

A BILL

entitled

HEALTH INSURANCE AMENDMENT (NO. 2) ACT 2019

WHEREAS it is expedient to amend the additional benefits orders made under sections 13(2)(b) and 13B(2)(b) of the Health Insurance Act 1970 in respect of the health insurance plan and the FutureCare plan respectively, and allow the Minister, in an order made under those sections, to make any additional benefit subject to criteria, including means test criteria, and authorize the Health Insurance Committee to determine the criteria;

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

Citation

1 This Act may be cited as the Health Insurance Amendment (No. 2) Act 2019.

Amends section 13 of the Health Insurance Act 1970

2 In section 13 of the Health Insurance Act 1970, after subsection (2), insert—

“(2A) An order under subsection (2)(b) may provide that an additional benefit shall be subject to certain criteria, including means test criteria, and the order may authorize the Committee to determine the criteria.”.

Amends section 13B of the Health Insurance Act 1970

3 In section 13B of the Health Insurance Act 1970, after subsection (2A), insert—

“(2B) An order under subsection (2)(b) may provide that an additional benefit shall be subject to certain criteria, including means test criteria, and the order may authorize the Committee to determine the criteria.”.

Amends Health Insurance (Health Insurance Plan) (Additional Benefits) Order 1988

4 (1) In the Schedule to the Health Insurance (Health Insurance Plan) (Additional Benefits) Order 1988—

(a) in paragraph 12, revoke paragraphs (b) and (c) and substitute—

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“(ca) surgical and minor restorative at the approved rate; and”;

(b) in paragraph 13A—

- (i) in subparagraph (1), delete “subparagraph (2)” and substitute “subparagraphs (2), (3) and (3A)”;
- (ii) in subparagraph (1)(a), delete “caretaking, companion or homemaking” and substitute “caregiving”;
- (iii) in subparagraph (3), delete “before)” and substitute “before), but his eligibility is subject to subparagraph (3A)”;
- (iv) after subparagraph (3), insert—

“(3A) A person who becomes enrolled in the health insurance plan after the date of the coming into operation of the Health Insurance Amendment (No. 2) Act 2019 (whether or not he has been enrolled in the health insurance plan before) is eligible for the benefit under subparagraph (1) only if he satisfies the Committee that he meets such means test criteria as shall be determined by the Committee.”; and

(c) in paragraph 14—

- (i) in subparagraph (1), delete “Medically” and substitute “Subject to subparagraph (1A), medically”;
- (ii) after subparagraph (1), insert—

“(1A) Treatment received outside Bermuda is not covered if—

- (a) it is provided outside the approved network of hospitals; and
- (b) the hospital or other facility does not meet the requisite criteria, in respect of treatment or billing, determined by the Committee.”; and
- (iii) in subparagraph (2)(b), delete “50%” and substitute “subject to subparagraph (1A), 40%”.

(2) Subsection (1)(a) shall be deemed to have come into operation on 1 July 2018, immediately after the coming into operation of the Health Insurance Amendment (No. 2) Act 2018.

Amends Health Insurance (FutureCare Plan) (Additional Benefits) Order 2009

5 The Schedule to the Health Insurance (FutureCare Plan) (Additional Benefits) Order 2009 is amended—

- (a) in paragraph 7(b), delete “\$1,500” and substitute “\$2,000”;
- (b) in paragraph 9B—

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- (i) in subparagraph (1), delete “subparagraph (2)” and substitute “subparagraphs (2), (3) and (3A)”;
- (ii) in subparagraph (1)(a), delete “caretaking, companion or homemaking” and substitute “caregiving”;
- (iii) in subparagraph (3), delete “before)” and substitute “before), but his eligibility is subject to subparagraph (3A)”;
- (iv) after subparagraph (3), insert—

“(3A) A person who becomes enrolled in the FutureCare plan after the date of the coming into operation of the Health Insurance Amendment (No. 2) Act 2019 (whether or not he has been enrolled in the FutureCare plan before) is eligible for the benefit under subparagraph (1) only if he satisfies the Committee that he meets such means test criteria as shall be determined by the Committee.”; and

- (c) in paragraph 11—

- (i) in subparagraph (1), delete “Medically” and substitute “Subject to subparagraph (1A), medically”;
- (ii) after subparagraph (1), insert—

“(1A) Treatment received outside Bermuda is not covered if—

- (a) it is provided outside the approved network of hospitals; and
- (b) the hospital or other facility does not meet the requisite criteria, in respect of treatment or billing, determined by the Committee.”; and
- (iii) in subparagraph (2)(b), delete “65%” and substitute “subject to subparagraph (1A), 55%”.

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EXPLANATORY MEMORANDUM

This Bill (“this Act”) would amend the additional benefits orders made under sections 13(2) and 13B(2) of the Health Insurance Act 1970 (“the principal Act”) in respect of the health insurance plan (“HIP”) and the FutureCare plan respectively, and allow the Minister, in an order made under those sections, to make any additional benefit subject to criteria, including means test criteria, and authorize the Health Insurance Committee (“the Committee”) to determine the criteria.

Clause 1 is self-explanatory.

Clause 2 allows the Minister, in an order under section 13(2)(b) of the principal Act (which empowers the Minister to prescribe additional benefits for the health insurance plan): (a) to make an additional benefit subject to certain criteria, including means test criteria, and (b) to authorize the Committee to determine the criteria.

Clause 3 allows the Minister, in an order under section 13B(2)(b) of the principal Act (which empowers the Minister to prescribe additional benefits for the FutureCare plan): (a) to make an additional benefit subject to certain criteria, including means test criteria, and (b) to authorize the Committee to determine the criteria.

Clause 4 amends the Schedule to the Health Insurance (Health Insurance Plan) (Additional Benefits) Order 1988. Clause 4(1)(a) amends the dental benefits listed in paragraph 12 to correctly reflect those benefits under HIP, and clause 4(2) deems this amendment to the dental benefits to have taken effect on 1 July 2018. Clause 4(1)(b) amends paragraph 13A to provide that, in respect of any person who becomes enrolled in the plan after the coming into operation of this Act, the personal home care services benefit under that paragraph shall be subject to a means test that is to be determined by the Committee. Clause 4(1)(c) amends paragraph 14 to reduce the reimbursement rate from 50% to 40% in respect of treatment provided overseas and outside the approved network of hospitals. However, the amendment also provides that treatment in a hospital or other facility that is outside the approved network of hospitals will not be covered at all if the hospital or other facility does not meet the criteria, in respect of treatment or billing, required by the Committee.

Clause 5 amends the Schedule to the Health Insurance (FutureCare Plan) (Additional Benefits) Order 2009. Clause 5(a) amends paragraph 7(b) to increase the maximum amount of the coverage for periodontia from \$1,500 to \$2,000 per policy year. Clause 5(b) amends paragraph 9B to provide that, in respect of any person who becomes enrolled in the plan after the coming into operation of this Act, the personal home care services benefit under that paragraph shall be subject to a means test that is to be determined by the Committee. Clause 5(c) amends paragraph 11 to reduce the reimbursement rate from 65% to 55% in respect of treatment provided overseas and outside the approved network of hospitals. However, the amendment also provides that treatment in a hospital or other facility that is outside the approved network of hospitals will not be covered at all if the hospital or other

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facility does not meet the criteria, in respect of treatment or billing, required by the Committee.