

AS TABLED IN THE HOUSE OF ASSEMBLY

A BILL

entitled

HEALTH INSURANCE AMENDMENT ACT 2018

TABLE OF CONTENTS

1	Citation
2	Interpretation
3	Amends section 1
4	Amends section 3A
5	Amends section 11C
6	Amends section 12
7	Repeals section 13A
8	Amends section 16
9	Amends section 17
10	Amends Health Insurance (Audit of Accounts) Regulations 1971
11	Amends Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014
12	Transitional provisions
13	Commencement

WHEREAS it is expedient to amend the Health Insurance Act 1970, the Health Insurance (Audit of Accounts) Regulations 1971, and the Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014 to provide for the merging of the Health Insurance Fund and the FutureCare Fund while preserving the Health Insurance plan and the FutureCare plan as two distinct plans, and for removing the reference to the “initial sum” paid to the credit of the Fund and the related requirement that it is to be increased by resolution of the House of Assembly and the Health Insurance Committee;

Be it enacted by The Queen’s Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act may be cited as the Health Insurance Amendment Act 2018.

Interpretation

2 In this Act, “the principal Act” means the Health Insurance Act 1970.

HEALTH INSURANCE AMENDMENT ACT 2018

Amends section 1

3 Section 1 of the principal Act is amended by repealing the definition of “FutureCare Fund”.

Amends section 3A

4 Section 3A(2A) of the principal Act is amended by repealing paragraph (c).

Amends section 11C

5 Section 11C(1)(b) of the principal Act is amended by deleting “Health Insurance Fund, the FutureCare Fund” and substituting “Fund”.

Amends section 12

6 Section 12 of the principal Act is amended—

(a) in subsection (1), by deleting “health insurance plan” each time it occurs and, in each case, substituting “plans”;

(b) by repealing subsection (2) and substituting—

“(2) The Committee, with the approval of the Minister, may pay to the credit of the Fund moneys appropriated by the Legislature.”;

(c) by repealing subsection (3); and

(d) by inserting after the repealed subsection (3)—

“(4) In this section, “plans” means the Health Insurance plan and the FutureCare plan.”.

Repeals section 13A

7 Section 13A of the principal Act is repealed.

Amends section 16

8 Section 16 of the principal Act is amended, in subsections (1) and (2), by deleting “, the FutureCare Fund”.

Amends section 17

9 Section 17 of the principal Act is amended, in subsections (1)(b) and (3), by deleting “, the FutureCare Fund”.

Amends Health Insurance (Audit of Accounts) Regulations 1971

10 Regulation 1 of the Health Insurance (Audit of Accounts) Regulations 1971 is amended by deleting “, the Mutual Re-insurance Fund and the FutureCare Fund” and substituting “and the Mutual Re-insurance Fund”.

HEALTH INSURANCE AMENDMENT ACT 2018

Amends Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014
11 Paragraph 2 of the Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum)
Order 2014 is amended—

- (a) in paragraph (a), by deleting “Health Insurance Fund, the sum of \$31.53”
and substituting “Fund, the sum of \$48.03”; and
- (b) by revoking paragraph (b).

Transitional provisions

12 On the coming into operation of this Act—

- (a) the FutureCare Fund shall be wound up, and the Committee shall pay any
balance then standing to the credit of the FutureCare Fund into the Health
Insurance Fund (“the Fund”); and
- (b) all the assets and liabilities of the FutureCare Fund shall be transferred to
the Fund.

Commencement

13 This Act shall come into operation on 1 April 2018.

HEALTH INSURANCE AMENDMENT BILL 2018

EXPLANATORY MEMORANDUM

This Bill would amend the Health Insurance Act 1970 (“the principal Act”), the Health Insurance (Audit of Accounts) Regulations 1971, and the Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014 to provide for the merging of the Health Insurance Fund and the FutureCare Fund while preserving the Health Insurance plan and the FutureCare plan as two distinct plans. It would also remove the reference to the “initial sum” paid to the credit of the Fund and the related requirement that the initial sum is to be increased by resolution of the House of Assembly and of the Health Insurance Committee (“the Committee”).

Clauses 1 and 2 are self-explanatory.

Clause 3 repeals the definition of “FutureCare Fund” in section 1 of the principal Act as the FutureCare Fund will cease to exist.

Clause 4 repeals section 3A(2A)(c) of the principal Act, which provides for payments to the FutureCare Fund out of the Re-Insurance Fund.

Clause 5 amends section 11C(1)(b) of the principal Act by deleting the reference to the FutureCare Fund.

Clause 6 amends section 12 of the principal Act. Subsection (1) is amended to reflect that the FutureCare Fund would be merged with the Health Insurance Fund (“the Fund”) and that premiums in respect of both the Health Insurance plan and the FutureCare plan would be paid into the Fund. Claims in respect of both plans would also be paid out of the Fund. Subsection (2), which refers to the “initial sum” paid to the credit of the Fund, is repealed and replaced by a provision that allows the Committee, with the approval of the Minister, to pay to the credit of the Fund moneys appropriated by the Legislature. Subsection (3), which provides for the initial sum to be increased by resolution, is repealed because this would no longer apply.

Clause 7 repeals section 13A (FutureCare Fund) of the principal Act.

Clause 8 amends section 16 (Accounts) to delete references to the FutureCare Fund.

Clause 9 amends section 17 (Annual Report) to delete references to the FutureCare Fund.

Clause 10 amends the Health Insurance (Audit of Accounts) Regulations 1971 to delete a reference to the FutureCare Fund.

Clause 11 amends the Health Insurance (Mutual Re-Insurance Fund) (Prescribed Sum) Order 2014 to provide that the sum which is currently paid from the Mutual Re-Insurance Fund into the FutureCare Fund is to be paid into the merged Health Insurance Fund (“the Fund”).

Clause 12 provides that, on the coming into operation of the Act: (a) the FutureCare Fund shall be wound up, and the Committee shall pay any balance then standing to the

HEALTH INSURANCE AMENDMENT BILL 2018

credit of the FutureCare Fund into the Health Insurance Fund (“the Fund”), and (b) all the assets and liabilities of the FutureCare Fund shall be transferred to the Fund.

Clause 13 provides that the Act comes into operation on 1 April 2018.