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[~~TO BE~~ INTRODUCED IN THE SENATE]

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BILL

INTRODUCED ON 26.02.2024

to provide for Universal Health Coverage in Pakistan through establishment of a two-pronged health financing window: i) health insurance, and ii) a catastrophic health expenditure prevention fund-based health financing window

Whereas it is necessary to provide for establishment of the Universal Healthcare Programme, a comprehensive healthcare coverage programme meant to protect vulnerable families against out-of-pocket healthcare expenditures, and to improve equity in access to healthcare services;

It is hereby enacted as follows:

1. Short title, extent and commencement. - (1) This Act may be called as the Universal Health Coverage Act, 2024.

(2) It extends to the Islamabad Capital Territory.

(3) It shall come into force at once.

2. Definitions. - In this Act, unless the context otherwise requires, the following expressions, shall have the meanings hereby respectively assigned to them, that is to say:-

- (a) "Basic package" means the free of cost insurance-based healthcare services to be provided under the Programme";
- (b) "Beneficiaries" mean the eligible members of the households enrolled in the Programme and eligible for assistance thereunder;
- (c) "Catastrophic expenditure" means expenditure that is so high that it poses a significant financial burden on the household, and may lead to impoverishment;
- (d) "Digital platform" means the electronic system established by the Program Management Unit for the registration of beneficiaries, the verification of eligibility, the disbursement of financial or non-financial assistance and any other function which is "Low-income and vulnerable households" means households that are below the poverty line or are at risk of falling into poverty, as determined by the federal government;
- (e) "Empaneled hospital" means and includes a hospital, clinic, nursing or maternity home or such other medical service providers selected for the provision of healthcare services under the Programme, in both, the public and the private sector, for both windows;
- (f) "Fund-based health-financing window" means the component of the UHC programme that provides healthcare funding to cover potentially;
- (g) "Funds" mean the Fund established under section 14 of this Act;
- (h) "Financial assistance" means the financial support provided to beneficiaries of the Programme to cover their costs, such as, but not limited to healthcare costs that incur catastrophic expenditure;
- (i) "Government" means the Federal Government;

- (j) "Health card" means the physical or digital card issued to programme beneficiaries, which entitles them to Programme benefits;
- (k) "Health insurance window" means the component of the UHC programme that provides healthcare services under the basic insurance package offered to the beneficiaries under this Act;
- (l) "Health protection" means a set of activities for improving the health status of the population;
- (m) "Ministry" means the Ministry of National Health Services, Regulations and Coordination of Pakistan;
- (n) "Policy holder" means an individual, family, or a group who has purchased an additional package under section 10 of this Act;
- (o) "Premium" means an amount paid annually by the Programme or by a policy holder to the hired insurance firm/third party, in order to provide them a basic package, or, as the case may be, the additional package along with the basic package of services;
- (p) "Programme Management Unit" means the unit established by the relevant Ministry for the overall administration, governance and monitoring of the Program;
- (q) "Rules and regulations" means the rules and regulations made under this Act; and
- (r) "Verification of eligibility" means the process of verifying that a person meets the eligibility criteria for the Programme.

3. Establishment of Programme. - (1) There shall be a Programme of the Government to be known as the Pakistan Universal Health Coverage Programme for carrying out the purposes of this Act.

(2) The Programme shall be a body corporate having perpetual succession and a common seal with powers, subject to the provisions of this Act, to acquire and hold property, movable and immovable, and to sue and be sued in its name.

(3) The principal office of the Programme shall be at Islamabad, and additional offices of the Programme may be established at any other places in the country with approval of the Steering Committee, which will make normative decisions for both financing windows

4. Objective and purposes of Programme.-The objective and purposes of the Programme shall be:

- (a) To design and implement a two pronged, albeit one-window safety net, aimed at providing access to healthcare services and protecting the vulnerable against catastrophic health expenditure shocks, to achieve the goal of Universal Health Coverage;
- (b) To reduce inequalities in accessing essential healthcare services by ensuring economic status does not become a barrier to access;
- (c) To provide coverage to public sector facilities, with a provision to engage private sector facilities if needed, based on required approvals;

- (d) To provide coverage for all essential health services and products, with limited out-of-pocket expenditure for the beneficiary;
- (e) To increase the efficiency and effectiveness of public goods/service financing, such as healthcare financing; and
- (f) To promote transparency, accountability, and good governance in public goods/service financing through the use of digital mechanisms to deliver the programme, monitor and evaluate (audits, experience surveys, etc.) beneficiary experience and service provider performance in a way to improve performance.

5. Establishment of Steering Committee for institutional oversight.- (1) A Steering Committee shall be constituted to provide oversight for smooth execution of the Programme

- (2) The mandate of the Steering Committee shall be to:
 - (a) ensure that objectives of the Programme are achieved in light of the policies of the Government;
 - (b) oversee the effective management and provide strategic directions to the programme;
 - (c) approve programme design, beneficiary targeting and partnership decisions for each of the two financing windows, and to ensure smooth operations of the Programme;
 - (d) ensure coordinate and synchronizing between the eligibility criteria, inclusions and exclusions and operations of the fund based and insurance based financing windows;
 - (e) approve annual business plan, financial plans and annual budget and major transactions for each of the two financing windows;
 - (f) select insurance firm or third part for execution of the Programme in accordance with the Procurement law and rules as part of the insurance window;
 - (g) enter into contracts with any entity, organization or person for each of the two financing windows;
 - (h) approve the hospitals or service providers for empanelment and de-panelment;
 - (i) approve rates for difference services provided through empaneled hospitals under the Programme; and
 - (j) perform any other function as may be assigned to it.

(3) The Steering Committee shall oversee the scale up of the Programme across the entire geographical area covered by the Act.

6. Implementation service provider. - The Programme shall be executed by the Steering Committee through a third-party insurance firm having expertise in the field of health insurance. The third-party insurance firm shall be selected through a transparent bidding process, in line with the provisions of the Procurement law and rules.

7. Governance and administration of Programme.- (1) The Programme shall be administered by the Federal Government.

(2) The relevant Federal Ministry shall establish a Programme Management Unit; responsible for the implementation of the Programme.

(3) The Programme Management Unit shall be responsible for forging partnerships and empaneling facilities serving beneficiaries, including but not limited to hospitals.

(4) The Programme Management Unit shall ensure a minimum standard of services at empaneled facilities for beneficiaries and reimburse them for the cost of services provided to beneficiaries of the Program, in accordance with the terms of the agreement.

(5) The Programme Management Unit shall also carry out day to day implementation of the Programme, including monitoring and evaluation of the Programme in coordination with the relevant government departments and agencies, processing beneficiary eligibility, processing patient requests, making payments etc.

(6) The Ministry provide the Programme Management Unit with the necessary staff and resources to act as the secretariat for the Steering Committee.

8. Digital platform. - The entire Programme shall be digitized to ensure transparency, trackability and efficiency, including, but not limited to:

- (a) Digital eligibility checks for beneficiaries;
- (b) End-to-end digital reviews and approvals of patient requests;
- (c) Digital submission of receipts for reimbursement;
- (d) Digital patient satisfaction surveys; and
- (e) Real-time M&E and reporting.

9. Hospital empanelment and treatment coverage. - (1) Healthcare services to the beneficiaries shall be provided through empaneled public and private hospitals selected on an assessment criterion developed by Ministry in the prescribed manner.

(2) The Government shall notify the set of treatment packages and diseases to be treated under the Programme.

10. Eligible persons or families for financial assistance. - (1) All low-income individuals or families who fall below a poverty threshold as determined by the Programme or by participating provinces shall be eligible for the programme.

(2) Each beneficiary shall be issued a Health card by the Ministry of health, which shall be the proof of eligibility for the beneficiary for the purpose of the Programme.

11. Benefit packages. - (1) Subject to the available budget, all the beneficiaries of the Programme provided with a basic package of inpatient healthcare services to be determined by the Steering Committee.

(2) The insurance firm may, with the approval of the Steering Committee, offer additional package, which is over and above the basic package, to interested individuals, families and groups on payment of such additional premium as determined Government on the recommendation by the Steering committee, in the manner as may be prescribed in the rules.

(3) For treatments not covered by the basic package, or in case the upper limit of the basic insurance package as been reached, patients may be able to receive free-of-cost treatment through the Fund, which will reimburse approved costs to empaneled facilities in case the treatment proves to be catastrophic for the patient.

12. Disbursement procedure. - (1) Funds of the Programme shall be applied towards reimbursing approved costs to empaneled facilities.

(2) The empaneled hospitals shall be paid by the insurance firm for the provision of services in a manner as may be prescribed by regulation for the costs under the basic package.

(3) The empaneled hospitals shall be paid via the catastrophic health expenditure fund for any approved treatments and services that are above and beyond the basic package.

(4) Public hospitals shall retain, without loss of budget, all of the additional income.

(5) The additional income under sub-section shall be retained and used for the improvement of quality of healthcare services and payment of incentives to the hospital staff in such a manner as may be prescribed in regulations.

13. Central Management Information System. - For the purpose of managing information regarding the Programme, the Steering Committee shall establish a Central Management Information System.

14. Fund. - (1) There shall be a fund of the Programme, to be known as the Pakistan UHC Fund.

(2) The fund shall consist of

- (i) Grants from Government;
- (ii) Unutilized premium or savings from the previous year;
- (iii) Annual fee received from empaneled hospitals;
- (iv) Voluntary contributions or donations; and
- (v) Grants and incomes from other sources.

(3) The fund account shall be maintained at such bank or treasury as may be prescribed.

(4) The fund shall be kept in such custody and shall be utilized in such manner as may be prescribed by regulations.

(5) The fund shall be used for costs of the programme associated with the fund based financing window including catastrophic healthcare expenditures, as may be prescribed by regulations.

(6) A portion of the Fund shall be specified as "reserve Fund" to be used in the manner as may be prescribed by regulations, for payment of cost exceeding the basic package limit or to cover cost of those procedures or treatments not covered under the Programme.

(7) The Steering Committee may invest money not required for immediate expenditure in a manner as may be prescribed by rules.

15. Budget of Programme. - The Ministry shall, in respect of each financial year, prepare the annual budget estimates of the Programme and submit the same to the Steering Committee for approval in accordance with such financial procedures as may be approved by the Steering Committee.

16. Indemnity.-No prosecution, suit or other legal proceedings shall lie against the Council, Board, Chairperson, Members, Officers, and other employees of the program for anything done in good faith for carrying out the purposes of this Act or regulations or orders issued or made thereunder.

17. Maintenance of accounts and internal control. - The Programme shall maintain complete and accurate books of accounts in connection with the discharge of its responsibilities as may be prescribed by the Auditor General of Pakistan.

18. Audit.- (1) The accounts of the Programme shall be audited every year by the Auditor General of Pakistan in such manner as may be prescribed by him.

(2) An independent audit of the Programme shall be carried through an independent audit firm that shall report directly to the Steering Committee and the audit reports shall be presented to the Steering Committee for comments and follow up on the remedial actions.

19. Annual report. - The relevant Ministry shall approve the annual report of the Programme, and cause such report to be laid before the National Assembly of Pakistan.

20. Redressal of grievance. - The Programme shall provide channels for program beneficiaries register grievances; Any person or family aggrieved by a decision involving the eligibility under the Programme may, within thirty days of the decision by the relevant implementing agency, prefer an appeal to the prescribed authority of such implementing agency in such manner as may be prescribed by the rules.

21. Act not to prejudice other laws. - The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force.

22. Power to make rules. - The Government may make rules for carrying out the purposes of this Act.

23. Power to frame regulations. - (1) The Steering Committee may frame regulations for carrying out the purposes of this Act.

(2) Without prejudice to or limiting sub-section (1), the regulations shall provide, inter alia, for matters involving financial assistance, payment schedule, grievance redressal, social audits and operation of all schemes established and implemented under the Programme.

24. Removal of difficulties. - If any difficulty arises in giving effect to the provisions of this Act, the Government may make such order, not inconsistent with provisions of this Act or any other law regulating the implementing agencies, as is necessary or expedient to remove such difficulty.

STATEMENT OF OBJECTIVE AND REASONS

In light of the pressing healthcare challenges faced by Pakistan, it is imperative to institute comprehensive legislative measures that address the critical gaps in our current healthcare system. The introduction of a robust Universal Healthcare (UHC) framework is imperative to ensure the well-being of our citizens. The Pakistan Universal Health Coverage Act, 2024 proposes a two-pronged UHC program designed to elevate the standard of healthcare accessibility. The first component establishes a universal health insurance system, ensuring that every individual has access to essential healthcare services without financial barriers. The second component involves the creation of a fund-based window, specifically tailored to provide targeted healthcare financing for individuals facing the risk of catastrophic healthcare expenditures. This innovative and comprehensive approach is poised to enhance the overall health outcomes, fostering a society where every citizen can access quality healthcare, irrespective of their financial status.

**SENATOR SANIA NISHTAR
MEMBER-IN-CHARGE**

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