

# 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. Benjamin Okezie Kalu*

*Co-sponsors:*

Hon. Gaza Jonathan Gbefwi	Hon. Pascal Agbodike
Hon. Akintunde Rotimi, Jr.	Hon. Lawan Shettima Ali
Hon. Nasiru Shehu	Hon. Leko Jafaru

[ ] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria as follows-

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 immoveable  
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

- 1 (2) The Board shall consist of-
- 2 (a) a Chairman;
- 3 (b) the Chairman of Association of Local Governments of Nigeria
- 4 (ALGON), FCT Chapter;
- 5 (c) Chairman of the FCT Traditional Council;
- 6 (d) one representative each of-
- 7 (i) the Health and Human Services Secretariat, not below the rank of a
- 8 Director,
- 9 (ii) the FCT Hospitals Management Board, not below the rank of a
- 10 Director,
- 11 (iii) the Executive Secretary, FCT Primary Health Care Board,
- 12 (iv) the Department of FCT Economic Planning, Research and
- 13 Statistics, not below the rank of a Deputy Director,
- 14 (v) the Department of Treasury, not below the rank of a Deputy
- 15 Director,
- 16 (vi) the Nigeria Employers Consultative Association, FCT Chapter,
- 17 (vii) Nigeria Labour Congress, FCT Chapter,
- 18 (viii) Trade Union Congress, FCT Chapter,
- 19 (ix) Health Care Providers Association of Nigeria, FCT Chapter,
- 20 (x) a representative of Civil Society Organisation to represent Public
- 21 interest;
- 22 (e) FCT Co-ordinator, National Health Insurance Scheme; and
- 23 (f) the Executive Secretary of the Agency, who shall also be the
- 24 Secretary to the Board.
- 25 (3) At least two of the members of the Board shall be females.
- 26 (4) Members of the Board other than the Executive Secretary, shall be
- 27 appointed on part-time by the President on the recommendation of the
- 28 Minister.
- 29 (5) The Chairman shall be a person of integrity with a minimum
- 30 qualification of first degree or its equivalent and a minimum of 10 years

1 professional experience.

2 (6) Other members of the Board shall be persons of proven  
3 integrity.

4 (7) The supplementary provisions set out in the Schedule to this  
5 Act shall have effect with respect to the proceedings of the Board and the  
6 other matters contained in the Schedule.

7 4.-(1) All members of the Board shall hold office for four years and  
8 may be re-appointed for another four years and no more.

Tenure of office  
and cessation of  
membership of  
the Board

9 (2) The office of a member of the Board becomes vacant if the  
10 member-

11 (a) resigns by notice in writing under his hand addressed to the  
12 Minister, submitted through the Secretary of the Board to the Secretary  
13 HHSS, and the resignation takes effect only on acknowledgement by the  
14 Minister;

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

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

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

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

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

## 26 PART II - OBJECTIVES, FUNCTIONS AND POWERS

27 5. The Agency shall-

Functions of the  
Agency

28 (a) regulate, supervise, implement and ensure effective  
29 administration of the Scheme.

30 (b) ensure that all residents of the FCT have financial protection,

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

- 1 (d) approve formats of contracts for the Third-Party  
2 Administrations (TPAs) and all HCPs;
- 3 (e) carry out public awareness and education on the establishment  
4 and management of the Scheme;
- 5 (f) promote the development of other programs for wider  
6 participation in the Scheme including developing new health plans;
- 7 (g) implement the basic minimum benefit package as defined  
8 under the National Health Act;
- 9 (h) define benefit packages to be provided under the health plans as  
10 provided under section 5 of this Act;
- 11 (i) register National Health Insurance Scheme (NHIS) accredited  
12 TPAs, FCT accredited healthcare facilities and other relevant institutions;
- 13 (j) classify healthcare facilities and providers in a manner that shall  
14 help improve health outcomes in the FCT as required under the National  
15 Health Act;
- 16 (k) reimburse health care providers in line with services delivered  
17 under the scheme; (l) determine the percentage of the premiums or other  
18 contributions from private health plans that shall be payable as cross subsidy  
19 to the Fund for the purpose of financing the EHP under Section 15 for the  
20 poor and vulnerable;
- 21 (m) determine, after due consideration capitation, fee-for service  
22 and other payment mechanisms due to health care providers, by the TPAs;
- 23 (n) advise the relevant bodies on inter-relationship of the agency  
24 with other social security services;
- 25 (o) coordinate research and statistics;
- 26 (p) establish quality assurance for all stakeholders;
- 27 (q) ensure the collection, collation, analysis, and reporting on  
28 quarterly returns from the TPAs and other scheme stakeholders;
- 29 (r) exchange information and data with the National Health  
30 Insurance Scheme, FCT Health Management Information System, relevant

1 financial institutions development partners, non-governmental organisations  
2 and other relevant bodies;

3 (s) ensure the training and development of staff of the Agency;

4 (t) receive and investigate complaints of impropriety leveled against  
5 any TPAs, Health Care Provider enrollee and other relevant institutions and  
6 ensure appropriate sanctions are given; and

7 (u) perform such other activities as are necessary or expedient for the  
8 purpose of achieving the objectives of the Agency under this Act.

Additional powers  
of the Agency

9 7.-(1) The Agency shall have powers to regulate, implement and issue  
10 guidelines for the-

11 (a) registration of employers and employees liable to contribute under  
12 this Act;

13 (b) registration of dependents of employees covered by the Agency;

14 (c) compulsory payment of contributions by employers and  
15 employees;

16 (d) amount of contributions to be paid by each employee;

17 (e) compulsory payment of contributions by self-employed persons  
18 and other persons and rates of such contributions;

19 (f) maintenance of the records to be kept for the Agency and the  
20 records to be kept by employers in respect of contributions payable under this  
21 Act and in respect of their employees;

22 (g) methods of receiving contributions under this Act;

23 (h) imposition of surcharges in respect of late payment of  
24 contributions by employers or employees;

25 (i) manner and circumstances under which contributions may be  
26 remitted and refunded;

27 (j) negotiated fees and charges payable for medical, dental,  
28 pharmaceutical and all other health services provided under the Scheme;

29 (k) nature and amount of benefits to be provided under this Scheme,  
30 the circumstances and the manner under which the benefits are to be provided;

1 (l) nature and amount of capitation, fee-for-service, per-diem or  
2 other payment options under this Scheme;

3 (m) reduction, suspension or withdrawal of any payment under this  
4 Scheme;

5 (n) submission of returns by employers regarding the employers  
6 and their employees; and

7 (o) procedure for assessment of contributions made under this  
8 Scheme.

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

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

15 **8.** For the purpose of performing the functions of the Agency, the  
16 Board shall, subject to the direction of the Minister, have powers to-

Functions and  
Powers of the  
Board

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

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

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

22 (d) ensure the effective implementation of the policies and  
23 procedures of the Scheme;

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

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

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

29 (h) develop or approve mechanisms for identification of the poor

1 and vulnerable persons who will benefit from the EHP as provided under  
2 section 15;

3 (i) issue guidelines and approval for the administration and release of  
4 funds under the Scheme;

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

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

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

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

12 (n) approve the remuneration and allowances of all staff of the  
13 Agency, as proposed in accordance with extant regulations of Government;

14 (o) engage the various ministries and levels of government,  
15 stakeholders and the public during strategy development, policies and  
16 procedures of the health scheme; and

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

18 PART III - ADMINISTRATIVE STRUCTURE AND CONTROL

Qualification  
and tenure of the  
Executive Secretary

19 **9.** The Executive Secretary shall-

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

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

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

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

Organogram

28 **10.** The Agency shall have the power to establish and maintain such  
29 departments, offices, subsidiary divisions, sections and units and make other  
30 administrative arrangements as may, in its opinion, be necessary or expedient

1 for the performance of its functions.

2 **11.** Without prejudice to extant legislation, Public Service Rules, Employees of  
3 Scheme of Service and Operational Guidelines of the Agency, the Agency- the Agency

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

7 (b) shall determine the allowances and other terms and conditions of service  
8 of staff.

9 **12.**-(1) Employment in the Agency shall be scheduled service for Pensions  
10 purposes of the Pension Reforms Act.

11 (2) Employees of the Agency are entitled to pensions and other  
12 retirement benefits in accordance with the Pension Reform Act or such other  
13 Act as may be in force to regulate pension matters.

14 **13.**-(1) Members of the Board, employees and other persons Confidentiality  
15 engaged to work for the Agency shall- and non-disclosure

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

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

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

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

27 PART IV - ESTABLISHMENT OF THE FCT HEALTH INSURANCE SCHEME

28 **14.** There is established the FCT Health Insurance Scheme (in this Establishment  
29 Act referred to as "the Scheme"). Insurance Scheme

Components of the FCT Health Insurance Scheme	1	<b>15.</b> -(1) The Scheme shall consist of the-
	2	(a) FCT Equity Health Plan (EHP) which is a basic plan for vulnerable
	3	groups as defined in this Act and other criteria for eligibility into the health plan
	4	is as approved by the FCT Executive Committee on the recommendation of the
	5	Agency and the point of entry is designated primary health care facilities;
	6	(b) Informal Health Plan (IHP) which is an 'affordable' Plan providing
	7	a prescribed package of healthcare services at an agreed contribution
	8	accessible to all residents of the FCT employed or engaged in the informal
	9	sector and the point of entry is designated public and private health facilities;
	10	(c) Formal Health Plan (FHP) which is a contributory plan for all
	11	public and organised private formal sector employees wherein the employer
	12	and employees shall make contributions as determined by the Board; and
	13	(d) any other component as may be developed by the Agency with the
	14	approval of the Board.
	15	(2) The operational guideline shall explicitly define the content of
	16	each health plan.
Applicability of the Scheme	17	<b>16.</b> The Scheme is compulsory and applies to all residents of the FCT
	18	except those already covered by the NHIS.
Appointment of licences actuary for the Agency	19	<b>17.</b> -(1) The Agency shall appoint a licensed actuary on such terms and
	20	conditions as the Board may determine.
	21	(2) The actuary shall review the service package and evaluate it
	22	actuarially, including the rates of contributions payable for the service and
	23	make appropriate recommendation to the Agency.
	24	(3) If, having regard to the review and evaluation carried out by the
	25	actuary under subsection (2), the Agency considers that the rates of
	26	contributions have not retained their value in relation to the general level of
	27	earning in Nigeria, the Agency shall, in consultation with the actuary, modify
	28	the rates to the extent considered appropriate and bring the new rates to the
	29	notice of the persons affected by the modification.



1 (c) make a complete disclosure of the ownership structure and  
2 composition of the organisation;

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

5 (e) comply with other accreditation requirements of the NHIS in the  
6 case of HMOs;

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

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

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

Refusal of License

13 **21.**-(1) The Agency may refuse to issue a licence to any applicant on  
14 an application made under section 20 of this Act if it is satisfied that the-

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

16 (b) application does not meet the requirements prescribed by the  
17 Agency for grant of a licence.

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

Revocation of  
License

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

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

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

27 (c) the conduct of affairs of the organisation does not conform to the  
28 provisions of this Act or any regulations made or directive issued under this  
29 Act;

30 (d) any event occurs which renders the organisation ineligible to

1 discharge its duties;

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

4 (f) the organisation fails or neglects to disclose the accurate data of  
5 its private health plan enrollee to the Agency.

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

9 **23.**-(1) The organisations referred to in section 20(1) of this Act are  
10 responsible for- Functions of TPAs  
and HIAs

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

12 (b) management of their Private Health Plan;

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

15 (d) supervision of healthcare providers;

16 (e) processing of claims;

17 (f) the payment authorized by the TPAs and HCPs which shall be in  
18 accordance with operational guidelines released by the Scheme;

19 (g) rendering to the Agency, returns on its activities as may be  
20 required by the Board; (h) contracting only with the health care providers  
21 approved under the Scheme for the purpose of rendering health care services  
22 as provided by this Act;

23 (i) ensuring that all money received from the Commission are kept  
24 in accordance with guidelines issued by the Board; and

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

26 **24.** Notwithstanding anything contained in this Act, TPAs shall not  
27 be involved in the direct delivery of health care services. Direct Delivery  
of health care  
services

28 **25.** Contributions payable under this Act are inalienable and are  
29 not assets for the benefit of creditors in the event of the bankruptcy or  
30 insolvency of a contributor or an organisation. Contribution to  
be inalienable

Provisions of the Companies and Allied Matters Act on Liabilities	1	<b>26.</b> Where, an order is made by a Court, on mergers which include the
	2	transfer to the company of the whole property and liabilities of a transferor
	3	company, the order shall include provisions for the taking over, as from such
	4	date as may be specified in the order, of any liability for any contribution which
	5	has become due and payable under this Act together with any accrued interest,
	6	in respect of the employees concerned in the undertaking, property or liability
	7	transferred.
Role of the FCT Executive Committee	8	<b>27.</b> The FCT Executive Committee shall collaborate with relevant
	9	Federal Government Agencies in the realisation of the set objective of this Act.
Professional Indemnity	10	<b>28.</b> Health care providers shall be required to take professional
	11	indemnity cover from a list of insurance companies as may be designated by
	12	the Agency in consultation with NHIS.
Reinsurance for early Retirees	13	<b>29.</b> Early retirees shall have access to the fund to the extent of
	14	available fund retirees
Non-Discrimination	15	<b>30.</b> 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	<b>31.</b> 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	<b>32.</b> -(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 initial take off grant from the Federal Capital Territory
	26	Administration (FCTA) for operational expenses and administration of the
	27	Agency;
	28	(b) annual equity fund contribution of at least 2% of the consolidated
	29	revenue 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 **33.**-(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	<b>34.</b> -(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	<b>35.</b> -(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	<b>36.</b> -(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	<b>37.</b> The Agency, through its appointed officers, may enter, inspect and
	27	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                   **38.** 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                   **39.**-(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                   **40.**-(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  
 20 Arbitration and Conciliation Act.

21                   **41.**-(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.

15 (4) The Agency may review the offences and penalties from time to  
16 time.

Offences by  
bodies

17 **42.**-(1) Where an offence is committed under this Act by a body  
18 corporate, firm or other association of individuals, a person who at the time of  
19 the offence-

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

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

25 (2) In this section, "officer" includes-

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

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

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

3 (d) in the case of any other association of individuals, a person  
4 involved in the management of the affairs of the association.

5 **43.** Any person who contravenes any of the provisions of this Act  
6 shall be prosecuted by the legal officers of the Agency with the necessary fiat  
7 of the Attorney-General of the Federation. Prosecution by  
the Agency

8 **44.**-(1) The High Court of the FCT shall have jurisdiction to- Jurisdiction

9 (a) try offenders under this Act; and

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

11 **45.** Proceedings for an offence under this Act may be commenced  
12 at any time after the commission of the offence. Commencement  
of proceedings

13 **46.**-(1) Subject to the provisions of this Act, the provisions of the  
14 Public Officers Protection Act shall apply in relation to any suit instituted  
15 against any officer or employee of the Agency. Limitation of  
suits against the  
Agency

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

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

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

Notices, summons and other documents	1	<b>48.</b> A notice, summons or other document required or authorised to be
	2	served on the Agency under the provisions of this Act or any other enactment
	3	may be served by delivering it to the Executive Secretary or by sending it by
	4	registered post and addressed to the Executive Secretary at the principal office
	5	of the Agency.
Restriction of execution on the property of the Agency	6	<b>49.</b> -(1) In any action or suit against the Agency, no attachment or
	7	process shall be issued against the Agency unless 90 days' notice of intention to
	8	execute or attach has been given to the Agency except as provided under the
	9	Sheriffs and Civil Process Act.
	10	(2) Any sum of money which may, by the judgment of any court, be
	11	awarded against the Agency shall, subject to any direction given by the court
	12	where notice of appeal of the said judgment has been given, be paid from the
	13	general reserve fund of the Agency.
	14	(3) No judgment sum or debt shall be attached or issued against the
	15	Fund of the Scheme established under section 33(1) of this Act.
Interpretation	16	<b>50.</b> In this Act-
	17	"actuary" means a professional who calculates risk and probabilities for
	18	payment plan;
	19	"administrative charge" means a portion of the Fund pooled by the FCT Health
	20	Insurance Scheme, dedicated to managing the operations of the Scheme;
	21	"Agency" means FCT Health Insurance Agency;
	22	"Area Council Chairman" means the political head of an Area Council;
	23	"Basic Health Plan" means an affordable plan providing a prescribed benefit
	24	package of accessible healthcare services;
	25	"BPHCF" means Basic Health Care Provision Fund;
	26	"Board" means the Governing Board established under section 4 of this Act for
	27	the Agency;
	28	"capitation" means a payment to a health care provider in respect of covered
	29	services to be provided to an insured person registered with the healthcare
	30	provider, whether the person uses the services or not;

- 1 "contribution" means a premium payable to TPA's and the Fund or any other  
2 funds under this Act;
- 3 "Executive Secretary" means the Executive Secretary of the Agency;
- 4 "employee" means any person who is ordinarily resident in FCT and is  
5 employed in the public service or private sector;
- 6 "employer" means an employer with five or more employees which includes  
7 the Federal, FCT and Area Council, any Extra-Ministerial Department or a  
8 person with whom an employee has entered into a contract of service or  
9 apprenticeship and who is responsible for the payment of the wages or  
10 salaries of the employee including the lawful representative, successor or  
11 assignee of that person;
- 12 "FCT" Means Federal Capital Territory;
- 13 "fee-for-service" means payment made directly by TPAs, MHAs for  
14 completed healthcare services, not included in the capitation fees paid to  
15 healthcare providers following approved referrals or professional services  
16 (specialist consultation, pharmaceuticals, laboratory and radiological  
17 investigations, optometric service sand similar services under the Health  
18 Scheme);
- 19 "FHIS" means FCT Health Insurance Scheme;
- 20 "formal sector" means the Public and the organised private sector workers;
- 21 "Health Care Provider (HCP)" means any government or private healthcare  
22 facility, hospital, maternity Centre, community pharmacies, and all other  
23 service providers registered by the Agency for the provision of prescribed  
24 health services for insured persons and their dependents under this Scheme;
- 25 "HIA" means Health Insurance Agents, which refers to organisations tasked  
26 with discrete functions by the FHIS which may relate to serving as  
27 intermediaries between the FHIS and residents, enrolees or healthcare  
28 providers;
- 29 "informal sector" means workers not part of the Formal Sector;
- 30 "insured person" means any person and eligible dependent who pays the

1 required contribution under this Scheme;

2 "marketing and distribution charge" means a portion of the Funds pooled by the

3 FCT Health Insurance Scheme, dedicated to marketing and distribution of

4 health plans to residents;

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

6 Medical and Dental Council of Nigeria;

7 "member" means a member of the Governing Board and it includes the

8 Chairman;

9 "MHA" means a Mutual Health Association registered under section 20 of this

10 Act to provide healthcare services through healthcare providers approved by

11 the Agency;

12 "Minister" means the Minister of FCT, Abuja;

13 "NHIS" means National Health Insurance Scheme as defined in the National

14 Health Insurance Act;

15 "persons" means any person corporate or individual;

16 "premium" means the contribution from the persons covered under any benefit

17 package of this scheme;

18 "Staff" means staff of the Agency;

19 "TPA" means Third Party Administrators; and

20 "vulnerable group" refers to pregnant women, children under the age of five,

21 the aged as defined by the FCT HIS operational guidelines, the disabled, the

22 poor and others in need of special care, support, or protection because of health

23 status, age, disability, socio-economic status or risk of abuse or neglect.

Citation

24 **51.** This Bill may be cited as the Federal Capital Territory Health  
25 Insurance Agency Bill, 2024.

## 1 SCHEDULE

2 [Section 3 (7)]

## 3 SUPPLEMENTARY PROCEEDINGS RELATING TO THE BOARD

4 *Quorum*5 1.-(1) Subject to this Act and Section 27 of the Interpretation Act,  
6 the Agency may make standing orders regulating its proceedings and those  
7 of any of its committees.8 (2) The quorum of the Board shall be the Chairman or the member  
9 presiding at the meeting and five other members and the quorum of any  
10 Committee of the Board shall be determined by the Board.11 *Meeting of the Board*12 2.-(1) The Board shall meet quarterly in a year and the Board shall  
13 meet whenever it is summoned by the Chairman, and if the Chairman is  
14 required to do so, by notice given to him by at least seven other members, he  
15 shall summon a meeting of the Board to be held within 14 days from the date  
16 on which the notice is given.17 (2) At any meeting of the Board, the Chairman shall preside but if  
18 he is absent, the members present at the meeting shall appoint one of them to  
19 preside at the meeting.20 *Power to Co-opt*21 3. Where the Board desires to obtain the advice of any person on a  
22 particular matter, the Board may co-opt him to the Board for such period as it  
23 deems fit, but a person who is in attendance by virtue of this subparagraph is  
24 not entitled to vote at any meeting of the Board and shall not count towards a  
25 quorum.26 *Committee*27 4.-(1) The Board may constitute one or more committees to  
28 perform, on behalf of the Board such of its functions as it may determine.29 (2) A committee established under this Paragraph shall consist of  
30 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 to provide comprehensive, quality and affordable health care services for all residents of the Federal Capital Territory.