

CAYMAN ISLANDS



HEALTH INSURANCE COMMISSION LAW

(2016 Revision)

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PUBLISHING DETAILS

Law 12 of 2003 consolidated with Law 2 of 2009 and 7 of 2016.

Revised under the authority of the Law Revision Law (1999 Revision).

Originally enacted -

Law 12 of 2003-11th August, 2003

Law 2 of 2009-4th May, 2009

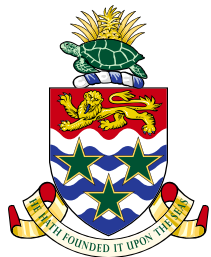
Law 7 of 2016-6th May, 2016.

Consolidated and revised this 28th day of July, 2016.

Note (not forming part of the Law): This revision replaces the 2010 Revision which should now be discarded.



CAYMAN ISLANDS



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HEALTH INSURANCE COMMISSION LAW

(2016 Revision)

ENACTED by the Legislature of the Cayman Islands.

Short title

1. This Law may be cited as the *Health Insurance Commission Law (2016 Revision)*.

Definitions

2. In this Law —

“**approved insurer**” means an insurer licensed under the *Insurance Law 2010* [Law 32 of 2010], as a Class “A” insurer and approved by the Authority to provide standard health insurance contracts;

“**Authority**” means the Cayman Islands Monetary Authority;

“**Commission**” means the Health Insurance Commission established under section 3;

“**Minister**” means the Minister responsible for health insurance;

“**prescribed**” means prescribed by regulations made under this Law; and

“**Superintendent of Health Insurance**” means the public officer appointed to administer this Law.

Health Insurance Commission established

3. There is established the Health Insurance Commission having the powers and duties conferred or imposed upon it by this Law and any other Law.

Constitution of Commission

4. (1) The Commission shall consist of the following members —
- (a) the Permanent Secretary of the Ministry responsible for health insurance;
 - (b) the Chief Medical Officer or his nominee;
 - (ba) the Superintendent of Health Insurance;
 - (c) not less than four nor more than six other members appointed by the Cabinet from among persons experienced in the areas of health, health insurance, finance (including accounting) and regulation of insurance; and
 - (d) one member of the public who is not experienced in any of the areas specified in paragraph (c).
- (2) Appointments made under subsection (1) shall be published in the Gazette.
- (3) Any person appointed under subsection (1)(c) to be a member of the Commission shall hold office for three years and shall be eligible for re-appointment.
- (4) There shall be a Chairman and Deputy Chairman of the Commission, each of whom shall be appointed by the Cabinet from among the members of the Commission.
- (5) The Commission shall be deemed to be properly constituted notwithstanding that there is a vacancy in the office of Chairman or Deputy Chairman or any other member.
- (6) There shall be paid to the members of the Commission (other than members specified under subsection (1) (a) and (b)) such remuneration and such allowance in respect of attendance at the meetings of the Commission as the Cabinet may determine and for the purpose of this subsection the attendance of any member at a meeting of the Commission shall be certified by the chairman of that meeting.
- (7) Any written notice or other document required to be served upon the Commission may be served by leaving the notice or document at the office of the Commission or by sending it through the post in a prepaid letter addressed to the Commission at the office of the Commission.

Meetings of Commission

5. (1) The Commission shall meet as often as it deems necessary for the performance of its functions and shall, without prejudice to the generality of the foregoing, meet at least ten times in any one year.
- (2) Five members present at any meeting of the Commission shall constitute a quorum.



- (3) At any meeting of the Commission, in the absence of the Chairman the Deputy Chairman shall take the chair and in the absence both the Chairman and the Deputy Chairman the members present shall elect one of their number to take the chair.
- (4) Every question or matter to be determined by the Commission at any meeting shall be decided by a majority of the votes of the members present and voting on that question or matter.
- (5) In the event of an equal division of votes the chairman of the meeting may give a second or casting vote.
- (6) Subject to this section, the Commission shall have power to regulate its own procedure.
- (7) The Commission may act notwithstanding that a vacancy exists among the members and shall have power to —
 - (a) act by sub-committee; and
 - (b) delegate any of its duties and powers from time to time to such sub-committees and to any of their own number and to the public officers of the Commission,except that where the Commission, sets up a sub-committee which consists of members other than members or the public officers of the Commission, it may only act or delegate its duties or powers to such sub-committee with the approval of the Cabinet.
- (8) Where a member of the Commission has a direct pecuniary interest in any matter being considered by the Commission and is present at a meeting of the Commission at which the matter is the subject of consideration, at the meeting and as soon as practicable after its commencement he shall disclose the fact and shall not take part in the consideration or discussion of the matter or vote on any question with respect to it, and shall be excluded from the meeting for the duration of the consideration, discussion and voting procedure.
- (9) A member who fails to comply with subsection (8) commits an offence and is liable —
 - (a) on summary conviction to a fine of twenty thousand dollars and to imprisonment for two years; or
 - (b) on conviction on indictment to a fine of fifty thousand dollars and to imprisonment for five years,unless he proves that he did not know that the matter in which he had a direct pecuniary interest was the subject of consideration at that meeting.
- (10) A disclosure under subsection (8) shall be recorded in the minutes of the Commission.

- (11) No act or proceeding of the Commission shall be questioned on the ground that a member has contravened this section.

Superintendent of Health Insurance and other officers

6. (1) The Cabinet shall appoint a person to serve as Superintendent of Health Insurance who shall be the chief executive officer of the Commission.
- (2) The Cabinet shall appoint such other officers of the Commission as the Cabinet considers necessary for the due performance of the functions of the Commission and such officers of the Commission shall be under the supervision of the Superintendent of Health Insurance.

Functions of Commission

7. The Commission shall have the following functions —
- (a) to manage the collection of all sums due to the segregated insurance fund established under section 8;
 - (b) to advise the Minister generally on any matter relating to health insurance including advice on the premium rates charged by approved insurers;
 - (c) monitoring the conduct of approved insurers in order to ensure they are conforming with the requirements of the *Health Insurance Law (2016 Revision)* and regulations made thereunder;
 - (d) to provide such information relating to the exercise of its functions as the Minister may require;
 - (e) to give effect to any directions given by the Minister under section 10; and
 - (f) such other functions as may be prescribed by regulations or any other Law.

Segregated insurance fund

8. (1) There shall be a fund called the segregated insurance fund into which there shall be paid the payments specified under regulation 5 of the *Health Insurance Regulations (2013 Revision)* and such other payments out of the revenue of the Islands as may be approved from time to time by the Legislative Assembly.
- (2) There shall be payable out of the fund established under subsection (1) all claims arising in connection with the treatment of indigent persons.
- (2A) In managing the collection of sums due to the segregated insurance fund, the Commission shall collect all sums due to the fund and remit the sums to the Ministry responsible for health insurance.
- (3) The Ministry responsible for health insurance shall manage the segregated insurance fund and in managing the fund the Ministry shall —



- (a) receive into the segregated insurance fund all sums due to such fund;
 - (b) make payments from such funds necessary for the administration of the fund; and
 - (c) account for all moneys collected and paid under this Law.
- (4) The Commission shall exercise due care and diligence in collecting from an approved insurer sums due to the segregated insurance fund.
- (5) As at 1st March, 2004 the payments referred to in subsection (1) shall cease to be collectable by the Authority.

Repealed

9. Repealed by section 4 of *[Law 2 of 2009]*.

Minister may give general directions to Commission

10. The Minister may, after consultation with the Commission, give such general directions as to the exercise and performance by the Commission of its functions as appear to the Minister to be necessary in the public interest.

Accounts

11. (1) The Commission shall cause proper accounts relating to the segregated insurance fund to be prepared and maintained on an accrual accounting basis and in accordance with generally accepted accounting practice.
- (2) The Commission shall, as soon as practicable after the end of each financial year, forward to the Cabinet —
- (a) a report on the operations of the Commission during that year; and
 - (b) a copy of the accounts of the fund for that year certified by the Auditor General.
- (3) The report prepared for the purposes of subsection (2)(a) shall set out any directions given by the Minister to the Commission during that year.
- (4) The Minister shall cause copies of the report of the Commission and the accounts of the segregated insurance fund forwarded to the Cabinet under subsection (2) to be laid before the Legislative Assembly.

Audit of Accounts

12. The Auditor General shall —
- (a) conduct audits of the segregated insurance fund;
 - (b) for the purposes of carrying out an audit or an investigation be given the right of access to all relevant information held by the Commission and the right of access to all premises occupied by the Commission;
 - (c) have the right to take copies of any information referred to under this section; and

- (d) have the right to require explanations from members and the public officers of the Commission.

Repealed

- 13.** Repealed by section 6 of [*Law 2 of 2009*].

Cabinet may make regulations

- 14.** The Cabinet may make regulations generally for carrying into effect any of the provisions of this Law.

Publication in consolidated and revised form authorised by the Cabinet this 30th day of August, 2016.

Kim Bullings
Clerk of Cabinet

