Our Ref: MDA/016

26 November 2019

The Parliamentary Committee on Health,
Thru the Clerk to Parliament,
Parliament of Uganda,
Plot 16-18, Parliament Avenue,
P.O Box 7178, Kampala.

Dear Sir/ Madam,

RE: COMMENTS ON THE NATIONAL HEALTH INSURANCE SCHEME BILL, 2019

The above subject refers.

The Institute of Certified Public Accountants of Uganda (ICPAU) wishes to take this opportunity to comment on the National Health Insurance Scheme Bill, 2019.

We appreciate the effort that has gone into making this Bill and the Committee's commitment to the ongoing efforts to provide affordable healthcare to all Ugandans.

Our letter identifies a number of issues which we think require further consideration by the Committee if the citizens of Uganda are to duly access affordable healthcare. These are outlined below;

1. The proposed Bill is tasking the private sector to deliver a social good (affordable healthcare) to the entire country. Healthcare is a social good, which should not largely be profit-driven. ***Left in a profit driven form, both public sector and private sector players will deliver healthcare to this country at a very high cost and with less coverage, thus worsening the health social security and more so the old age social security***.
2. The proposed arrangement within the Bill appears to be converting all government healthcare delivery facilities into paying institutions (different from the current free service provision). If so, is government committing to offer other subsidies to the health sector?

3. Government needs to establish an efficient working healthcare delivery system all over the country especially in the villages, because these are the areas that must be well planned for especially as we continue promoting local tourism.
4. Has Government considered the unintended consequences the Scheme would have on the existing medical insurance business in Uganda? We think the Bill should address this, given that this sector has for long contributed a large amount of tax to the economy despite the slow growth.
5. We do not see the linkage between the proposed Scheme and the Insurance Regulatory Authority, which has been regulating this industry for a long time. We see a duplication of roles which will increase the cost of delivering healthcare to the citizens.
6. The current Bill creates unnecessary administrative costs which we believe can be eliminated by using existing channels.
7. Healthcare is a social /common good and the Ministry responsible for social development is not featuring anywhere in the Bill.
8. The Bill should have a mechanism of when contributions and or benefits should start. In its current form. The Bill assumes availability of all services at the commencement of the Act which is not practical or indeed not the envisaged scenario.
9. Are there any reinsurance measures in place for this Scheme?

It is important to note that Uganda Government adopted the Sustainable Development Goals (SDGs) charter in 2015 and pledged to provide universal health coverage and to spend a certain percentage of the Budget on health. Almost 20 years later, this has not been honoured and the sector is still majorly funded by donors. It is most likely that the donations will drastically reduce with the coming into force this Bill. The implication is that the Scheme in the current proposed state shall not be sufficient to improve the level of healthcare service delivery, but probably a mere substitute for the lost donor funding.

In May 2017, the Journal of Social Science & Medicine (a global journal), published a research article on "*Extending health insurance to the poor in India: An impact evaluation of Rashtriya Swasthya Bima Yojana (RSBY) on out of pocket spending for healthcare*". The findings of the study indicated that the RSBY, which is India's health insurance program and the world's largest, has not in over its nine (9) years of existence, eased the burden of healthcare costs borne by the poor families of India. The program has not led to any reduction in out-of-pocket/personal expenditure, by its over 150 million beneficiaries. Despite RSBY providing for payment of medicines during hospitalization, many hospitals don't provide the medicine and tend to be

unfriendly to poor patients. "Many hospitals refuse to admit RSBY enrolled patients due to administrative concerns such as delayed reimbursement by RSBY to hospitals," said the study. ***Highlighting a crucial fact that a poorly designed Healthcare Insurance Scheme does not increase coverage and out-of-pocket expenses by the patients do not decrease***.

Our view is that Government should consider providing decent health social security coverage by using a cheaper and more effective approach, of having the citizens collectively improve the health infrastructure for all, that will spur community based health insurance cover.

For any National Healthcare system developed the following principles[1] should be considered;

(1) **Public Administration:** This means that the Scheme and all players within must be publicly accountable for the funds they spend. Management of any health insurance plan/scheme must be carried with the intention of providing a Common/Social good (not-for-profit).
(2) **Accessible:** Meaning that all Ugandans must have reasonable access to insured services without charge or paying user fees provided they contributed to the Scheme.
(3) **Comprehensive:** Meaning that the Scheme services must include all medically necessary services. These are the medical services necessary for the purpose of maintaining health, preventing disease, or diagnosing or treating an injury, illness or disability.
(4) **Universal:** Meaning that Scheme must insure Ugandans for all medically necessary hospital and physician care without further insurance premium or payment for services covered through the Scheme.

The proposed alternative approach, which we believe shall be more effective than the current version of the Bill should have the following salient features;

a. Focus on improving the existing healthcare delivery system, which consists of *both the delivery channels and the actual healthcare service* in order to be able to reach out [increase coverage] to the less privileged and poorest people in the rural villages, rather than focusing on financing medical cost on a per service basis.

   With over 72% of Ugandans living within 5 km of a healthcare facility (Health Centres II, III &IV, the general hospitals, regional referral hospitals and the national referral facility), the implication is that improving and strengthening the already existing public health delivery system will ensure that more than 95% of

Ugandans who live in the rural areas will have access to decent, efficient and affordable healthcare services.

b. It would save on the administration and operational costs of having to establish another entity / Scheme to manage its operations.
c. It would greatly reduce costs of collection, by utilizing a network that is already in existence (the NSSF collection network) and system. Ugandans should not incur significant additional costs of funds collection.
d. To fund the improvement of the existing healthcare delivery system, ***a national health infrastructure fund*** be created and be funded by affordable contributions by both employers and employees, each contributing 1% of the employee's salary for the sole purpose of ensuring that the healthcare delivery system is well equipped to deliver a common/ social healthcare service across the country. This will not over burden the already heavily taxed Ugandan employees as well as not substantially increasing the cost of doing business.

We therefore raise our concerns on a number of clauses in the Bill that ought to be addressed. **The comments are attached as Appendix 1**.

Should there be need for further explanations on the submissions, please do not hesitate to contact us.

Yours faithfully,

CPA Derick Nkajja,

S E C R E T A R Y/ C E O

Encl/ Comments …..

LN/ ….

[1] As adapted from the Canadian Nurses Association (*https://www.cna-aiic.ca*)

APPENDIX 1

SPECIFIC COMMENTS ON THE BILL

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
THE NATIONAL HEALTH INSURANCE SCHEME BILL, 2019			
2	**Interpretation**	**"Child"** We note that the definition of a child in the bill may raise some ambiguity as to who is actually a child of a contributor. It also does not cap the age beyond which a child of a contributor ceases to be a dependant.	**Our Proposal** We propose that; a. The Bill should consider the definition of a child **to include adopted child and any child to whom the contributor stands in loco parentis who has not attained the age of eighteen years**. b. There should be cap on the age of a child under-going a full-time course. We propose 25 years. **Justification** For clarity.
		"Employer" The proposed clause defines employer as including only government and local governments. We think this definition is not exhaustive and excludes other employers.	**Our Proposal** We propose that the definition of employer be clarified to mean "**any person who engages an employee**, and includes the Government, a local government **and persons in defence forces**". **Justification** To provide clarity on who an employer is in regard to the Scheme.

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
		"Health Facility" The bill has tries to describe what a Health facility is but it falls short since it disregard the current structure of the Public Healthcare delivery system in Uganda which starts from Health Centre I to National Referral Hospitals. Healthcare services are delivered throughout all that chain of health facilities and the entire system should be recognised.	**Our Proposal** We propose the clause to be amended to reflect **current structure of the Public Healthcare delivery system**. **Justification** For a holistic approach to healthcare service delivery.
		"Ordinarily resident" The bill uses the term "ordinarily resident" in s.21(1) to determine a contributor but it does not define what that means for purposes of this Act.	**Our Proposal** We propose that the definition of an ordinarily resident person be included in the bill. Insert between the interpretations for "Minister" and "Scheme" another interpretation for Ordinarily resident to read: **"Ordinarily resident" means and individual;** **a) who is present in Uganda;** **i) for a period of or periods amounting in aggregate to 182 day or more in any fiscal year.** **ii) during the fiscal year and in the last preceeding fiscal year for a period averaging more than 122 day.**

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
			b) who is a citizen of Uganda leaving abroad during the fiscal year." **Justification** To provide clarity as to who a contributor should be.
8	**Clause 8(2)**	**Board of Directors** There is a discrepancy in the number of members of the Board. s.8(2) provides that the Board shall comprise eleven (11) members, while the Memorandum at para 2 of page 2 speaks of nine (9) members.	**Our Proposal** We propose to harmonise the two clauses. **Justification** To remove the inconsistencies.
	Clause 8(2)(h)	**Board of Directors** The section provides for the requisites and qualifications of Board Chairperson, Board members and Chief Executive Officer. We note that healthcare is a public interest service and thus the board members should be seconded by their respective professional bodies or a holder of a specific office. Section 8(2)(h) makes reference to "……an accountant or economist". We believe these are two distinct professions that ought to be given due attention.	**Our Proposal** Replace clauses s.8(2)(a), s.8(2)(d), s.8(2)(e), s.8(2)(f), s.8(2)(g), s.8(2)(h), s.8(2)(i), s.8(2)(j) to include clear representation with public interest, then replace with the following: **"(a) the Permanent Secretary of the Ministry responsible for social development or his or her representative at the rank of principal officer or a higher level.** **(d) A medical professional with atleast 10 years of working experience in any clinical field seconded by the Uganda Medical Association and the Uganda Medical and Dental Practitioners Council.**

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
		We also believe that the ministry responsible for social development should have respresentation on the Board.	**(e) A person who is a proven succesful entreprenuer with at least ten years experience in managing business enterprises seconded by the Private Sector Foundation of Uganda.** **(f) An insurance professional with more than 10 years experience seconded Uganda Insurers Association and Insurance Regulatory Authority** **(g) A person with more than 10 years relevant fund management or investment seconded by the Uganda Retirement Benefits Regulatory Authority.** **(h) An accountant with more than 10 years professional experience seconded by the Institute of Certified Public Accountants of Uganda.** **(i) An advocate with at least ten years experience with specialisation in business or corporate law seconded by Uganda Law Society & the Law Council.** **(j) An economist with at least ten years experience seconded by Economic Policy Research Centre.** **(g) A social worker or social scientist with at least ten years experience community mobilisation, social work or public health seconded by the National Bureau for Non Governmental Organisations.** **(h) A pharmacist with at least ten years experience seconded by the Pharmacy Council and Pharmaceutical Society of Uganda."** **Justification**

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
			a) To protect public interest in the running of the scheme. b) To guard against self-seeking individuals lobbying for Board positions.
	Clause 8(4)	**<u>Board of Directors</u>** s.8(4) provides that the Chairperson and other members of the Board shall be appointed by the Minister, with the approval of Cabinet. We believe the Minister should play an oversight role and the Board should appoint a Chairperson from among themselves.	**<u>Our Proposal</u>** We propose that the appointed members of the Board be allowed to select a Chairperson from amongst themselves. s.8(4) be amended as follows; **<u>"The chairperson shall be elected by the members of the Board, from among themselves".</u>** **<u>Justification</u>** For good corporate governance.
21	**Part V**	**<u>National Health Infrastructure Fund</u>** A number of healthcare facilities in Uganda lack functional basic equipment e.g. echoscopes, ophthalmoscopes, ECG machines, cardiac monitors, oxygen cylinders, defibrillators etc. Diagnostic equipment are also lacking in most healthcare facilities including; Magnetic Resonance Imaging (MRI), Computerized Axial Tomography (CAT) scan, cardiology diagnostics, renal dialysis and	**<u>Our Proposal</u>** To insert a new Part V and renumber the rest of the clauses to read as follows: **<u>"Part V – NATIONAL HEALTH INFRASTRUCTURE FUND</u>** **<u>21. Establishment of the National Health Infrastructure Fund</u>** **<u>(1) There is established the National Health</u>**

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
		cancer diagnostics. Medical equipment is also poorly maintained due to lack of funds and absence of local technical expertise to provide after sales support. In some cases, facilities may have equipment, but no space, or adequately trained staff for their use. **Our proposal is to establish a fund earmarked for the sole purpose of establishment, expansion, and maintenance of Uganda's healthcare infrastructure.**	**Infrastructure Fund from which shall be paid all costs necessary for the establishment and maintenance of the following:** **(a) health facility buildings such as wards, operation theatres, laboratories, pharmacies, outpatient facilities, mortuaries, medical waste pits, staff houses and other related medical buildings;** **(b) medical and hospital equipment and furniture including hospital beds, x-ray, scanning machines, ultrasound, operating table and other related equipment;** **(c) communication systems and equipment; and** **(d) ambulances and other transportation facilities.** **(2) For the avoidance of doubt, the National Health Infrastructure Fund shall not fund health care personnel wages, basic training needs and overhead operational costs such as utilities, which shall remain the responsibility of the ministry of health.** **22. Contribution to the National Health Infrastructure Fund** **(1) Every employer shall, for every month during which he or she pays wages or salaries to an employee, pay to the fund, within fifteen days next following the last day of the month for**

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
			which the relevant wages or salaries are paid, a standard contribution to the National Health Infrastructure Fund of 2 percent calculated on the total wages or salaries paid during that month to that employee. **(2) The contribution in subsection 1 above shall comprise of 1% deduction from the wage or salary of the employee and a contribution of 1% by the employer.** **(3) In the case of a person whose income is derived from self-employment, an annual contribution of atleast one currency point and not more than twenty currency points, shall be paid to the National Health Infrastructure Fund.** **(4) A contribution under subsection 3 above shall be at such rate depending on the total income of the person liable to make a contribution, as the Board, in consultation with the Minister may determine.** **(5) The National Social Security Fund shall collect or cause any other persons to collect all contributions to the National Health Infrastructure Fund under this section.**

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
			(6) <u>The National Social Security Fund shall disburse monies from the funds according to and upon request of the Permanent Secretary of Ministry of Health on the recommendation of the Board.</u> **<u>23. Penalty for late payment of contributions to the National Health Infrastructure Fund</u>** **<u>Where any contribution liable to be paid is not paid on or before the day on which payment is due, a penalty of three times the amount of contribution shall be payable for each month or part of the month during which the contribution remains unpaid, and the penalty shall be recovered as sum due to the Fund, and when recovered, shall be paid into the Fund.”</u>**
21	**Clause 21(1)**	**<u>Contributions to the Fund</u>** The provisions regarding persons liable as contributors are not clear to support the objective of expanded health coverage. s.21(2) provides only for persons who derive income from employment and those who derive it from self-employment. Unanswered questions then arise as follows:	**<u>Our Proposals</u>** 1. We propose to replace the word “Fund” in the title of the section with “Scheme” so that the Title now reads **“Contributions to the <u>Scheme</u>”.** 2. We also propose that the following be considered; a. Providing a clear interpretation of the term ‘salaried employment’ as used in the Bill. b. Provide clarity on the term self-employment. c. Providing for a government to fund insurance

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		a. Does salaried employment include those who work on commission or part-time? b. Does self-employment include the peasant or subsistence farmers who constitute the majority of Ugandans? c. How about the unemployed and those outside of the employment bracket such as those above 60 years, who are neither contributors (s.21) nor beneficiaries (s. 26). Many studies have shown that out of pocket expenses for health increases the older one grows beyond 60 years and indeed people above 60 still need healthcare. A healthcare reform that ignores this fact is only cosmetic and will not be useful to the population.	contribution for seniors citizens above 60 years, funded from a fiscal policy tool such as a tax on products that increase health risks. **Justification** 1. To create the Scheme and provide the funding required for medicines and supplies in the health care facility and to finance the expenses of the administering the Scheme. 2. To provide health insurancer to seniors citizens above 60 years.
	Clause 21(2)	s.21(3) provides that the contribution shall be at a rate, as the Board in consultation with the Ministers of Health and Finance, may determine. This essentially means that the rate that will apply to the employee's contributions has been left to the discretion of the Minister for Health and Minister of Finance. The Bill seems to increase the tax burden on employers and employees on top of the contributions to URA, local service tax and NSSF.	**Our proposal** 1. We propose that the absolute payment amounts should be determined through a system synonymous with the Local service tax system. 2. We propose that government; a. Ensures that the rural folk also make mandatory contributions to the Scheme. b. Considers alternative ways to fund the Scheme rather than looking at only contributions from employed contributors.

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
		The Scheme is going to further reduce the gross income of employees hence leaving a minimal disposable income for individuals to support their well-being. The increase on the cost of employment for employers may discourage employers from providing private insurance to their employees which will be very detrimental to the well-being of employees.	**Justification** a. For clarity and ease of implementation. b. The exact rate of contribution from the employer and the employee ought to be included in the bill, discussed and agreed before the bill is passed. c. To provide for fairness, as the discretion left to the authorities is too wide.
21	**Clauses 21, 22, 23 and 24**	**Contributions to the Scheme** It is important that all Ugandans cost share in the provision of health services. The contributions from actively employed individuals may not be sufficient to meet all the health insurance requirements for the entire country. In Ghana, in order to ensure that all Ghanaian citizens made some contribution to the Scheme, a 2.5% Health Insurance Levy was introduced on selected goods and services and passed into law so that the money collected could be put into the Fund to subsidize the fully paid contributions to the District Health Insurance Schemes.	**Our Proposal** **Delete 22, 23 and 24** and replace **clause 21** with the following: **"24. Contributions to the Scheme** **(1) For every child or dependant, a contributor shall be liable to pay an annual contribution of one currency point to the Scheme.** **(2) A contributor whose child or dependent receives medical services from a health care provider without having made the contribution in subsection 1 above will be charged a penalty of five currency points.** **(3) A contribution or penalty under this section shall be made at such time and by such means as the Board, in consultation with the Minister, may**

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			prescribe." **Justification** • To minimise or eliminate out-of-pocket expenditure on healthcare by Ugandans.
25	**Clause 25(1)**	**Identification Card** s.25(1) provides for an identification card. Payment by contributors is monthly; does this imply that the cards will be issued on a monthly basis to prove that one has paid?	**Our Proposal** We suggest the use of the national ID for ease of records. **Justification** Ugandans already have National IDs, and Government through NITA Uganda is trying to unify database of citizens using one-source of data.
26	**Clause 26(1)**	**Benefits under the Scheme** s.26 (1) seems to suggest that every contributor and spouse and a child of a contributor are entitled to all the benefits for ever. While more details may be expected in the Regulations, it appears the section has left out some critical aspects of the Scheme which ought to be in the law; ii. If one has been contributing as an employed person, do the benefits cease upon loss of employment or retirement? iii. The Bill is not specific on the number of children that would be covered per household, yet it provides for one spouse.	**Our Proposals** a) Provide clear indication of the benefits including when the benefits will cease to be available. b) Provide for the post-employment availability of benefits. c) Provide for a contribution for each child of a contributor. d) Consider adding a provision for the elderly and retired persons under the care of the contributor, but not catered for in the Act. This might be a more attractive proposal for the private sector employees. **Justification** Health care should be provided to all Ugandans.

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
		iv. The proposed package does not seem to provide more benefits when compared to what most employees are getting under the private health schemes provided by employers at no direct additional cost to employees. It is also important to note that for most of the salaried employees, the premium per employee under the existing health packages is for less than 4% of their annual salary.	
	Clause 26(4)	**Benefits under the Scheme** Sec 26(4) provides that where the cost of healthcare provided exceeds the amount prescribed, the extra cost shall be met by the patient to whom the healthcare services are offered. How will the health care providers be prevented from overcharging in a bid to exhaust a contributor's allocation so as to charge a cash payment for the additional costs?	**Our Proposal** We prospose that this clause is revisted. **Justification** The national healths insurance scheme should expand health care coverage and reduce the escalation of costs of health care.
27	**Clause 27(4)**	**Payments for Benefits** s.27(4) provides that an accredited healthcare provider shall be paid within sixty days of submitting a request for payment to the Scheme.	**Our Proposal** We propose that the Scheme benchmarks against the current practice for most private healthcare insurance schemes which pay their healthcare providers upon demand or monthly.

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		Reimbursement of expenses within sixty days would be too a long period to the health care providers who depend on the funds provided to run their own health facilities. Delays in payment of the health care dues from the Scheme might impact on admission of members of the Scheme to health care providers as they may be reluctant to attend to them or even provide the highest quality of medical care with limited resources. We are also concerned about what will happen to the appropriation from the consolidated fund that government had been sending to its health centres and hospitals, given that the Scheme will be paying 100% for the services offered.	The Scheme should be able to clear payments for all clients within 30 days. **Justification** If deductions to fund these activities are provided directly from employees' contributions monthly, then the Scheme should be able to pay the providers on a monthly.
28	**Clause 28(4)**	**Reserves and investments** S.28(4) provides for the Minister of Finance to approve investments for the Scheme. This portends a danger and accountability challenges for the decision. Given the policy role of the Ministry of Finance, the Minister should have a role in approving the investment policy.	**Our Proposal** We suggest that; a. The Ministry of Finance should only approve an Investment policy for the Scheme rather than individual investments. b. In addition, the Minister of Finance should be provided with an Annual Investment report. **Justification** To streamline policy making and supervision.

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
	Clause 28(5)	**Reserves and investments** The investment made is in the name of the name of the Board.	**Our Proposal** Redraft the section to read: "The investment made under this section shall be held in the name of the Board". **Justification** The Scheme is a body corporate capablle of investing in its own name.
29	**Clause 29(1)**	**Advance to a health care provider** s.29(1) gives the Board the discretion to decide to advance money to a health care provider located in an underserved area who is financially viable. When it comes to health all areas of Uganda are under served. There are families within Kampala that can not afford health care services in the current form.	**Our Proposal** We suggest creation of a health infrasctructure fund as an avenue for supporting health care services in Uganda. We propose that this clause is deleted since the health infrastructure fund will provide funding for all government health care facilities. **Justification** For harmony in line with the creation of the National Health Infrasctructure Fund.
32	**Clause 32**	**Exemption from taxes** s.32 of the bill provides for exemption from taxes of the contributions made to the Scheme.	**Our Proposals** We propose that all schemes should be tax exempt: a. Contributions to the National Health Scheme made by

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		Exemption of the Scheme on contributions made by the employees to the Scheme is a good initiative. However, what would be beneficial to the employees would be to provide a deduction of the Scheme contributions from the employment income in computing the taxable income. The bill is also silent on the status of the income derived from investments under s.28(4). It is not clear if the Scheme's own income generated from its investment is exempted from tax. The Scheme may invest the contributions made by the employees in line with the Act. We believe that if this income is not exempted, the scheme may encounter aggressive arguments from URA in view of the income earned.	the employer on behalf of the employee should not comprise employment income. b. Similar to the deduction of local service tax when computing the employment income that is subject to tax, the contribution to the National Health Scheme should be deductible for tax purposes since both local service tax and national health insurance are contributions towards government provision of social services. c. The Bill, together with the amendments to the ITA, should specify that all of the Scheme's income (i.e. rental, property and business income as defined in the ITA) is exempt from income tax. **Justification** The Bill should generally be aligned with the ITA and enable the scheme make tax exempt income in furtherance of social healthcare in Uganda i.e. the existing ITA provisions should be amended to reflect the same income tax exemptions and taxing points. For example, it will be necessary to make suitable amendments to the ITA to provide for tax exemption of the national health Scheme and its investment income.
34	**Clause 34 (1)**	**Accounts** s.34(1) provides that the responsibility over proper books of accounts and records of the Scheme lies	**Our Proposal** We propose to amend the clause to read as; "**Subject to any direction given by the Board,** the Chief Executive

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		with the Chief Executive Officer. However, we believe the Board as part of its general direction and supervisory role should be held responsible for the Schemes books of accounts and records of its transactions. The section also wrongly makes reference to "accepted accounting principles" which reference in Uganda must be contextualised.	Officer shall cause to be kept in accordance with **internationally accepted accounting standards as adopted by the Institute of Certified Public Accountants of Uganda**, proper books of accounts and the records of the transactions of the Scheme. **Justification** To ensure consistency with the Accountants Act 2013.
37	**Clause 37**	**Healthcare providers** s.37 provides that all government hospitals and health centres shall be health care providers and the Board shall propose the level of care to be provided by the healthcare providers.	**Our Proposal** We propose that clause 37(3) be deleted. **Justification** The national health policy provides a framework for the level of care expected of a healthcare provider.
38	**Clause 38(1)**	**Accreditation of healthcare providers** s.38(1) introduces a new term "licensed person". This is a completely new reference in the Act.	**Our Proposal** We propose to provide clarity on exactly who the licensed person is and what that person shall do in regard to this bill. We suggest that the term licensed person should be deleted. **Justification**

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
			For clarity.
	Clause 38(4)	**Accreditation of health care providers** s.38(4) provides for a certificate issued to a healthcare provider who is accredited to the Scheme. The clause does not include a time period, or indicate whether it is renewable or not.	**Our Proposal** We propose that a time frame be introduced by inserting a new clause 38(5) to read: **"(5) A certificate issued under this section shall be renewed every year by the Board upon meeting requirements under this Act by the health care provider."** **Justification** • To align with professional practice of renewal of certificate of practice. • To allow the Scheme the ability to deny renewal of certificate if a provider's services were unacceptable.
39	**Clause 39(2)**	**Accreditation committee** Clause 39(2)(b) provides for the qualification of members of the accreditation committee. However the description of the other members of the accreditation committee is too general and requires clarification.	**Our Proposal** We propose to amend clause 39(2)(b) to read as follows: **"(d) three other members seconded respectively by the Uganda Medical and Dental Practitioners Council, the Pharmacy Council and Allied Health Professionals Council."** **Justification** To clarify qualification requirements for the members of

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
			the Accreditation Committee.
41	**Clause 41(1)**	**Safeguards against over and underutilization of healthcare** s.41(1) introduces the terms "underutilization and overutilization". Health care is about bringing one's life to normality. No person should be left out because of overutilisation.	**Our Proposal** We propose the deletion of these clauses. **Justification** To achieve the objectives of the Bill.
43	**Clause 43**	**Suspension of healthcare providers** The section provides for suspension of an accredited healthcare provider where its staff are suspended by the medical and dental practitioners council. It is important to note that health care giving is a system that interconnects a number of individual service providers and it should be clear whether suspension of individuals within the system leads to suspension of the facility or the individual as this clause would seem to suggest.	**Our Proposal** We propose that the clause specifies the number of staff that would cause such a suspension. **Justification** For clarity
45	**Clause 45**	**Regional health insurance appeals tribunals** Clause 45 establishes an appeals tribunal to adjudicate complaints under this scheme. The regional appeals tribunal are to be financed	**Our Proposal** 1. We propose to delete Part X of this Bill and instead provide more funding to the magistrate courts to be able to deal with any complaints under this scheme.

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
		from the consolidated fund. There is no clear justification why regional appeals tribunal ought to be established and no clear rationale why the existing magistrate courts would not be able to violation of contributors rights or neglect of duties by officers under the Scheme.	2. Prescribe or enhance the offences under this law. 3. Prescribe the rights and entitlements of a contributor **Justification** To minimise duplication of roles and wastage of resources.
57	**Clause 57**	**Registers** The issue relating to maintenance of registers raises the following questions: 1. Whether beyond keeping the bio data of the contributors, the Scheme will be able to keep track of those who are alive or dead, their relatives, the statement of current balances and the extent of utilization by them. 2. Whether contributors will be able to receive statements relating to them and their beneficiaries on usage of the Scheme including expenses associated with visiting the accredited health centres in comparison to the private unaccredited centres. 3. Whether relatives/dependents of contributors will be able to utilise the benefit of the Scheme if this has not been utilised by the employee or his dependents. s.57(1) has an error in the sentence, "The Scheme	**Our Proposal** We propose that; a. There should be guidelines requiring the National Health Scheme to track and report members' balances and benefits including provision of statements and balances in order for the contributors to manage their health care expenses. b. The Scheme should also cater for persons who are no longer in active employment so that they are able to access basic medical services in old age. c. The error in s.57(1) be corrected by replacing the word "case"with "cause". **Justification** 1. To streamline adminstration of the scheme. 2. To cater for all categories of Ugandans accessing healthcare services.

BILL CLAUSE	ISSUE	OBSERVATION	COMMENT
		shall **case** to be kept……"	
	Schedule 1	**Healthcare benefits to be provided under the Scheme** Preventive services, including health promotion & education, community education, advocacy and provision of health materials, are listed as some of the health care services to be provided under the Scheme. By their nature, public health community services which are not entire medical services and should continue to be handled by the Ministry of Health and not the scheme.	**Our Proposal** We propose that; a. These services be provided to the community at no cost i.e. offered as free services paid for by government. b. Lower user fees be provided for in the Act or Regulations for hospital services. These fees would augment government efforts to provide free drugs to all Ugandans. **Justification** To achieve the objectives of the Bill.