

CHAPTER 271

THE MEDICAL BENEFITS ACT

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MEDICAL BENEFITS

*(1st October, 1978.)*9/1978.
11/1979.

1. This Act may be cited as the Medical Benefits Act. **Short title.**

2. In this Act—

Interpretation.

"Minister" means the Minister responsible for the subject of Health;

Cap. 408. "wages" shall have the same meaning as that assigned to it by the Social Security Act.

Establishment of
Medical Benefits
Scheme.

3. (1) There is hereby established a scheme, to be called the Medical Benefits Scheme (hereinafter called "the Scheme)" under which arrangements shall be made for the provision of such financial and other assistance towards the cost of medical benefits to such class or classes of persons in such circumstances and subject to such conditions as may be prescribed by regulations.

(2) The Scheme shall be funded by a contribution of every insured person equivalent to two and one-half per cent of his wages and a contribution of every employer equivalent to two and one-half per cent of the wages of every person employed by him:

Provided that—

(a) where the wages payable to an insured person are less than twenty dollars weekly or eighty-seven dollars monthly, a contribution of five per cent of his wages shall be payable wholly by the employer; and

(6) no contribution shall be payable either by the insured person or his employer, in respect of so much of the wages payable to the insured person as exceed the maximum wages upon which contributions are payable under the provisions of the Social Security Act.

(3) Except as may be provided in this Act or any regulation made hereunder, all the provisions of the Social Security Act as amended from time to time including that relating to civil and criminal proceedings shall apply to the imposition, collection and general administration of the Scheme to the same extent as if the contribution provided for in this Act were a contribution provided for under that Act.

(4) For the purposes of this section the words "insured person", "employer" and "person employed" or any variation thereof shall have the same meanings in this Act as they have under the Social Security Act.

The
Superintendent.

4. (1) The Public Service Commission shall appoint a fit and proper person to be the Chief Administrative Officer

of the Scheme (in this Act referred to as "the Superintendent").

(2) The Superintendent shall, subject to the provisions of this Act and the general direction of the Board, be responsible for the direction of the staff of the Board and for the management of the Scheme and in particular for—

(a) the collection of contributions under this Act;

(b) the payment of medical benefits under this Act and the expenditure necessary for the administration of the Scheme.

5. (1) There is hereby established a board to be called the Medical Benefits Board of Control, in which the funds of the Scheme shall be vested and which shall, subject to the provisions of this Act, be responsible for administering the Scheme, and the provisions of the Schedule shall apply as respects the constitution of the Board and its proceedings.

Medical Benefits Board.

Schedule.

(2) The Board shall be a body corporate with perpetual succession and common seal and shall, in its corporate name, be capable of suing and being sued and, subject to the provisions of this Act, of purchasing or otherwise acquiring, holding, charging and alienating real or personal property and of doing or performing such acts as bodies corporate may by law do or perform.

(3) The Board shall have a Head Office in the City of Saint John's and service on the Board of any notice, order or other document shall be executed by delivering the same or by sending the same by post, addressed to the Superintendent at the Head Office.

(4) The seal of the Board shall be kept in the custody of the Superintendent and shall not be affixed to any instrument except by the authority of a resolution of the Board, and sealing of any instrument shall be authenticated by the signature of the Superintendent and of such other person as the Board may appoint for the purpose.

(5) The Board shall consider and advise upon all matters which may from time to time be referred to it by the

Minister and shall furnish to the Minister such information as he may reasonably require about the operation of the Act.

Remuneration of Board etc.

6. There shall be paid out of the Scheme—

(a) to the chairman, deputy chairman and each member of the Board in respect of his office as such, such remuneration and allowances (if any) as the Minister may determine; and

(b) to any person co-opted to a meeting of the Board, and to any person, not being a member of the Board, who serves on a committee of the Board, such remuneration and allowances as the Minister may determine upon a recommendation by the Board.

Staff of the Board.

7. The Superintendent may from time to time, acting upon the advice of the Board, appoint persons to be officers or employees of the Board.

Terms and conditions of employment with Board.

8. The terms and conditions of employment of officers and employees of the Board other than those of the Superintendent shall be prescribed from time to time by the Minister and shall be no less favourable than those prescribed for public servants of similar grades.

Invigilators.

9. (1) The Board may designate such officers or employees in its service as it thinks fit to be invigilators for the purposes of this Act.

(2) Every invigilator shall be furnished with a certificate of his appointment and on applying for admission to any premises or place for the purposes of this Act shall produce the certificate.

(3) The premises or places liable to inspection under this section shall include any premises or place where an invigilator has reasonable cause to believe that any persons are employed whether or not such premises or place is used exclusively for residential purposes.

(4) An **invigilator** shall for the purposes of this Act have power to enter at all reasonable times any premises or place liable to inspection under this Act and there make any examination or inquiry necessary for the purposes of this

Act, and to require the production of any document relating to contributions or the liability to contribute to the Scheme, for inspection by him on the said premises or place and to copy such documents or make extracts therefrom.

(5) The occupier of any premises or place liable to inspection under this section, and any other person who is or has been employing any person, and the servants or agents of any such occupier or other person, shall furnish to an invigilator all such information and shall produce for his inspection all such documents as the invigilator may reasonably require.

(6) Any person who without reasonable cause obstructs, impedes, hinders, molests or refuses admission to, an invigilator in the exercise of any power under this section, or refuses or neglects to furnish any information or produce any document when required to do so under this section shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding seven hundred and fifty dollars.

10. (1) All moneys collected on behalf of the Scheme shall be paid into a general deposit account in a bank called "the Medical Benefits Scheme General Account". **Accounts and control of funds.**

(2) Disbursements from this account shall be made only upon the written instructions of the Minister.

(3) There shall also be an account at some other Bank called "the Medical Benefits Scheme Supplies and Services Accounts" into which funds shall be placed from the general account and from which expenses relating to supplies purchased and services rendered for the Scheme shall be met.

(4) There shall be a third account at a bank called "the Medical Benefits Scheme Administration Accounts" into which funds shall be placed from the general account and from which expenses relating to the Administration of the Scheme shall be met.

(5) Each account shall be controlled by two or more officers designated by the Minister from time to time.

Audit.

11. (1) The Board shall cause to be kept proper books of accounts, and other books and records in relation thereto, in which shall be recorded all financial transactions of the Scheme.

(2) The accounts of the Scheme shall be prepared in such form and at such times as the Minister may direct, and shall be audited annually by such person as the Board, with the approval of the Minister, may appoint.

(3) The Director of Audit, or such person as the Director of Audit may nominate, shall at all times have the right to inspect the accounts of the Scheme, and to report thereon.

(4) The Board shall submit to the Minister every account, certified by the appointed auditor in accordance with subsection (2), within one month of the date of such certificate.

(5) The Minister shall as soon as possible after receiving an account in accordance with subsection (4), lay a copy thereof before Parliament.

Power to make regulations.

12. The Minister may make such regulations as are required by this Act to be made for the effective administration of the Scheme and provide for contributions from and benefits to such class or classes of persons as are not now included in the provisions of this Act as he may consider necessary or desirable and generally for the better carrying into effect of the administration of this Act.

Regulations subject to negative resolution.

13. Any regulations made under this Act shall be laid before the House of Representatives and shall be subject to annulment in pursuance of a resolution made by the House of Representatives.

SCHEDULE

Section 5 (1)

Constitution and Procedure of Medical Benefits Board of Control.

- 1.** The Board shall consist of such number of persons, not being less than seven, as the Minister may from time to time determine. **Constitution of the Board.**
- 2.** The Members of the Board shall be appointed by the Minister by instrument in writing and, subject to the provisions of this Schedule, shall hold Office for such period, not exceeding three years, as the Minister may direct in such instrument. **Appointment of members.**
- 3.** Every member of the Board shall be eligible for reappointment. **Reappointment.**
- 4.** The Minister shall appoint one of the members of the Board to be chairman thereof and another to be deputy chairman thereof. **Chairman and Deputy-Chairman.**
- 5.** If the chairman, deputy chairman or any other member of the Board is unable to act, the Minister may appoint any person to act in the place of such chairman, deputy chairman or other person. **Acting Appointments.**
- 6.** (1) Any member of the Board, other than the chairman, may at any time resign his Office by instrument in writing addressed to the Minister and transmitted through the chairman, and from the date of receipt by the Minister of such instrument such member shall cease to be a member of the Board. **Resignations.**
- (2) The chairman may at any time resign his office by instrument in writing addressed to the Minister and such resignation shall take effect as from the date of the receipt by the Minister of such instrument.
- 7.** The Minister may, on the application of any member, grant leave of absence to such member. **Leave.**
- 8.** A member of the Board who is directly or indirectly interested in a contract made or proposed to be made by the Board— **Disclosure.**
- (a) shall disclose the nature of his interest at a meeting of the Board; and

(b) shall not take part in any deliberation or decision of the Board with respect to that contract.

Quorum

9. The quorum for any meeting of the Board shall be three including the chairman or deputy chairman, one of whom shall preside at all meetings; the Superintendent or his deputy shall be present at all meetings; and the Board may act notwithstanding any vacancy in its membership.

Majority of votes.

10. The decision of the Board shall be by a majority of votes, and in the event of an equality of votes the chairman presiding at the meeting shall have a casting vote.

Minutes of Meeting of Board.

11. Minutes of each meeting shall be kept in proper form by such officer of the Board as the Board may appoint for the purpose, and shall be confirmed by the Board at its next meeting and signed by the chairman or deputy chairman as the case may be.

Revocation.

12. The Minister may at any time revoke the appointment of any member if he thinks it expedient so to do.

Proceedings.

13. Subject to the provisions of this Act, the Board shall have power to regulate its own proceedings.
