

**A BILL
FOR A LAW
TO ESTABLISH THE ONDO STATE CONTRIBUTORY HEALTH COMMISSION,
TO INSTITUTE THE ONDO STATE CONTRIBUTORY HEALTH SCHEME FOR
ALL RESIDENTS OF ONDO STATE AND FOR CONNECTED PURPOSES**

THE ONDO STATE HOUSE OF ASSEMBLY enacts as follows:

- Interpretation. 1. In this Law, unless the context otherwise requires –
- “Administrative Charge” means not more than 10% of the funds from the Ondo State Private Health Plans and the Formal Sector Plan;
- “Commission” means the Ondo State Contributory Health Commission established under Section 2 of this Law;
- “Benefit” means a benefit or advantage of any kind whatsoever derived from the Scheme;
- “Board” means the Governing Board established under Section 3 of this Law for the Commission;
- “Capitation” means a payment to a Health Care Provider in respect of covered services to be provided to an insured person registered with the health care provider, whether the person uses the services or not; global Capitation Prohibited.
- “CBHP” means Community Based Health Plan registered under section 5 of this Law to provide Health Care Services through Health Care Providers approved by the Commission;
- “Clinical Social Franchise” means a network of Private Sector Healthcare providers that are connected through formal agreements to provide Health Services under a special agreement in respect of specific communities
- “Commissioner” means the Commissioner charged with responsibility for matters relating to Health in the state;
- “Contribution” means a premium payable to HMOs, CBHPs, MHAs, Ondo State Health Fund and any other funds; under this Law;
- “EHP” means Equity Health Plan;
- “Employee” means any person who is ordinarily resident in Ondo State and is employed in the public service or private sector or an apprenticeship with an employer whether the contract is expressed or implied, oral or in writing;
- “Employer” means an employer with ten or more employees which includes the Federal, State and Local Government or 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;

“Fee-for-service” means payment made directly by Health Maintenance Organisations, (HMOs), Community Based Health Plans, (CBHP), Mutual Health Associations, (MHAs), for completed health care services, not included in the capitation fees paid to health care providers following approved referrals and/or professional services (specialist consultation, pharmaceutical care services, laboratory and radiological investigations etc. under this Scheme;

“Health Care Provider” means any public or private health care facility, hospital, maternity centre, community pharmacies and all other service providers registered by the Commission for the provision of prescribed health services for insured persons and their dependants under this Scheme;

“Accrediting Body” means anybody which accredits health care facilities and other relevant institutions in the state, including but not limited to the state inspectorate department in the Ministry of Health;

“HMO” means a Health Maintenance organization registered under this Law to ensure Health Care Services are adequately provided by Health Care Providers approved by the Commission;

“Insured Person” means any person and eligible dependant who pays the required contribution under this Scheme;

“Medical Practitioner” means a person with a minimum degree in Medical and Dental Surgery registered with the Medical and Dental Council of Nigeria

“Member of the board” means any person, including the Chairman who serves on the Board;

“MHA” means a mutual health association registered under this Law to provide health care services through Health Care Providers approved by the Commission;

“NHIS” means National Health Insurance Scheme as defined in the National Health Insurance Act N42 of the Laws of the Federal Republic of Nigeria;

“Scheme” means Ondo State Contributory Health Scheme;

“Vulnerable” as defined by the State Executive Council;

“Wage” means remuneration in money paid to an employee under his contract of service or apprenticeship, as the case may be; and whether agreed to be paid at fixed or determined intervals of time.

- Establishment of the Commission
2. (1) There is established a body to be known as the Ondo State Contributory Health Commission (in this Law referred to as "the Commission").
- (2) The Commission
- (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 immovable property for the purpose of its functions under this Law.
- (3) The principal objective of the Commission shall be to, supervise and ensure the effective administration of Ondo State Contributory Health Scheme.
- Establishment and membership of the Board
3. (1) There is established the Ondo State Contributory Health Commission Governing Board (in this Law referred to as "the Board") which shall, subject to this Law, have general control of the Commission.
- (2) The Board shall consist of the following:-
- (i) a Chairman of the Commission who shall be a person of integrity with a minimum qualification of first degree with a minimum of (ten) 10 years' professional experience in the Health Services and shall be appointed on part time basis by the Governor;
- (ii) three other members of the Board who shall be persons of proven integrity and relevant qualifications, representing each of the three senatorial districts of the state to be appointed on part time basis by the Governor.
- (b) a representative of the following Ministries/Boards not below the rank of a Director:
- (i) the Ministry of Health who shall be a medical practitioner;
- (ii) Ondo State Hospitals Management Board who shall be a medical practitioner;
- (iii) Ondo State Primary Healthcare Development Board
- (iv) Ministry of Justice;
- (v) the Ministry of Economic Planning and Budget;
- (c) a representative of the following associations/

organisations appointed on part-time basis:

- (i) the Health Care Providers Association of Nigeria; viz NMA PSN AMLSN and NANMN
- (ii) a representative of Organised Labour, Ondo State;
- (d) The General Manager of the Commission, who shall also be the Secretary to the Board.

General
Manager and
other staff of
the
Commission.

- 4. (1) There shall be a General Manager appointed for the Commission who shall-
 - (a) be a person of integrity with relevant qualifications in Health Management or Health Economics or Public Health with a minimum of 10 years professional experience.
 - (b) be the Accounting Officer of the Commission and be responsible to the Board;
 - (c) hold office-
 - (i) for a period of 4 years in the first instance and may be re-appointed for a further term of 4 years and no more; and
 - (ii) on such terms and conditions as may be specified in the letter of appointment.
- (3) The General Manager shall, be responsible for the-
 - (a) day-to-day administration of the Commission;
 - (b) general direction and control of all other employees of the Commission.
- (4) The Board shall-
 - (a) appoint, for the Commission, directors to head the following departments:
 1. Finance and Administration
 2. Account
 3. Standards and Quality Assurance
 4. Planning, Research and Statistics including ICT unit
 5. Marketing(formal and informal sectors)
 6. Procurement
 7. Legal, Audit, Public Relations units shall be under the General Manager's Office.
 - (b) appoint other employees as may, in the opinion of the

Board, be required to assist the Board in the discharge of any of its functions under this Law; and

- (c) pay to persons so appointed such remuneration and allowances as the Board may approve.

5. There is established an Ondo State Contributory Health Scheme (in this law referred to as the "Scheme")

Establishment
of the Scheme

Components of
the Scheme

6.(1)The Scheme shall comprise initially of three components-

- (a) The Ondo State Equity Health Plan (EHP) shall be a plan for vulnerable groups as defined in Section 1 of this Law. Other criteria for eligibility into the health plan shall be as approved by the State Executive Council. The only point of entry shall be public Primary Health Care Centres who shall refer if necessary to designated public secondary and tertiary health facilities

- (b) The Community Based Health Plan (CBHP) shall be the 'affordable' plan providing a prescribed package of healthcare services at uniform contributions accessible to all residents at the grassroots and will be accessible from both Public and Private Facilities;

- (c) The Ondo State Private Health Plan (PHP) shall consist of a variety of packages providing healthcare services in direct proportion to the contribution; and

- (d) The Formal Health Plan shall be a contributory plan for all public and private formal sector employees wherein the employer and employees shall make contributions as determined by the Board;

- (e) Any other component as may be developed by the Commission with the approval of the Board.

(2) The Scheme shall be compulsory and apply to all residents of the State that are not covered by an existing Health Scheme.

(3) All residents in the formal or informal sector already covered by an existing health scheme must provide evidence of same to the Commission.

- Objectives of the Scheme. 7. The Scheme shall-
- (1) ensure that every resident of Ondo State has access to good health care services;
 - (2) ensure that all residents of Ondo State have financial protection, physical access to quality and affordable Health Care Services;
 - (3) protect families from the financial hardship of huge medical bills;
 - (4) regulate the rise in the cost of Health Care Services;
 - (5) ensure that the poor and vulnerable shall be guaranteed the basic minimum package as defined under the National Health Act;
 - (6) ensure equitable distribution of Health Care costs across different income groups;
 - (7) maintain high standard of Health Care Delivery Services within the Health Sector;
 - (8) ensure efficiency in Health Care Service Delivery;
 - (9) improve and harness private sector participation in the provision of Health Care Services;
 - (10) ensure appropriate patronage at all levels of the Health Care Delivery system;
 - (11) ensure the availability of alternate sources of funding to the health sector for improved services.
- Tenure of office of members of the Board. 8.
- (1) A member of the Board shall hold office for a term of four (4) years in the first instance and may be re-appointed for a further term of four (4) years and no more.
 - (2) The members of the Board shall be paid such remunerations and allowances as the State Government may, from time to time, determine.
- Cessation of membership of the Board. 9.
- (1) A member of the Board shall cease to hold office if-
 - (a) he becomes of unsound mind;
 - (b) he becomes bankrupt;
 - (c) he is convicted of a felony or of any offence involving dishonesty; or
 - (d) he is guilty of serious misconduct in relation to his duties.
 - (2) A member of the Board may be removed from office by the Governor, if he is satisfied that it is not in the interest of the

Commission or the interest of the public that the member should continue in office.

Resignation of a member of the Board. 10. A member of the Board may resign his appointment by notice, in writing under his hand, addressed to the Governor and the resignation shall take effect on acknowledgement by the Governor or at the expiration of the one month notice.

Vacancy in the Board 11. 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.

Powers of the Board. 12. The Board shall have the power to-

- (a) determine the organizational structure of the Commission;
- (b) approve for the Commission all the health plans and private health maintenance organizations;
- (c) determine the overall policies of the Scheme, including the financial and operative procedures;
- (d) ensure the effective implementation of the policies and procedures of the Scheme;
- (e) regulate and supervise the Scheme established under this Law;
- (f) establish standards, rules and guidelines for the management of the Scheme;
- (g) register, engage, and supervise health maintenance organizations and other institutions relating to the Health Plans as the Commission may from time to time determine;
- (h) develop a targeting mechanism to identify the poor and vulnerable who will benefit from the Health Equity Plan as provided under Section 6(1)(a) of this Law;
- (i) issue guidelines and approval for the administration and release of funds under the Scheme;
- (j) approve other Health Plans as presented and put forward to the Commission from time to time;
- (k) approve the recommendation of the Commission relating to research, consultancy and training in respect of the Scheme;

- (l) ensure the maintenance of a State data bank on all Scheme matters;
- (m) determine the remuneration and allowances of all staff of the Board;
- (n) determine the level of co-payment for all schemes of the Commission; and
- (o) perform such other duties which, in the opinion of the Board, are necessary or expedient for the discharge of its functions under this Law.

Functions of the Commission

13. The Commission shall be responsible for-

- (a) Ensuring the effective implementation of the policies and procedures of the Scheme;
- (b) Issuing appropriate regulations and guidelines, as approved by the Board, to maintain the viability of the Scheme;
- (c) The management of the Scheme in accordance with the provisions of this Law;
- (d) Implementation of the minimum benefit package as defined under the National Health Act;
- (e) The definition of benefit packages to be provided under the Health Plans as specified in Section 6 of this Law;
- (f) Registering State Accredited Health Maintenance Organizations, State accredited health care facilities and other relevant institutions;
- (g) Determining the percentage of the premiums from private health plans that shall be payable as cross subsidy to the Fund for the purpose of financing the Health Equity Plan for the poor and vulnerable;
- (h) Approving format of contracts for the HMOs and all Health Care Providers;
- (i) Carrying out public awareness and education on the establishment and management of the Scheme;
- (j) Promoting the development of mutual Health Associations for wider participation in scheme;
- (k) Determining, after due consideration, capitation, fee-for service and other payment mechanisms due to Health Care Providers, by the HMOs in line with similar schemes;
- (l) Advising the relevant bodies on inter-relationship of the

Commission with other Social Security Services;

- (m) Coordinating research and statistics on Health Insurance;
- (n) Establishing quality assurance for all Stakeholders;
- (o) The collection, collation, analysis, and reporting on quarterly returns from the HMOs, CBHPs and MHAs;
- (p) Exchanging information and data with the National Health Insurance Scheme, State Health Management Information System, relevant financial institutions development partners, Civil Society groups; and other relevant bodies;
- (q) Ensuring manpower development in the Commission;
- (r) Receiving and investigating complaints of impropriety levelled against any HMO, health care provider, and other relevant institutions and ensure appropriate sanctions are given; and
- (s) Carrying out such other activities as are necessary or expedient for the purpose of achieving the objectives of the Commission under this Law.

Pension.

14. (1) Employment in the Commission shall be approved service for purposes of the Pension Law.
- (2) Employees of the Commission shall be entitled to pensions and other retirement benefits.
- (3) Nothing in subsections (1) and (2) of this Section or in this Law shall prevent the appointment of a person to any office on terms which preclude the grant of pension in respect of that office.

Appointment of consultants for the Commission.

15. (1) The Board shall appoint for the Commission, a licensed actuary on such terms and conditions as the Board may, from time to time, 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 Board.
- (3) If, having regard to the review and evaluation carried out by the actuary under subsection (2) of this Section, the Board considers that the rates of contributions have not retained their value in relation to the general level of earning in Nigeria, the Board 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.

(4) The Board shall appoint for the Commission, Auditors, Pension Consultants, etc. as it shall be determined from time to time.

Applicability of NHIS Act. 16. The provisions of the NHIS Act and the National Health Act shall apply to the provisions of this Law and all the regulations made hereunder. Where any provision of this Law is in conflict with any provision of the NHIS Act or the National Health Act, that provision shall, to the extent of its inconsistency, be void.

Prohibiting refusal of treatment or coverage 17. (1) A health care provider or HMO shall not by reason of a resident's medical history refuse treatment or coverage.
(2) A health care provider shall not refuse a person emergency medical treatment for reason of lack of coverage under a health plan.

Creation and management of a health fund. 18. (1) There is created the Ondo State Health Fund (hereinafter referred to as 'the Fund').

- (2) The Fund shall consist of-
- (a) the initial take-off grant from the Ondo State Government;
 - (b) Formal Sector Fund: comprising of contributions from public and private sector employers and employees, deductions from employee and contributions from employers to this fund shall be a first line charge on the revenue of the organization and in the case of the State Government, it shall be from the consolidated revenue fund of the state;
 - (c) CBHP Fund: comprising of contributions from the informal sector;
 - (d) Equity Fund: comprising of contributions of not less than 1% consolidated revenue of the Ondo State Government, funds from NHIS for pregnant women, children under-five (5) years and other relevant programs; donations or grants-in-aid from private organizations, philanthropists, international donor organizations and Non-Governmental organizations from time to time;
 - (e) funds to be provided by the NHIS in accordance with the provisions of the National Health Act;
 - (f) such money as may be due from Health Maintenance Organizations and subsidy remittance from private plans;

- (g) fines and commissions charged by the Commission;
- (h) other appropriations earmarked by the national, state and local governments purposely for the implementation of the Scheme;
- (i) funds as may be approved from the Ondo State Primary Health Care Development Board (OSPHCDB), from the National Primary Healthcare Development Agency (NPHCDA) for the CBHP, FHP and other relevant programs;
- (j) dividends and interests on investments and stocks;
- (k) annual subvention from the State government and contributions on behalf of retirees, disabled, indigent or disadvantaged population;
- (l) all other money which may, from time to time accrue to the Commission.

Disbursement of the Fund

19. (1) The Board shall approve disbursement of funds to the Health Care Providers from the established fund through the participating HMOs, CBHP and MHAs with the recommendation of the Commission.

(2) The Commission shall on approval of the Governing Board, from time to time, apply the administrative charges at its disposal -

- (a) for and in connection with the objectives of the Commission under this Law;
- (b) to the cost of administration of the Commission;
- (c) to the payment of fees, allowances and benefits of members of the Board;
- (d) to the payment of salaries, allowances and benefits of officers and employees of the Commission;
- (e) for the maintenance of any property vested in the Commission or under its administration; and

(3) The Commission shall, invest with adequate security any money not immediately required for use in Government Bonds and Treasury Bills.

Power to accept gifts

20. (1) The Commission may accept gifts of land, money or other property on such terms and conditions, if any, as may be specified by the person or organization making the gift.

(2) The Commission shall not accept any gift if the conditions attached by the person or organization offering the gift are inconsistent with the objectives and functions of the Commission under this Law.

Annual

21. (1) The Board shall cause to be prepared, not later than 30th

estimate account and audit September in each year, an estimate of the expenditure and income of the Commission during the next succeeding year and when prepared, they shall be submitted to the Accountant-General of the State.

(2) The Board shall cause to be kept proper accounts of the Commission and proper records in relation thereto and when certified by the Board, the accounts shall be audited by auditors appointed by the Board from the list and in accordance with the guidelines supplied by the Auditor-General of the State.

Annual report. 22. (1) The Board shall not later than three (3) months immediately following the end of a year-

(a) submit to the Governor, a report on the activities and the administration of the Commission during the immediately preceding year and shall include in the report the audited accounts of the Commission and the auditor's report on the accounts; and

(b) present and publish the audited annual accounts, auditor's report on the accounts and reports on the activities of the Commission to Annual Meeting comprising all Stakeholders and on the State Government Website.

Exemption from tax. 23. (1) The Commission shall be exempted from the payment of tax on any income accruing from investment made by the Board for the Commission or otherwise.

(2) The provisions of any enactment relating to the taxation of companies or trust funds shall however not apply to the Commission or the Board.

Payment of contribution under the Scheme. 24. (1) The Fund shall be administered through carefully selected and approved banks as advised by the Accountant-General of the State, for the pooling of all contributions derived from either the public or private sector (formal or informal) into dedicated accounts.

(2) The Commission shall cause the pooling of contributions derived from the private and public sector to be made directly to the Fund.

(3) A percentage of the premiums from private health plans to be determined by the Commission shall be payable as cross subsidy to the Fund for the purpose of financing the Health Equity Plan for the poor and vulnerable

(4) The Commission shall cause HMOs, MHAs to establish accounts with the Ondo State Health Fund approved Banks for the agreed remittable percentage of the premiums received for the private health plans and Community Based Health Plan all under this Law.

(5) All other funds particularly by independent or private donors shall be paid directly to the Fund through approved banks into dedicated accounts.

(6) The Commission shall cause HMOs to produce, in a recognized format and subject to guidelines to be issued by it from time to time, performance/security bond from accredited banks or insurance companies so as to protect contributions collected.

(7) The Commission on the advice of the actuary shall prescribe, from time to time, what percentages of contributions collected by HMOS, CBHP and MHAs shall be for provider reimbursement, administration, and remittance to the Commission.

Registration of residents and others

25. (1) Subject to such guidelines and regulations as may be made, under this Law, all residents shall be registered under the Scheme either through their registered HMOs, CBHPs or MHAs or on an employee individual basis.

(2) All employers (public and private) shall register with the Commission and obtain a Corporate Identification Number.

Registration and services of health care providers

26. (1) The engagement of participating health care providers under the Health Scheme shall be in accordance with guidelines as may be issued by the Commission, from time to time, under this Law.

(2) A health care provider so engaged in subsection (1) shall, in consideration of an approved capitation payment or fee for service, to the extent and manner prescribed herein, provide services in accordance with-

(a) the approved benefit package as shall be actuarially determined from time to time by the board; and

(b) treatment guidelines.

Empanelling of HMO's, MHA's and allied associations.

27. (1) The Commission shall empanel State accredited HMOs, MHAs and allied associations.

(2) This Law recognizes the existence of prepaid Health Insurance Organizations and prepaid Health Plans before the commencement of the Ondo State Contributory Health Scheme. Such organizations operating in the State shall be registered and monitored by the Commission. However, all Community Based Health Plans must mandatorily be run in the manner stipulated by this Law and the Commission for uniformity and to the economic benefit of community members.

(3) The registration of an organization under the Commission shall be in such form and manner as may be determined, from time to time, by the Board, using guidelines which shall include provisions requiring the organization to-

(a) be financially viable before and after registration;

- (b) have a healthy track record of relationship with private providers;
- (c) make a complete disclosure of the ownership structure and composition of the organization;
- (d) have account(s) with one or more banks approved by the Commission;
- (e) comply with relevant insurance requirements through insurance companies accredited by the Commission;
- (f) give an undertaking that the organization shall manage and invest the funds accruing to it from contributions received pursuant to this Law in accordance with the guidelines to be issued, from time to time, by the Commission.

(4) The Commission shall reserve the right to allocate HMOs to cover designated divisions of the State under the State Health Equity Plan.

(5) The registration of an HMO shall be for duration as specified in the guidelines issued by the Commission. At the expiration of a HMOs registration, it shall renew its registration within the time limits specified by the guidelines.

Refusal of registration.

28. (1) The Commission may refuse to register any to an application made under Section 27 of this Law if it is satisfied that-

- (a) the information contained in the application for a licence is false in any material particular; or
- (b) the application does not meet the requirements prescribed by the Commission for grant of a licence.

(2) Where the Commission refuses to register any organization, it shall forthwith notify the applicant in the prescribed form, specifying the reasons for such refusal. However, such an organization may reapply at a time it has fulfilled all the necessary conditions for registration.

De-registration of organisation.

29. (1) The Commission shall de-register any 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 organisation does not provide the quality of the services specified by the Commission;
- (c) the organization is subject to any insolvency proceedings or is to be wound up or otherwise dissolved;
- (d) the conduct of affairs of the organization does not conform with the provisions of this Law or any regulations

made pursuant to or any directive issued under this Law;

(e) any event occurs which renders the organization ineligible to perform its duties; and

(f) the organization is in breach of any condition attached to its registration.

(2) The Commission shall, before de-registering the licence of an organization give the organization at least 90 days' notice of its intention and shall consider any representations made to it in writing by the organization within that period before the revocation.

Functions of HMOs; CBHPs and MHAs.

30. (1) An organization referred to in subsection (1) of Section 27 of this Law shall have responsibility for-

(a) registration of eligible employers and employees under this Law;

(b) collection of contribution from existing prepaid health plans under subsection (2) of Section 24 of this Law and shall remit 1% of collection to the Fund;

(c) the payment of capitation fee for service or other recognized methods of payment for services rendered by Health Care Providers registered under the Scheme;

(d) rendering to the Commission returns on its activities as may be required by the Board;

(e) contracting only with the Health Care Providers approved under the Scheme for the purpose of rendering Health Care Services as provided by this Law;

(f) ensuring that contributions are kept in accordance with guidelines issued by the Board;

(g) establishing a quality assurance system.

(2) An Association referred to in subsection (1) of Section 27 of this Law shall have responsibility for the functions stated in subsection (1) of this Section though with focus on the informal sector.

(3) Notwithstanding anything contained in this Law, HMOs, CBHPs and MHAs shall not be involved in the direct delivery of health care services or collection of funds except in private or voluntary health plans and shall make appropriate returns to the Fund.

Participation of Local Governments - appointment of focal persons.

31. A Local Government Chairman may in consultation with the Primary Healthcare Development Board respectively appoint focal persons who shall be senior serving officers in the services of the Local Government Primary Health Care Authority to coordinate and collaborate with the Commission.

Functions

32. (1) Whenever there is a dispute amongst parties under this Law, it shall

of the Commission's Arbitration Panel	<p>first be referred to arbitration, mediation or conciliation before resorting to litigation.</p> <p>(2) The parties shall by mutual consent appoint a 3-man panel of arbitrators (herein after referred to as "the Panel").</p> <p>(3) The membership of the panel and the applicable Arbitral procedure shall be as provided for in the Arbitration and Conciliation Law, Laws of Ondo State.</p>
Jurisdiction.	<p>33. The State High Court shall have-</p> <p>(a) jurisdiction to try offenders under this Law; and</p> <p>(b) power to impose the penalties provided for the offence in this Law, notwithstanding anything to the contrary in any other enactment.</p>
Payment of contribution.	<p>34. (1) The High Court before which a person is convicted of an offence under this Law may, without prejudice to any civil remedy, order a person to pay to the Fund of the Scheme the amount of any contribution together with interest and penalty thereon, certified by the Commission to be due and payable at the date of the conviction and such amount shall be paid into the Fund of the Scheme for its credit, where applicable or of the employee concerned.</p> <p>(2) Any contribution paid into the Fund of the Scheme under subsection (1) of this Section shall be remitted to the organization entitled to receive the contribution.</p>
Limitation of suits against the Commission etc.	<p>35. (1) Subject to the provisions of this Law, the provisions of the Public Officers Protection Act shall apply in relation to any suit instituted against any officer or employee of the Commission.</p> <p>(2) Notwithstanding anything contained in any other enactment, no suit shall lie against the Commission, any member of the Board, the General Manager or any other officer or employee of the Commission for anything done in pursuance or execution of this Law or any other enactment or law, or of any public duty or authority or in respect of any alleged neglect or default in the execution of this Law or such enactment or law, duty or authority, shall lie or be instituted in any court unless it is commenced-</p>
Pre-action notice	<p>(a) within three months after the act, neglect or default complained of; or</p> <p>(b) in the case of a continuation of damage or injury, within six months next after the ceasing thereof.</p> <p>(3) No suit shall be commenced against the Commission, a member of the Board, the General Manager, officer or employee of the Commission before the expiration of a period of one month after written</p>

notice of intention to commence the suit shall have been served upon the Commission by the intending plaintiff or his agent(s).

(4) The notice referred to in subsection (3) of this Section shall clearly and explicitly state the cause of action, the particulars of the claims, the name and place of abode of the intended plaintiff and the relief which he claims.

Service of document. 36. A notice, summons correspondence or other document required or authorized to be served on the Commission under the provisions of this Law or any other enactment of law may be served by delivering it to the General Manager or by sending it by registered post and addressed to the General Manager at the principal office of the Commission.

Restriction on execution against property of the Commission. 37. (1) Subject to the provisions of the Constitution or any law made pursuant to, in any action or suit against the Commission, no execution or attachment of process in the nature thereof shall be issued against the Commission not less than three (3) months unless notice of intention to execute or attach has been given to the Commission.

(2) Any sum of moneys which may by the judgment of any court be awarded against the Commission shall, subject to any directions given by the court where notice of appeal of the said judgment has been given, be paid from the general reserve fund of the Commission.

Indemnity of officers. 38. Any officer or employee of the Commission acting in the course of lawful duty shall be indemnified from the asset of the Agency, against any liability incurred by him in defending any civil proceeding.

Confidentiality and non-disclosure. 39. (1) A member of the Board, the General Manager, officer or other employee of the Commission shall-

(a) not make use of any information which has come to his knowledge in the exercise of his powers or is obtained by him in the ordinary course of his duty for his personal gain or otherwise under this Law;

(b) treat as confidential any information which has come obtained by him in the performance of his functions under this Law;

(c) not disclose any information referred to under paragraph (b) of this subsection except when required to do so by an Arbitration or similar panel of the court or in such other circumstances as may be prescribed by the Board, from time to time.

Contribution to be inalienable. 40. (1) Contributions payable under the Commission 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.

(2) Notwithstanding anything in any law or enactment, contributions whether by an employer or an employee under this Law shall

form part of tax deductible expenses in the computation of tax payable by an employer or, as the case may be, by an employee, under any other relevant law applicable to income tax.

Transfer of liability of contributions in the case of mergers acquisitions, etc.

41. Where, under Section 591 of the Companies and Allied Matters Act 1990, an order is made by a court under subsection (3) of that section which include the transfer to the company of the whole or any part of the undertaking and of 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 Law (together with any accrued interest thereon) in respect of the employees concerned in the undertaking, property or liability transferred.

Professional indemnity for health care providers. Powers to make Regulations and issue guidelines.

42. A Health Care Provider (institution and individual) shall be required to take professional indemnity cover from a list of insurance companies approved by the Board.

43. (1) The Commission shall make regulations and issue guidelines for-

- (a) the registration of employers and employees liable to contribute under this Law.
- (b) the registration of dependants of employees covered by the Commission;
- (c) the compulsory payment of contributions by employers and employees, the rates of those contributions and the deduction by the employers of contributions payable by employees under this Law from any salary, wage or other money payable;
- (d) the voluntary payment of contributions by self-employed and other persons and rates of such contributions;
- (e) the maintenance of the records to be kept for the Commission and the records to be kept by employers in respect of contributions payable under this Law and in respect of their employees;
- (f) the methods of receiving contributions under this Law;
- (g) the imposition of surcharges in respect of late payment of contributions by employers or employees;
- (h) the manner and circumstances in which contributions may be remitted and refunded;

- (i) negotiated fees and charges payable for medical, dental, pharmaceutical and all other services provided under the scheme;
- (j) the nature and amount of benefits to be provided under this Scheme, the circumstances and the manner in which the benefits shall be provided;
- (k) the nature and amount of capitation and fee for service payment under this Scheme, the circumstances and the manner in which Health Care Providers shall receive the payment;
- (l) the reduction, suspension or withdrawal of any payment under this Scheme;
- (m) the submission of returns by employers regarding the employers and their employees;
- (n) the procedure for assessment of contributions made under this Scheme;
- (o) Any other matter whatsoever for which, in the opinion of the Commission, is necessary or desirable to make regulation and issue guidelines for giving effect to this Law.

(2) The guidelines issued under subsection (1) (c) of this Section may provide for different levels of contributions to be payable by different classes of persons.

(3) The guidelines issued under this section need not be published in the Gazette but they are published as a Manual.

Power to enter, inspect and audit.

44. The Commission through her appointed officers may enter, inspect and audit any premises, books, accounts and records of any Hospital, HMO or MHA that has received payments under this Law at any time and may require the health care provider to verify in a manner prescribed, any information submitted to the Commission.

Withholding payments.

45. Where a hospital or health facility fails to keep the books, records and returns required under this Law or any Regulations made there under the Commission may withhold payments due to it until the hospital complies with the provisions of this Law and the Regulations made here under.

Offences and penalties.

46. (1) Any person who produces to an admitting official of a hospital or a Medical Practitioner or a member of his staff or to a person authorized by Law to provide other health services or a member of his staff, a registration certificate-

- (a) knowing that the person named therein is not at the time of the production thereof, not covered under the

Law;

- (b) knowing that the person on behalf of whom and to facilitate whose treatment it is produced is not the person named therein or a dependant of that person.

commits an offence and shall on conviction be liable to imprisonment for a term not exceeding one year or pay a fine of (N2,500,000.00) Two Million, Five Hundred thousand naira in addition to the bills incurred or both.

(2) Any member or agent of the Commission who fails, without reasonable cause, to comply with a requirement of an auditor under subsection (2) of Section 21 of this Law, commits an offence and is liable on conviction to a fine not exceeding ₦100,000 or imprisonment or a term not exceeding three months or to both such fine and imprisonment.

(3) Any person or organization who –

- (a) fails to pay into the account of an organization or association and within the specified period any contribution liable to be paid under this Law; or

- (b) deducts the contribution from the employee's wages and withholds the contribution or refuses or neglects to remit the contribution to the organization or association concerned within the specified time, commits an offence and is liable on conviction to-

- (i) in the case first offender, a fine not less than Five Hundred Thousand Naira (~~₦~~500,000.00) or imprisonment for a term not exceeding six months or both.

- (ii) in the case of a second or subsequent offender, a fine not less than One Million Naira (~~₦~~1,000,000.00) or imprisonment for a term not less than two years or to both.

(4) Any Health Organisation who connives with an individual or organisation to collect remuneration in cash or kind for services rendered or not rendered commits an offence and liable on conviction to a fine of ₦1,500,000.00 (One Million, five hundred Naira) and in addition be disengaged/expel from the scheme.

Offences by
bodies
corporate, etc.

47. Where an offence under this Law has been committed by a body corporate or firm or other association of individuals, a person who at the time of the offence was an officer of the body corporate, firm or other association and who was responsible for the commission of the offence, shall be prosecuted for the infraction.

Citation and commencement 48. This Law may be cited as the Ondo State Contributory Health Scheme Law 2018 and shall come into force on the ___ day of ___ 2017.

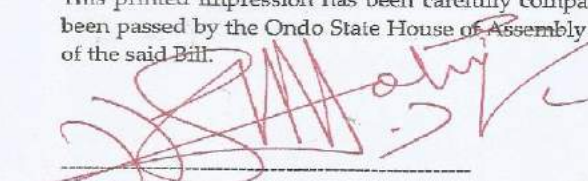
SUPPLEMENTARY PROCEEDINGS RELATING TO THE BOARD

- Quorum
1. (1) Subject to this Law and Section 27 of the Interpretation Act, the Commission 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 any of the full time members presiding at the meeting and five (5) other members and the quorum of any Committee of the Board shall be determined by the Board.
- Meetings of the Board.
2. (1) The Board shall meet not less than three (3) times in each 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 other members, he shall summon a meeting of the Board to be held within fourteen 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, any of the full time 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 as it thinks fit; but a person who is in attendance by virtue of this sub-paragraph shall not be entitled to vote at any meeting of the Board and shall not count towards a quorum.
- Committees.
4. (1) The Board may constitute one or more committees to carry out, on behalf of the Board such of its functions as it may determine.
- (2) A committee appointed under this Paragraph shall consist of such number of persons (not necessarily members of the Board as may be determined by the Board) and a person other than a member of the Board shall hold office on the Committee in accordance with the terms of his appointment.

Miscellaneous.

5. (1) The fixing of the seal of the Commission shall be authenticated by the signature of the Chairman, the General Manager or of any other person authorized generally or specifically to act for that purpose by the Board.
- (2) Any contract or instrument, which, if made or executed by a person not being a body corporate, would not be required to be under seal may be made or executed on behalf of the Board by the Chairman or any person generally or specially authorized to for the purpose by the Board.
- (3) Any document purporting to be a document duly executed under the seal of the Commission shall be received in evidence and shall, unless and until the contrary is proved, be presumed to be so executed.
- (4) The validity of any proceeding of the Board or of a committee thereof shall not be adversely affected by any vacancy in the membership of the Board or committee, or by reason that a person not entitled to do so took part in the proceedings of the Board or committee.


This printed impression has been carefully compared by me with the Bill which has been passed by the Ondo State House of Assembly and found by me to be a true copy of the said Bill.


Rt. Hon. (Chief) Oleyelogun Bamidele David
Speaker, Ondo State House of Assembly.


Adeyelu Micheal Bode
Clerk of the House of Assembly.

GOVERNOR'S ASSENT

I hereby signify my assent to this Bill Dated the ^{6th} day of February 2018


Arakunrin Oluwarotimi O. Akeredolu, SAN
Governor, Ondo State of Nigeria