considers that the rates of
24 contributions have not retained their value in relation to the general level of
25 earning in Nigeria, the Agency shall, in consultation with the actuary, modify
26 the rates to the extent considered appropriate and bring the new rates to the
27 notice of the persons affected by the modification.

28 18. Subject to such guidelines and regulations as may be made under
29 this Act:

30 (a) all residents of the FCT shall be registered under the Scheme; and

Applicability of
the Scheme

Appointment of
licensed actuary
for the Agency

Registration of
all FCT residents

1 (b) all employers and their employees in both public and private
2 sectors shall register with the Agency and obtain a Corporate Identification
3 Number (CIN).

4 19.-(1) Without prejudice to existing legislations regulating the
5 professional practices of HCPs:

Registration and
services of HCPs

6 (a) the accreditation and registration of participating HCPs under
7 the Scheme shall be in accordance with guidelines as the Agency shall issue
8 under the Act; and

9 (b) only the HCPs registered with the HHSS shall be accredited and
10 registered to participate under this Scheme.

11 (2) A HCPs registered under subsection (1) shall, in consideration
12 for an approved capitation payment or fee for service and any other form of
13 payment, to the extent and manner prescribed herein, provide services in
14 accordance with:

15 (a) the approved Health Plan as is actuarially determined and
16 reviewed annually by the Board;

17 (b) Approved Treatment Guideline; and

18 (c) Approved Drug Formulary

19 20.-(1) The Agency shall register NHIS accredited TPAs and other
20 Health Insurance Agents (HIA).

Registration of
TPAs and other
health insurance
agents

21 (2) Approval for the registration of a TPA or HIA and other allied
22 Agency under the agency shall be in accordance with guidelines issued by
23 the Board, requiring the TPA, and other HIA to:

24 (a) be financially viable before and after registration;

25 (b) have a track record of sustained relationship with private
26 healthcare providers;

27 (c) make a complete disclosure of the ownership structure and
28 composition of the organisation;

29 (d) have account with one or more banks as maybe designated by
30 the Agency;

1 (e) comply with other accreditation requirements of the NHIS in the
2 case of HMOs;

3 (f) give an undertaking that the organisation shall perform activities
4 outsourced to it pursuant to this Act in accordance with the guidelines to be
5 issued by the Agency; and

6 (g) be registered with the Corporate Affairs Commission (CAC) or
7 other bodies required by legislations.

8 (3) Registration of TPA and other HIAs shall be renewed annually.

Refusal of
License

9 21.-(1) The Agency may refuse to issue a licence to any applicant on
10 an application made under section 20 of this Act if it is satisfied that the:

11 (a) information contained in the application for a license is false; or

12 (b) application does not meet the requirements prescribed by the
13 Agency for grant of a licence;

14 (2) Where the Agency refuses to register any organisation, it shall
15 forthwith notify the applicant in the prescribed form, specifying the reasons for
16 such refusal if need be, but such an organisation may re-apply at a time it has
17 fulfilled all the necessary conditions for registration.

Revocation of
License

18 22.-(1) The Agency may revoke a licence issued to an organisation, if:

19 (a) it discovers, after the grant of licence, that a statement was made in
20 connection with the application thereof which the applicant knew to be false;

21 (b) the organisation is subject to any insolvency proceeding or is to be
22 wound up or otherwise dissolved;

23 (c) the conduct of affairs of the organisation does not conform to the
24 provisions of this Act or any regulations made or directive issued under this
25 Act;

26 (d) any event occurs which renders the organisation ineligible to
27 discharge its duties;

28 (e) the organisation is in breach of any condition attached to its
29 licence, and

30 (f) the organisation fails or neglects to disclose the accurate data of its

1 private health plan enrollee to the Agency.

2 (2) The Agency shall, before revoking the licence of 30 days' notice
3 of its intention, consider any representation made to it in writing by the
4 organisation within that period before the revocation.

5 23.-(1) The organisations referred to in section 20(1) of this Act are
6 responsible for:

Functions of
TPAs and HIAs

7 (a) sensitisation of the populace on the Scheme;

8 (b) management of their Private Health Plan;

9 (c) remittance of 1% of total collection from their Private Health
10 Plan to the FCT Health Insurance Scheme Fund;

11 (d) supervision of healthcare providers;

12 (e) processing of claims;

13 (f) the payment approved by the TPAs and HCPs which shall be in
14 accordance with operational guidelines released by the Scheme;

15 (g) rendering to the Agency, returns on its activities as may be
16 required by the Board;

17 (h) contracting only with the health care providers approved under
18 the Scheme for the purpose of rendering health care services as provided by
19 this Act;

20 (i) ensuring that all money received from the commission are kept
21 in accordance with guidelines issued by the Board; and

22 (j) establishing and maintaining of a quality assurance.

23 24. Notwithstanding anything contained in this Act, TPAs shall
24 not be involved in the direct delivery of health care services.

Direct delivery
of health care
services

25 25. Contributions payable under this Act are inalienable and are
26 not assets for the benefit of creditors in the event of the bankruptcy or
27 insolvency of a contributor or an organisation.

Contribution to
be inalienable

28 26. Where, an order is made by a Court, on mergers which include
29 the transfer to the company of the whole property and liabilities of a
30 transferor company, the order shall include provisions for the taking over, as

Provisions of the
Companies and
Allied Matters
Act on liabilities

1 from such date as may be specified in the order, of any liability for any
 2 contribution which has become due and payable under this Act together with
 3 any accrued interest, in respect of the employees concerned in the undertaking,
 4 property or liability transferred.

Role of the FCT
 Executive
 Committee

5 27. The FCT Executive Committee shall collaborate with relevant
 6 Federal Government Agencies in the realisation of the set objective of this Act.

Professional
 indemnity

7 28. Health care providers shall be required to take professional
 8 indemnity cover from a list of insurance companies as may be designated by
 9 the Agency in consultation with NHIS.

Immediate access
 to the Fund of
 uninsured
 individuals with
 pre-existing
 conditions

10 29. Any person who is proven to be indigent in the FCT and is not
 11 insured with the Agency, but has a pre-existing critical medical condition
 12 which he cannot pay for, shall have access to the Fund of the Agency.

Reinsurance for
 early retirees

13 30. Early retirees shall have access to the fund to the extent of
 14 available fund retirees

Non-discrimination

15 31. No person or group of persons in the FCT with a pre-existing
 16 medical condition shall be discriminated against to the extent of allotted funds.

Participation of
 Area Councils
 through the
 appointment of
 focal persons

17 32. An Area Council Chairman may, in consultation with the Primary
 18 Healthcare Board, appoint focal persons who are senior serving officers in the
 19 service of the Area Council's Department of Health, to coordinate and
 20 collaborate with the Agency.

21 PART V - FINANCIAL PROVISIONS

Establishment
 of the FCT Health
 Insurance Scheme
 Fund (PHISF)

22 33.-(1) There is established the FCT Health Insurance Scheme Fund
 23 (in this Act referred to as "the Fund").

24 (2) The Fund shall consist of:

25 (a) the scale up grant from the Federal Capital Territory
 26 Administration (FCTA) for operational expenses and administration of the
 27 Agency;

28 (b) equity fund contribution of at least 2% of the consolidated revenue
 29 of the FCTA on behalf of vulnerable persons;

30 (c) 1% of the total value of each contract executed by the FCTA;

- 1 (d) funds from NHIS;
- 2 (e) funds from the Basic Health Care Provision Fund (BHCPF);
- 3 (f) such money as may be due from HMOs;
- 4 (g) contributions received from the formal and informal enrollees
- 5 and their employers including the FCTA and Area Councils for public sector
- 6 enrollees;
- 7 (h) fees, fines and commission charged by the Agency;
- 8 (i) donations or grants-in-aid from private organisations,
- 9 philanthropists, international donor organisations and non-governmental
- 10 organisations;
- 11 (j) interests from investments; and
- 12 (k) all other money which may accrue to the Agency.
- 13 (3) The Fund shall be ring-fenced from other government funds
- 14 and not subject to virement for other purposes other than those listed under
- 15 section 35.
- 16 (4) The funds shall be rolled over at the end of the financial year
- 17 and not subject to refund to the treasury.
- 18 34.-(1) The Agency shall disburse at least 80% of premium funds
- 19 directly to the HCPs from the Fund.
- 20 (2) The Agency shall, with the approval of the Board, apply
- 21 administrative funds at its disposal-
- 22 (a) for and in connection with the non-medical objectives of the
- 23 Agency under this Act;
- 24 (b) to the cost of administration of the Agency;
- 25 (c) to the payment of fees, allowances and benefits of members of
- 26 the Board;
- 27 (d) for marketing and distribution costs directly or indirectly
- 28 payable to health insurance agents;
- 29 (e) for reserve to cater for future liabilities.

Disbursement
of funds.

Investment of
Funds

1 **35.-(1)** All contributions not immediately required shall be invested
2 by the Agency in non-speculative short-term instruments with the objectives of
3 safety and maintenance of fair returns on amount invested and in accordance
4 with the regulations and guidelines issued by the Agency.

5 **(2)** Subject to guidelines issued by the Agency, the Fund shall be
6 invested in any:

7 **(a)** bonds, bills and other securities issued or guaranteed by the
8 Federal Government and the Central Bank of Nigeria;

9 **(b)** bonds, bills and other securities issued by the FCT and Area
10 Councils; or

11 **(c)** bank deposit.

Powers to accept
gifts

12 **36.-(1)** The Agency may accept gifts of land, money or other property
13 on such terms and conditions, if any, as may be specified by the person or
14 organisation making the gift.

15 **(2)** The Agency shall not accept any gift if the conditions attached by
16 the person or organisation offering the gift are inconsistent with the objectives
17 and functions of the Agency under this Act.

Annual estimates,
accounts and
external audit

18 **37.-(1)** The Board shall cause to be prepared, not later than the 30th
19 day of September in each year, an estimate of the income and expenditure of the
20 Agency during the next succeeding year and when prepared, they shall be
21 submitted to the FCT Treasury or Department of Economic Planning through
22 the HHSS Secretary.

23 **(2)** The Board shall cause to be kept proper accounts of the Agency
24 and proper records and when certified by the Board, the accounts shall be
25 audited by external auditors appointed by the Board.

Inspection of
audit and record
books HCPs and
HIAs

26 **38.** The Agency, through its appointed officers, may enter, inspect
27 and audit any premise, book, account and record of any HCP or HIAs that has
28 received payments under this Act at any time and may require the scheme
29 stakeholder to verify in a manner prescribed, any information submitted to the
30 Agency.

1 39. Where a HCP or HIA fails to keep the books, records and Failure to keep
2 returns required under this Act or any regulation made under it, the Agency record books
3 may levy appropriate sanction against the HCP or HIA including
4 withholding payments due to it until the HCP or HIA complies with the
5 provisions of this Act and the regulation made under it.

6 40.-(1) The FCT Health Insurance Scheme Fund shall be Pooling of
7 administered through carefully selected banks as approved by the Board, for contribution under
8 the pooling of all contributions. the Scheme

9 (2) The Agency shall cause HIA's to pay or remit contributions or
10 agreed proportions of contributions received from private health plans to
11 designated Agency bank accounts.

12 (3) The Agency shall cause HIAs to produce, in a recognised
13 format and subject to guidelines to be issued by it performance or security
14 bond from accredited banks or insurance companies.

15 PART VI - MISCELLANEOUS PROVISIONS

16 41.-(1) Whenever there is a dispute amongst parties under this Act, Dispute
17 it shall first be referred to arbitration, mediation or conciliation before resolution
18 resorting to litigation.

19 (2) The membership of the panel shall be subject to the applicable Cap. No. A18,
20 Arbitration and Conciliation Act. LFN, 2004

21 42.-(1) Any person who produces, to an admitting official of a Offences and
22 healthcare facility, a Medical Practitioner or a member of his staff, or to a penalties
23 person authorised by this Act to provide other health services or a member of
24 his staff, a registration card:

25 (a) knowing that the person named in the card is at the time of the
26 production, not covered under the Act commits an offence and is liable on
27 conviction to a fine of at least N100,000.00 or imprisonment not exceeding
28 two years or both; or

29 (b) knowing that the person on behalf of whom and to facilitate
30 whose treatment it is produced is not the person named in the card or a

1 dependent of that person, commits an offence, and is liable on conviction, to a
2 fine of N100,000.00 or such sum as may be specified by the Board, in addition
3 to the bills incurred.

4 (2) Any member or agent of the Agency who fails, without reasonable
5 cause, to comply with a requirement of an auditor under section 38 of this Act,
6 commits an offence and is liable on conviction to a fine not exceeding
7 N100,000 or imprisonment for a term not exceeding three months or both.

8 (3) A person convicted of an offence under section 13(1) of this Act is
9 liable:

10 (a) in the case of a first offender, to a fine of at least N100,000.00 or
11 imprisonment not exceeding two years or both; and

12 (b) in the case of a second or subsequent offender, to a fine of at least
13 N250,000 or imprisonment of not more than five years and not less than two
14 years or both.

Offences by
bodies

15 43.-(1) Where an offence is committed under this Act by a body
16 corporate, firm or other association of individuals, a person who at the time of
17 the offence:

18 (a) was an officer of the body corporate, firm or other association; or

19 (b) was purporting to act in the capacity of an officer or the body
20 corporate, firm or other association, is deemed to have committed the offence
21 and liable to be prosecuted and punished for the offence in like manner as if he
22 had himself committed the offence.

23 (2) In this section, "officer" includes:

24 (a) in the case of Ministries, Departments and Agencies (MDAs) the
25 accounting officer;

26 (b) in the case of a body corporate, Chief Executive, a Director, by
27 whatever name called, Manager and Secretary of the body corporate;

28 (c) in the case of a firm, a partner, manager and secretary of the firm;

29 and

30 (d) in the case of any other association of individuals, a person

1 involved in the management of the affairs of the association.

2 44. Any person who contravenes any of the provisions of this Act
3 shall be prosecuted by the legal officers of the Agency with the necessary fiat
4 of the Attorney-General of the Federation.

Prosecution by
the Agency

5 45.-(1) The High Court of the FCT shall have jurisdiction to:

Jurisdiction

6 (a) try offenders under this Act; and

7 (b) impose the penalties provided for the offences in this Act.

8 46. Proceedings for an offence under this Act may be commenced
9 at any time after the commission of the offence.

Commencement
of proceedings

10 47.-(1) Subject to the provisions of this Act, the provisions of the
11 Public Officers Protection Act shall apply in relation to any suit instituted
12 against any officer or employee of the Agency.

Limitation of
suits against the
Agency

13 (2) No suit shall be commenced against the Agency, a member of
14 the Board, the Executive Secretary, officer or employee of the Agency
15 before the expiration of a period of one month after written notice of
16 intention to commence the suit is served upon the Agency by the intending
17 plaintiff or his agent.

Cap. P41, LFN,
2004

18 (3) The notice referred to in subsection (2) shall clearly state the
19 cause of the action, the particulars of the claims, the name and place of abode
20 of the intended plaintiff and the relief which he claims.

21 48. The Court before which a person is convicted of an offence
22 under this Act may, without prejudice to any civil remedy, order a person to
23 pay to the Fund of the Scheme the amount of any contributions or other
24 payments together with interest and penalty, certified by the Agency to be
25 due and payable at the date of the conviction and such amount shall be paid
26 into the Fund.

Court order

27 49. A notice, summons or other document required or authorised
28 to be served on the Agency under the provisions of this Act or any other
29 enactment may be served by delivering it to the Executive Secretary or by
30 sending it by registered post and addressed to the Executive Secretary at the

Notices,
summons and
other documents

1 principal office of the Agency.

Restriction of
execution on
the property of
the Agency

2 50.-(1) In any action or suit against the Agency, no attachment or
3 process shall be issued against the Agency unless 90 days' notice of intention to
4 execute or attach has been given to the Agency.

5 (2) Any sum of money which may, by the judgment of any court, be
6 awarded against the Agency shall, subject to any direction given by the court
7 where notice of appeal of the said judgment has been given, be paid from the
8 general reserve fund of the Agency.

9 (3) No judgment sum or debt shall be attached or issued against the
10 Fund of the Scheme established under section 33 (1) of this Act.

Interpretation

11 51. In this Act:

12 "actuary" means a professional who calculates risk and probabilities for
13 payment plan;

14 "administrative charge" means a portion of the Fund pooled by the FCT Health
15 Insurance Scheme, dedicated to managing the operations of the Scheme;

16 "Agency" means FCT Health Insurance Agency;

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

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

20 "BPHCF": means Basic Health Care Provision Fund;

21 "Board" means the Governing Board established under section 4 of this Act for
22 the Agency;

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

26 "contribution" means a premium payable to TPA's and the Fund or any other
27 funds under this Act;

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

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

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

7 "FCT" Means Federal Capital Territory;

8 "fee-for-service" means payment made directly by TPAs, MHAs for
9 completed healthcare services, not included in the capitation fees paid to
10 healthcare providers following approved referrals or professional services
11 (specialist consultation, pharmaceuticals, laboratory and radiological
12 investigations, optometric service sand similar services under the Health
13 Scheme);

14 "FHIS" means FCT Health Insurance Scheme;

15 "formal sector" means the Public and the organised private sector workers;

16 "Health Care Provider (HCP)" means any government or private healthcare
17 facility, hospital, maternity Centre, community pharmacies, and all other
18 service providers registered by the Agency for the provision of prescribed
19 health services for insured persons and their dependents under this Scheme;

20 "HIA" means Health Insurance Agents, which refers to organisations tasked
21 with discrete functions by the FHIS which may relate to serving as
22 intermediaries between the FHIS and residents, enrolees or healthcare
23 providers;

24 "informal sector" means workers not part of the Formal Sector;

25 "insured person" means any person and eligible dependent who pays the
26 required contribution under this Scheme;

27 "marketing and distribution charge" means a portion of the Funds pooled by
28 the FCT Health Insurance Scheme, dedicated to marketing and distribution
29 of health plans to residents;

30 "Medical Practitioner" means a person with a degree registered with the

- 1 Medical and Dental Council of Nigeria;
- 2 "member" means a member of the Governing Board and it includes the
3 Chairman
- 4 "MHA" means a Mutual Health Association registered under section 20 of this
5 Act to provide healthcare services through healthcare providers approved by
6 the Agency;
- 7 "Minister" means the Minister of FCT, Abuja;
- 8 "NHIS" means National Health Insurance Scheme as defined in the National
9 Health Insurance Act;
- 10 "persons" means any person corporate or individual;
- 11 "premium" means the contribution from the persons covered under any benefit
12 package of this scheme;
- 13 "Staff" means staff of the Agency;
- 14 "TPA" means Third Party Administrators; and
- 15 "vulnerable group" refers to pregnant women, children under the age of five,
16 the aged as defined by the FCT HIS operational guidelines, the disabled, the
17 poor and others in need of special care, support, or protection because of health
18 status, age, disability, socio-economic status or risk of abuse or neglect.

Cap. N42, LFN,
2004

Citation

- 19 **52.** This Bill may be cited as the Federal Capital Territory Health
20 Insurance Agency Bill, 2019.

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SCHEDULE

Section 3 (7)

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 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 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 at least seven other members, he shall summon a meeting of the Board to be held within 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 them 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 as it deems fit, but a person who is in attendance by virtue of this subparagraph is not entitled to vote at any meeting of the Board and shall not count towards a quorum.

Committee

4.-(1) The Board may constitute one or more committees to perform, on behalf of the Board such of its functions as it may determine.

(2) A committee established under this Paragraph shall consist of such number of persons (not necessarily members of the Board as may be

1 determined by the Board), and a person other than a member of the Board shall
2 hold office on the Committee in accordance with the terms of his appointment.

3 *Miscellaneous*

4 5.-(1) The seal of the Agency is authenticated by the signature of the
5 Executive Secretary.

6 (2) Any contract or instrument, which if made or executed by a person
7 not being a body corporate, would not be required to be under seal, may be
8 made or executed on behalf of the Board by the Executive Secretary or any
9 person authorised for that purpose by the Board.

10 (3) Any document purporting to be a document duly executed under
11 the seal of the Agency shall be received in evidence and shall, unless the
12 contrary is proved, be presumed to be so executed.

13 (4) The validity of any proceeding of the Board or of a committee
14 thereof is not adversely affected by:

15 (a) any vacancy in the membership of the Board or committee; or

16 (b) reason that a person not entitled to do so took part in the
17 proceedings of the Board or committee.

EXPLANATORY MEMORANDUM

This Bill seeks to establish the Federal Capital Territory Health Insurance Agency to institute the Federal Capital Territory health insurance scheme and provide comprehensive, quality and affordable health care services for all residents of the Federal Capital Territory.