



Number 4 of 1996

**VOLUNTARY HEALTH INSURANCE (AMENDMENT) ACT,
1996**

AN ACT TO AMEND THE VOLUNTARY HEALTH
INSURANCE ACT, 1957. [6th March, 1996]

BE IT ENACTED BY THE OIREACHTAS AS FOLLOWS:

1.—(1) In this Act, save where the context otherwise requires— Interpretation.

“the Act of 1994” means the Health Insurance Act, 1994;

“ancillary health services” has the meaning assigned to it by the Act of 1994;

“the Board” means the Voluntary Health Insurance Board established by the Principal Act;

“health services” means in-patient services (within the meaning of the Health Act, 1970) and ancillary health services (within the meaning of the Act of 1994);

“health service provider” means a person who provides a health service;

“the Principal Act” means the Voluntary Health Insurance Act, 1957.

(2) In this Act—

- (a) a reference to a scheme under *section 2* includes a reference to a scheme under section 4 of the Principal Act that was in force immediately before the passing of this Act,
- (b) a reference to a section is a reference to a section of this Act unless it is indicated that reference to some other enactment is intended, and
- (c) a reference to a subsection or paragraph is a reference to the subsection or paragraph in which the reference occurs unless it is indicated that reference to some other provision is intended.

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Schemes of
voluntary health
insurance.

2.—(1) The Board shall, with the consent of the Minister, make and carry out health insurance schemes and may, with the like consent, make and carry out such health-related insurance schemes as it may think fit.

(2) The Board may, with the consent of the Minister, make and carry out a scheme amending or revoking a scheme under this section including a scheme under this subsection.

(3) (a) For the purpose of facilitating the operation of schemes under this section the Board may enter into such agreements (if any) with such and so many health service providers and other persons as it considers appropriate.

(b) An agreement under *paragraph (a)* shall contain such terms and conditions as the Board may, in its discretion, determine and different such agreements, whether with the same or different health service providers or other persons and whether in relation to health services or goods of the same kind or of different kinds, may contain different terms and conditions.

(c) Without prejudice to the generality of *paragraphs (a)* and *(b)*, the Board may, when considering whether to enter into an agreement under *paragraph (a)* or when determining the terms or conditions of such an agreement, have regard to—

(i) the cost, nature, quality and extent of any health services previously provided or then being provided or offered to be provided, and

(ii) the cost, nature, quality and quantity of any goods previously provided, or then being provided or offered to be provided, for the purposes of a health service,

by the health service provider concerned or any other health service provider or by the other person concerned or any other person.

(d) The Board may refuse to enter, or refrain from entering, into an agreement under *paragraph (a)* with a health service provider or other person if it considers it appropriate to do so.

(4) Nothing in this Act shall be construed as imposing on the Board either directly or indirectly any duty or liability to a health service provider or any other person the discharge of which is enforceable in a court and to which it would not otherwise be subject.

(5) The Board shall so fix the amounts of subscriptions, premiums or other charges payable by or in respect of beneficiaries under schemes under this section that taking one year with another the revenue of the Board therefrom together with its other revenues (if any) shall be sufficient, but only sufficient (as nearly as may be), after the Board has made such allowance as it thinks proper for reserves, depreciation and other like purposes, to meet the charges properly chargeable to revenue.

(6) A scheme under section 4 of the Principal Act that was in force immediately before the passing of this Act shall continue in force after such passing as if made under this section and may be amended or revoked accordingly under this section. S.2

(7) In this section—

“health insurance scheme” means a scheme of voluntary insurance the sole or principal purpose of which is to provide for the making of payments by the Board, whether or not in conjunction with other payments, specifically for the reimbursement or discharge in whole or in part of the amounts of fees or charges in respect of the provision of health services paid or payable by persons, such reimbursement or discharge being in consideration of the payment by or on behalf of the persons to the Board of subscriptions, premiums or other charges, but does not include such a scheme of insurance the sole purpose of which is to provide for the making of payments by the Board in respect of sickness, injury or disease of amounts calculated by reference only to the duration of the sickness, injury or disease concerned;

“health-related insurance scheme” means—

- (a) a scheme of voluntary insurance the purpose of which is to provide for either or both of the following, that is to say:
 - (i) the making of payments by the Board to persons in respect of sickness, injury or disease of amounts that are either specified in the scheme or calculated in such manner and by reference to such matters as may be so specified,
 - (ii) the procurement by the Board of the provision of health services to persons either without charge to them by the health service providers concerned or upon payment by them to such providers of part of the cost of the services,

in consideration of the payment by or on behalf of the persons to the Board of subscriptions, premiums or other charges, or

- (b) a scheme for the procurement by the Board of the provision to persons of services related to the prevention of sickness or disease either without charge to them by the providers of the services or upon payment by them to such providers of part of the cost of the services in consideration of the payment by or on behalf of the persons to the Board of subscriptions, premiums or other charges;

“premium” has the meaning assigned to it by the Act of 1994.

3.—(1) Whenever the Board proposes to increase the amount of a subscription, premium or other charge payable to it under a scheme under section 2—

Notification to Minister of increases of subscriptions or premiums, etc., charged by Board.

- (a) it shall notify the Minister in writing of the proposal not less than 30 days before the day on which the proposed increase is intended to have effect, and

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S.3 (b) the Board may give effect to the increase unless the Minister, within 30 days of the notification, directs the Board in writing not to do so.

(2) The Minister shall, when giving a direction to the Board under *subsection (1) (b)*, at the same time give to the Board his or her reasons in writing for the direction.

(3) The Board shall comply with a direction under this section.

Constitution of Board.

4.—(1) The Board shall consist of a chairman and such number (not being more than 11) of other members as the Minister may from time to time determine.

(2) Not more than 2 persons who are health service providers may be members of the Board at the same time and, if, at a time when 2 persons who are health service providers are members of the Board, another member of the Board becomes a health service provider, that other member shall thereupon cease to be a member of the Board.

(3) A determination under section 5(1) of the Principal Act that was in force immediately before the passing of this Act shall continue in force after such passing as if made under *subsection (1)* until a determination is made under that subsection.

(4) In this section “health service provider” means—

(a) a health service provider that is engaged in the provision of a health service directly for persons who are entitled to benefits of any kind under a scheme under *section 2*,

(b) a director (by whatever name called) or a member of the staff of a health service provider specified in *paragraph (a)*, or

(c) a member of or of the staff of a partnership that carries on the business of a health service provider specified in *paragraph (a)*.

Chief Executive.

5.—(1) The officers of the Board may include a chief executive officer who shall be known, and is referred to in this Act, as the Chief Executive.

(2) The Chief Executive shall carry on and manage and control generally the administration and business of the Board and shall perform such other functions (if any) as may be determined by the Board.

(3) Subject to *section 7*, the Chief Executive shall hold office under a contract of service in writing for such period and upon such other terms and conditions (including terms and conditions relating to remuneration and expenses) as may be determined by the Board with the approval of the Minister and the consent of the Minister for Finance and specified in the contract.

(4) The Chief Executive shall be appointed, and may be removed from office at any time, by the Board with the consent of the Minister.

(5) Upon the expiration of the term of office of a person who holds the office of Chief Executive, the person shall be eligible for re-appointment to that office. S.5

6.—(1) Where a member of the Board is—

- (a) nominated as a member of Seanad Éireann, or
- (b) elected as a member of either House of the Oireachtas or to the European Parliament, or
- (c) regarded pursuant to section 15 (inserted by the European Parliament Elections Act, 1993) of the European Assembly Elections Act, 1977, as having been elected to such Parliament to fill a vacancy,

Membership of either House of Oireachtas or European Parliament.

he or she shall thereupon cease to be a member of the Board.

(2) Where a person employed by the Board is—

- (a) nominated as a member of Seanad Éireann, or
- (b) elected as a member of either House of the Oireachtas or to the European Parliament, or
- (c) regarded pursuant to section 15 (inserted by the European Parliament Elections Act, 1993) of the European Assembly Elections Act, 1977, as having been elected to such Parliament to fill a vacancy,

he or she shall thereupon stand seconded from employment by the Board and shall not be paid by, or be entitled to receive from, the Board any remuneration or allowances in respect of the period commencing on such nomination or election, or when he or she is so regarded as having been elected (as the case may be), and ending when he or she ceases to be a member of either such House or such Parliament.

(3) A person who is for the time being entitled under the Standing Orders of either House of the Oireachtas to sit therein or who is a member of the European Parliament shall, while he or she is so entitled or is such a member, be disqualified from becoming a member of the Board or from employment in any capacity by the Board.

(4) Without prejudice to the generality of *subsection (2)*, that subsection shall be construed as prohibiting the reckoning of a period therein mentioned as service with the Board for the purpose of any superannuation benefits.

7.—Notwithstanding section 13 of the Principal Act, in determining the remuneration or allowances to be paid to members of the staff of the Board or the other terms or conditions subject to which such members hold or are to hold their employment, the Board shall have regard either to Government or nationally agreed guidelines which are for the time being extant, or to Government policy concerning remuneration and conditions of employment which is so extant, and, in addition to the foregoing, the Board shall comply with any directives with regard to such remuneration, allowances, terms or conditions which the Minister may give from time to time to the Board with the consent of the Minister for Finance.

Terms and conditions of service of members of staff of Board.

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Prohibition on disclosure of confidential information.

8.—(1) A person shall not disclose confidential information obtained by him or her while performing duties as a member of the Board or the staff of the Board, or as advisor or consultant to the Board, unless he or she is duly authorised to do so.

(2) A person who contravenes *subsection (1)* shall be guilty of an offence and shall be liable—

(a) on summary conviction, to a fine not exceeding £1,500 or imprisonment for a term not exceeding 12 months or both, or

(b) on conviction on indictment, to a fine not exceeding £100,000 or imprisonment for a term not exceeding 2 years or both.

(3) Particular information or information of a particular class or description shall be considered, for the purposes of *subsection (1)*, to be confidential if it is stated to be confidential or the Board or an officer of the Board has directed that it be treated as confidential.

(4) In this section “duly authorised” means authorised by the Board or by a person authorised in that behalf by the Board.

Furnishing of information to Minister.

9.—(1) Notwithstanding *section 8*, the Board shall, whenever so requested by the Minister, furnish to him or her information in such form and in relation to such matters as he or she may specify concerning or relating to its activities, the performance of its functions, its strategies and policies and health insurance.

(2) *Subsection (1)* does not apply to information relating to a particular individual or to a particular person (not being an individual) who is a health service provider.

Amendment of Principal Act.

10.—Section 6(5) of the Principal Act is hereby amended by the substitution of “with the consent of” for “after consultation with”.

Repeals.

11.—(1) Sections 4, 5(1), 9, 13(4), 16, 17 and 21 of the Principal Act are hereby repealed.

(2) Section 25 of the Principal Act is hereby repealed as on and from the date of the grant to the Board of an authorisation (within the meaning of the European Communities (Non-Life Insurance) Framework Regulations, 1994 (S.I. No. 359 of 1994)) and the reference in that section to a scheme under section 4 of the Principal Act shall be construed as including a reference to a scheme under *section 2*.

Short title, construction and collective citation.

12.—(1) This Act may be cited as the Voluntary Health Insurance (Amendment) Act, 1996.

(2) The Principal Act and this Act may be cited together as the Voluntary Health Insurance Acts, 1957 and 1996, and shall be construed together as one Act.

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ACTS REFERRED TO

European Assembly Elections Act, 1977
European Parliament Elections Act, 1993
Health Act, 1970
Health Insurance Act, 1994
Voluntary Health Insurance Act, 1957

1977, No. 30
1993, No. 30
1970, No. 1
1994, No. 16
1957, No. 1