

2. Health insurance law proposal Yemen

Republic of Yemen Social Health Insurance law (Final draft)

Book one

Section one

Nomination, Definitions and scope of coverage

Article (1) This Law is nominated (Social Health Insurance Law)

Article (2) Definitions (Annex)

Article (3) A system of social Health Insurance is instituted, it includes:

(A) Sickness Insurance

(B) Employment Injuries Insurance

The system according to the stipulations of this law is compulsory.

Article (4) The stipulations of this law covers

1- Workers covered by the law No. (19) for the year 1991 concerning civil services.

2- Workers covered by the labor law No. (5) for the year 1995 and its amendments. Keeping the stipulations of the international agreements, approved by the republic active, foreigners covered by labor law, to be covered by this law, they must have a contract not less than one year and the same situation is adopted by their countries

3- Any other sectors, the Council of Ministers approve their coverage by this law who are not covered by the stipulations of the two laws mentioned in items (1) and (2) of this article.

4- Pensioners who retired according to civil law.

5- The rest of republic citizens who approves the council of ministers to be covered by this law.

Article (5) The stipulations of this law covers who are mentioned in article (4), gradually, sectorially or geographically.

Article (6) Exemption from the stipulations of article (4) of this law, employment injuries insurance covers workers who are less than 18 years of age.

Article (7) The provided services of health insurance to insured includes the services of prevention, treatment and rehabilitation with their different levels and the medical investigations needed for them as what specified in the executive bylaw of this law.

Book Two

Sickness Insurance

Section one

Financing and scope of implementation

Article (8) Sickness Insurance is financed from these resources

First: Monthly contributions which include

(A) Contribution of the employer constituting 6% of

insured wages covered by stipulations of this law according to items (1),(2) of article(4)of this law

(B) Contribution of the government constituting 6% of the pension for the pensioners retired according to item (4) of article (4) of this law.

(C) Contribution of the insured constituted of:

(1) 5% of the wages for those covered according to the items (1) , (2) of the article (4) of this law

(2) 5% of the pension for those retired according to item (4) of the article (4) of this law.

Second: Co-payments of the insured

(1) Co-payment of the insured by third of the price of drugs outside hospitals except for chronic diseases which decided by a decree from the Minister of Public Health and population.

(2) Co-payment of the insured from the cost of service outside the hospital by a percent not exceeding the third of the price of the service approved by the organization or third of it's cost, which is possible and the Minister of Health and populations issues a decree deciding the value of this, co-payment and it's conditions according to a proposal from chairman of the organization.

Third: Other revenues

Revenue of a cigarette tax equals to (5 Rials) on each 20

cigarettes, local or foreign, soled in the local market. This tax is collected through a decree from the Minister of finance after coordination with the Minister of public Health and population.

Fourth: The yield of investment of the above mentioned resources

Article (9) The Council of Ministers, by a proposal from the Minister of public Health and population, may extend the coverage according to article (4) by adding new sectors and deciding the value of contributions and co-payments and the sponsors by not more than double of values decided in this law.

Article (10) The stipulations of this book cover the insured gradually according to article (4) of this law by a decree from the Minister of public Health and population after presenting to the Council of Ministers

Article (11) The Minister of public Health and population may issue a decree to implement the stipulations of this insurance on wife of the died pensioner (the widow) after presenting to the council of Ministers and coordination with the Minister of Insurance. This decree states the conditions and situations of benefiting by this insurance and the percentage of contribution

Article (12) Health Insurance organization is responsible for providing health insurance services stipulated in this law, through the providers it decides, inside or outside it's facilities and according to the levels of medical care and the rules issued by a decree from the Minister of public Health and population.

Article (13) The coverage by this insurance is stopped through these situations

(1) working period of the insured by an employer not covered by this insurance.

(2) periods outside the country for any reason.

(3) period of special leaves, educational leaves, scientific missions, which are used by the insured outside the country.

(4) conditions of pension stopping for the widow.

Section Two

Services of Health Insurance provided to Insured

Article (14) Services of health Insurance provided to insured means the preventive, treatment , rehabilitation and medical investigation services as specified in the executive bylaw of the law and specially the following services:

(1) Medical services provided by the general practitioner.

(2) Medical services at the level of the specialist including dental specialist.

(3) Treatment and inpatient care of hospital , chronic disease institution or specialized center.

(4) Surgical operations and other kinds of treatment as needed.

(5) x-ray and lab investigations and the other medical investigations or alike

(6) Diagnostic and treatment investigations and alike.

(7) Drug dispensary needed in all cases mentioned above.

(8) Care *for* the insured female during pregnancy and delivery

(9) Provision of the rehabilitation services , appliances and prosthesis according to the conditions and situations decided by a decree from the Minister of public Health and population.

Article (15) Health Insurance organization takes the responsibility of treating the insured and caring for them medically in the providing facilities which specified for them by the organization and it is not accepted to provide that treatment or medical care in clinics or chronic disease institutions or hospitals or specialized centers except under special agreements activated for that purpose, specifying the minimum standard for the levels of medical care and it's price and it is not accepted for the standard of the medical services , in this case , to be less than the **minimum** standard issued in the decree of the Minister of public Health and population.

Book Three

Employment Injuries Insurance Financing, Health Insurance services provided and executive stipulations

Article (16) Employment Injuries Insurance is financed by

(1) Monthly contributions for which the employer is held responsible according to a percent of 2% of the wages of insured referred to them by article (4) of this law.

(2) Yield of investment of contributions referred to.

Employers are exempted from contributions of insured referred to them in article (6) of this law if they are ruled out of wages.

Article (17) It is meant by the health insurance services provided to who are covered by employment injuries insurance, all what is mentioned in article (14) of this law and it's executive bylaw.

Article (18) Employer is held responsible , in case of employment injury, to transport the insured to treatment facilities specified by the health insurance organization and a decree from the Minister of public Health and population is issued in cooperation with the Minister of Insurance deciding the executive stipulations of employment injuries insurance concerning procedures of treatment , medical care and cases of re-suffering or complications resulting from the employment injury and settlement the cases of permanent disability.

Article (19) It is considered as an employment injury each case of resuffering *from* the same previous employment injury or a complication resulting from it.

Article (20) It is decided by a decree from the Minister of public Health and population in cooperation with the Minister of Insurance, the procedures should be taken by the insured in case of requesting to re-evaluate the decision of treatment provider by ending the treatment and returning back to work or by denying the affection with an occupational disease or unsettlement of a disability or it's estimated percent.

Article (21) The conditions and situations of considering the injury resulting from stress or exhaustion from work an employment injury are issued by a decree from the Minister of public Health and population in cooperation with the Minister of Insurance

Book Four

Institution of a fund for sickness Insurance and Employment Injuries Insurance. It's Financing, Administration, Duties and Responsibilities

Article (22) A fund is instituted **for** financing services of health insurance **and** all it's affairs and specially fulfilling these requirements

- (1) Considering the principal standards of total quality in doing contracts with providers, achieving the economic performance in provision of service and supervising it's accomplishment
- (2) Putting the financial basics for fund expenditure.
- (3) Financial control and complete follow up for all items of service provision.

Article (23) The fund is administered by a general organization called Health Insurance Organization , has it's own entity and it's chief of board is the Minister of public Health and population assisting him a chairman and a vice —chairman, it has it's own balance which is a part of the general balance of the state. The members of the board, it's duties and responsibilities are decided by a presidential decree by the presentation of the Minister of public Health and population.

Article (24) The Health Insurance Organization is responsible for the treatment of the injured or the sick insured and carrying medically for them till cured or settled by a disability. The organization have the right to observe the injured or sick insured in any site to be under treatment. It is meant by treatment and medical care what is stipulated in the article (14) of this law.

Article (25) The fund's money are composed of:

- (1) Revenues stipulated in this law
- (2) Subsidies, donations and grants which the board of the fund decides to accept.
- (3) Yield of investment the fund's money.
- (4) Other revenues resulting from fund activities.

Article (26) By a decree from the Council of Ministers, by a presentation from the Minister of public Health and population, the value of contributions and co-payments can be changed according to the result of investigating the financial situation of the fund every five years.

Article (27) In case of the presence of surplus in fund's money ,this surplus is kept in a special account and it's expenditure is only by approval of the board for these objectives specially

- 1- Upgrading the level of health insurance services provided to the insured.
- 2- Expansion of coverage in the health insurance system stipulated upon in this law
- 3- Financing building and investment programs, training and research programs and different systems related to organization activities

Book Five

General stipulations

Article (28) The services of health insurance to injured or sick insured are provided inside the Country till to be cured or a disability is settled. The organization and it's branches 'in governorates has the right to observe the injured or sick insured in any place to be treated. The level of health insurance services shall not be lower than the minimum level mentioned in the Minister of public Health and population issue . The injured or sick insured can ask for medical care in a higher level than the insurance level decided and paying the extra cost out of his pocket.

Article (29) The provider is held responsible to inform both the insured and the employer at the end of treatment of the insured injured and the period of sick leave documented by the forms approved from the board by an issue according to the conditions and situations decided by that issue. The period of sick leave is compulsory to the employer.

Article (30) The employer is held responsible to do a pre-employment medical examination for candidates supposed to •be employed, this examination is done by the organization or it's branches in governorates according to the conditions situations and stipulations of medical fitness issued by a decree from the Minister of public Health and population in cooperation with the Minister of Insurance. The cost of this examination is paid according to it's actual cost by the price list of the organization.

Article (31) The employer is held responsible to do a periodic medical examination for the employees who are exposed to occupational hazards and may be injured by any of the occupational diseases listed upon in table (1) of the occupational diseases, stipulated in the executive bylaw of this law. This examination is done by the organization or its branches in governorates according to its actual cost by the price list of the organization. The Minister of public Health and population issues a decree of the conditions and situations of performing these examinations. The employer is held responsible to offer all the documents, information and facilities needed to perform these examinations in its timing. The organization in doing this examination is held responsible to inform all concerned authorities with discovered occupational diseases among workers and the resulted deaths.

Article (32) Disabled cases are documented by a certificate from the organization, its items are decided by a decree from the Minister of public Health and population in coordination with the Minister of Insurance. The medical committees specified by the organization issue the reports verifying residual disability occurring to insured in cases of employment injury and sickness, its date and percentage. The medical committees are held responsible in cases of employment injury and sickness, to inform social insurance authority and the insured with the residual disability and its percent. The insured may ask for re-evaluation of the medical decision according to article (20) of this law.

Article (33) In case of estimating the degree of residual disability from employment injury, the rules and regulations mentioned in table (2) concerning estimation the degrees of residual disability of employment injury shall be adopted as mentioned in details in executive by law of this law, also to take into consideration, in case of estimating the residual permanent disability for cases of sickness, to document whether the case is complete or partial disability.

Article (34) Contributions revenue to the organization and its branches are exempted, according to the stipulations of this law, from all kinds of taxes, also all documents, forms, cards, contracts, certificates, printers and all other writable works needed to implement this law, are exempted from any taxes.

Article (35) All kinds of finance of the organization and its branches, fixed or transferred and all its investment activities, are exempted from all kinds of taxes, also, all the activities of the organization and its branches are exempted from being covered by stipulations of laws governing supervision and control over insurance institutions.

Article (36) Exempted from court fees all levels of justice claims related to implementing stipulations of this law either from the side of organization and its branches or from insured.

Article (37) Staff of the organization or its branches, who are directed to investigate its activities, have the right to enter work places during regular work times, to do the needed investigations, review the documents, books, work papers, writings, files and documents needed to implement the stipulations of this law. A decree from the Minister of public Health and population in cooperation with the Minister of justice, is issued concerning the conditions, situations and authorities of this mission.

Article (38) Governmental and Administrative facilities have to supply the **organization** and its branches with needed data about the **number of those who** are covered by stipulations of this law, their geographical distribution, situations, professions and all what is needed to implement its activities.

Article (39) All finance revenue to the organization or its branches according to stipulations of this law have the priority over all other kinds of finance either transferred or fixed and revenue directly after justice fees.

Annex: **Definitions**

Republic: Republic of Yemen

Ministry: Ministry of public Health and population

Minister: Minister of public Health and population

Law: Law of social Health Insurance

Board: Board of Health Insurance Organization

Organization: Health Insurance Organization

Chief of the Board: . The Minister of public Health and Population, the chief of the board of Health Insurance Organization

Employer: Administrative system of the government and units of both public and mixed sectors also any person or representative recruit a worker or more for a wage.

Insured: Employee or worker or beneficiary benefiting from Health Insurance system paying the contributions stipulated in the social Health Insurance

Employee: The person recruited in a job to do any intellectual, professional or technical or other works, the job which is approved in the balance of the government, public sector or mixed sector.

Labor: Any person male or female working at a self-employed under his supervision and administration for a wage.

Pensioner: Retired person having a pension according to social security laws and pension laws.

Contributions: Premiums of both employer and employees stipulated in the articles of this law.

Whole wage: The wage of the insured considered as the basis upon which the percentage of subscriptions are calculated. All incentives and benefits are taken in consideration.

Employment injury: Injury with one of the occupational diseases listed in the table of the occupational diseases annexed to the executive bylaw of this law, all injuries happening during work and due to it including related road injuries also injuries resulting from stress and exhaustion according to conditions and rules issued from the Minister of public Health and population.

Injured insured: The insured covered by employment injury insurance and suffered from the injury.

Re-Suffering: The injured insured complaining from the same employment injury after returning back to work approved by the medical authority based on medical data.

Sick person: Who injured by a sickness or an injury which is not employment injury.

3. Health insurance authority law proposal Yemen

Draft Republican Decree No. () for the year 2004

Concerning the Establishment of Health Insurance The Authority

President of the Republic,

After having perused the Constitution of the Republic of Yemen, and the Republican Decree of Law No. (20) of the year 1991 pertaining to the Cabinet of Ministers, and Law No. (35) of the year 1992 pertaining to public organizations, corporations and companies and its amendments, and the republican decree No. (105) of the year 2003 concerning the Formation of the Cabinet of Ministers, and pursuant to the proposal of the Minister of Public Health and Population, and after the approval of the Council of Ministers,

Hereby decrees as follows:

Chapter One Citations and Definitions (Section One) Definitions

Article (1) For the purposes of applying the provisions of this decree, and unless the context otherwise indicates, the terms and expressions mentioned hereunder shall have the meanings shown against each:

Republic	The Republic of Yemen
Ministry	Ministry of Public Health and Population.
Minister	The Minister of Public Health and Population.
Law	Social Health Insurance law
Board of Directors	Board of Directors of the Health Insurance The Authority.
The Authority	Health Insurance The Authority.
Chairman of Board	Minister of Public Health and Population & Chairman of the Board of Directors of the Authority.
President of the Authority	The President of the Health Insurance The Authority.
Vice President of The Authority	The Vice President of the Health Insurance The Authority.
Employer	The administrative system of the government, public-sector and mixed-sector agencies and entities, as well as any natural person or juridical entry recruit an employee or more for a wage.
Insured	An individual or group that is covered by the health insurance policy, paying the premiums stipulated in the Law of Social Health Insurance.
Employee	The person who is recruited for a permanent employment, performing intellectual, professional, technical or any other fair job organized and accredited by the balance of the government, public or mixed sectors agencies.
Labourer	Any person male or female who works for an employer or establishment under its supervision and administration in return for a wage.

Pensioner	The retired person who receives a pension according to the provisions of the insurance and pensions laws.
Full wage	The wage specified for the insured person upon which the percentage of insurance premiums, stipulated in the social health insurance law and its Bill of Implementation, is calculated and that includes all the permanent legal allowances and incentives.
Social Health Insurance	It is the health insurance system, which comes in the framework of the overall social insurance program, is financed by deducting specified percentages of the wages of the insured persons and it involves many social groups. (Retirement, employment ... etc).
Premiums	Subscriptions taken from the employer and insured as stipulated in the provisions of this resolution.

Any definition not mentioned therein, reference should be to the health insurance law.

(Section Two) **Establishment of the Authority**

Article (2) A-By virtue of the provisions of this decree a public the Authority called the Health Insurance The Authority shall be established.

B-The The Authority enjoys a body corporate personality and shall have and autonomous financial status and shall have a special staff cadre subject to civil service public law.

Article (3) The headquarters of the Authority shall be in the capital city, Sana'a and it may have branches at the governorates of the republic.

Article (4) The Authority shall exercise its activities under the supervision of Public Health and Population Minister, Chairman of Board.

Article (5) The Authority shall assume the implementation of health insurance system provided for in the social health insurance law.

Article (6) The Authority shall have independent annual budget within the context of the general budget of the State.

Article (7) A chartered accountant or more shall carryout the auditing of the Authority accounts whose appointment shall be issued by decision of the Board of Directors and under its supervision and overseeing in coordination with Central Organization for Control and Auditing. The decision shall define the necessary fees for performing that.

Similarly, an expert auditor shall be appointed to define the financial status as well as defining the existence of surplus or deficit and the means of avoiding it.

Article (8) The financial year of the Authority shall commence at the beginning of the financial year of the state and close at its end thereby except the first year which shall start from the date of the issuance of this decree and ends by the expiry of the current financial year.

(Section Three) **Objectives and Duties of the Authority**

Article (9) The AUTHORITY aims at providing health and medical services for the insured persons all over the republic according to the gradual and provisional plan of THE AUTHORITY. For the achievement for these objectives, the Authority shall exercise the following duties.

1. Providing medical insurance services for the insured people according to the statuses and standards authorized by the Board of the Authority and a resolution of the Minister of the public health and population shall be issued therefore.

2. Conclude contracts with hospitals and other treatment institutions to achieve the objectives of the Authority.
3. Conclude contracts with general physicians and specialists and other persons such as jobs related with medical job as well as defining their salaries, wages and bonuses.
4. Providing drugs and medical appliances by establishing pharmacies or concluding agreements with other pharmacies if necessary.
5. Establishing medical training institutes or contracting with qualifying institutes and labs as well as with X-Ray specialists ... etc.
6. Concluding contracts and agreements with others if necessary.
7. Taking necessary actions to define the commitments of the Authority.
8. Participation with the national or foreign capital for establishing hospitals and specialized centres in a way that does not contradict the provisions of laws in force.
9. Owning or purchasing or selling lands, properties as well as constructing buildings and establishing constructions according to its needs and purposes.
10. Preparing the draft of the Bill of Implementation.
11. Implementing investment policy for the surplus funds of the Authority according to the plan approved by the Board.
12. Issuing regulations and bylaws of health insurance as well as following up the recent developments in this field.
13. Proposing amendments, which can be inserted in this health insurance system if necessary.
14. Periodical inspection for its institutions and being informed about the necessary registers and documents of the implementation of health insurance system according to the bylaws and regulations in force.
15. Listing employers who do not comply with the fulfilment of the Authority rights and taking the necessary action thereabout.
16. Any other duties that the Board of Directors consider to be carried out for the achievement of THE AUTHORITY objectives.

(Chapter Two)

The Authority's Financial Resources for Health Insurance Section One

Article (10) The finance of the Authority are composed of:

1. All the resources provided for in the law and its Bill of Implementation.
2. Subsidies, donations and gifts, which the Board decides to accept them.
3. The investment outcome of the Authority funds.
4. Other resources resulted from the activities of the Authority.
5. Outcome of funds, penalties, fines, compensations and the like.

Section Two Financial organization

Article (11) The Authority, for its accounts, follows its own accounting system based on applicable accounting basis in a manner that is appropriate with the nature of its work.

Article (12) The Authority funds are not allowed to be invested in speculation or trading in the movable funds. It is preferable to be invested in the fields that are related to the activity of the Authority with a target to achieve general guarantees for the Authority funds.

Article (13) The financial status of the Authority shall be checked by an auditing expert whose appointment shall be made by a decision from the Board. The decision shall define his bonus and he shall carry out the first audit after 2 years from the issuance of this decision. Then the second audit shall be carried out after 3 years. After that it, shall be carried out every five years. The auditing should focus on the values of the existing obligations. If a deficit is detected in the Authority funds

and surpluses were not sufficient for the settlement, the government shall oblige it self to fulfil it. The expert should point out in such case the reasons of deficit and the appropriate means to avoid it. However if the auditing uncovers an existence of surplus fund, this fund should be deposited in special account. It is not permissible to be used without the approval of BOD and in the following purposes:

- a) Improving the standard of health insurance services provided to the insured persons.
- b) Financing the construction and investment programs, training, researches and different systems programs related to the Authority activities.
- a) Expansion in the implementation of health insurance system provided for in the law.
- c) Formation of general reserve and special reserves for different purposes.

(Chapter Three)

The Organizational Structure of The Authority and The Competencies

Article (14) The organizational structure of the Authority is composed of the following:

- The Board of the Authority.
- President of the Authority.
- Vice president of the Authority.
- General directors of the following specialized general departments:
 - G. Department of Technical affairs.
 - G. Department of Financial and administrative affairs.
 - G. Department of investment affairs.
 - G. Department of revenues.
 - G. Department of costs.
 - G. Department of relations and social service.
 - G. Department of legal affairs
 - G. Department of control and auditing.
 - G. Department of statistics and information.
 - G. Department of planning, researches and training.
- Branches of the Authority in the governorates of the Republic.

Article (15) a) The Board of Directors of the Authority is composed of the Minister, the Chairman of Board, and the membership of each of the following:

- The President of the Authority.
 - The Vice president of The Authority.
 - Deputy Ministry of Public Health and Population for planning and development sector.
 - Deputy Minister of Public Health and Population for services and care sector.
 - Deputy Minister of Public Health and Population for the pharmaceuticals and medicine sector.
 - Deputy Minister of Finance nominated by the Minister of Finance.
 - Deputy Minister of Civil Service and Insurance nominated by the Minister of Civil Service and Insurance.
 - Deputy Minister of Insurance and Pension the Authority.
 - Representative of the Public Corporation of Social insurance nominated by the president of the corporation.
 - Representative of the general union of the Republic workers' syndicates nominated by the chairman of the union.
 - Representative of the Federation of Chambers of Industry and Commerce
 - Representative of medical and health professions syndicates.
 - Representative of two reference government hospitals to be selected by the minister.
 - One of the public figures nominated by the minister.
- b) A Resolution of this formation shall be issued by the Prime Minister.
- c) The Authority shall have a rapporteur other than its members to be appointed by a decision of the Chairman of the Board.

Article (16) The Chairman of the Board shall issue the decisions of the Board and these decisions shall be effective from the date of their issuance.

Article (17) a) The Board shall meet once every two months at the invitation of the Chairman. A quorum shall be constituted by the attendance of two thirds of its members. The decisions shall be adopted by a majority of the members. In case of a tie, the session's Chairman shall cast the deciding vote.

b) The Board may hold extraordinary sessions if the Chairman of the Board considers that necessary or upon the request of two thirds of the members.

Article (18) It shall decide, by a decision from the minister, the bonuses and the allowances of the sessions of the Board members.

Article (19) The president of THE Authority and the vice president of THE Authority shall be appointed by a republican resolution according to the nomination made by the minister. The general directors of the Authority directorates and branches at the governorates shall be appointed by a resolution of the Prime Minister according to the proposal of the minister.

Article (20) The Board of Directors of the Health Insurance the Authority is the supreme power which dominates and oversees the affairs the Health Insurance. The Authority affairs and carries out the following:

- Formulating the general policy of Health Insurance the Authority's activities and approving the plans and programs related to its competencies.
- Issuing internal regulations and decisions related to the financial, administrative and technical affairs.
- Defining cash liquidity, which should be preserved therein to face the obligation of Health Insurance the Authority.
- Considering and approving draft budget estimated of Health Insurance the Authority.
- Approving the draft annual budget of THE AUTHORITY and its closing Statement of accounts and the financial status.
- Considering the follow-up reports and evaluating the periodical performance as well as issuing the necessary decisions to enhancing the performance standards.
- Endorsing the investment plan of the surpluses of funds of the Authority.
- Electing audit expert for auditing, analyzing and designing the financial status of the Authority.
- Appointing the chartered accountant or accountants for auditing the accounts of the Authority.
- Authorizing the chairman of the Board of Directors with some of his authorities.

Article (21) The Board of Directors may constitute a sub- committee composed of its members to whom it may delegate considering issues transferred to it in the context of its competencies. It may add to the membership of this committee whoever is expected to provide assistance from experts and specialists.

Article (22) The chairman of the Board of Directors may invite whoever deems appropriate of experts and specialists, whenever needed, to attend the Board's meetings without having a resolving vote in the board's deliberations

Article (23) By a resolution the Minister, the Chairman of the Board of Directors and after the approval of the Board of Directors, a committee for investment shall be formed from among its members and the experienced persons. The President and Vice President of the Authority and the General Director of the General Department of Investment shall be members of this committee. This committee should assume proposing the investment rules and programs of the surplus funds of the

Authority. Its decisions shall be confidential and should not be disclosed, and shall be presented to the Board of Directors for revision and approval.

Article (24) The Chairman of the Board of Directors shall assume exercising the following duties and competencies.

1. Inviting the Board of Directors for periodical meetings as well as defining the agenda.
2. Approving the contracts and engagements on behalf of the Board of Directors according to the laws, rules and regulations in force.
3. Issuing the resolutions of the Board of Directors and following up of their implementation with the President of the Authority.
4. Nominating the general directors the Authority and its branches, defining their wages, bonuses and imposing the disciplinary penalties on them according to the provisions of the laws and regulations in force.
5. Issuing of the resolution of appointing departments' directors according to the proposal of the President of the Authority.
6. Making final decision about the offers and invitations for tenders or bids regarding the activity and the projects of the Authority.
7. Notifying the concerned authorities about the draft budgets of the Authority within a month from the approval date of the Board of Directors.
8. Approving the budget and the closing Statement accounts after submitting them to the Board of Directors.
9. Delegating the President of the Authority to exercise some of its competencies.

Article (25) The president of the Authority shall assume the management of the works, direct its affairs and issue the necessary decisions for good performance of work in the executive organization, as well as developing and following it up. He is directly responsible before the Minister, the chairman of Board of Directors, and shall work under his supervision to implement the policy approved by the Board of Directors. He shall particularly carry out the following:

- a) Following up the implementation of the Board of Directors' resolutions.
- b) Considering and approving the financial, administrative and technical issues, which are provided in the laws and regulations organizing the activities of the Authority.
- c) Submitting the draft annual budget and the closing Statement of accounts of the Authority to the Board of Directors in three month from the end of the financial year.
- d) The President of the Authority shall be delegated by the Minister, The Chairman of the Board of Directors, for signing the contracts and engagements according to the laws, rules and regulations in force.
- e) Submitting the investment projects to the Board of Directors.
- f) Nominating directors for the departments of the Authority and its offices and filing them to the Minister to issue the resolutions of appointment.
- g) Appointing the heads of sections of the Authority as well as defining their wages, bonuses and imposing the disciplinary penalties on them in accordance with the provisions of the applicable laws.
- h) Submitting draft of regulations and bylaws related to the Authority's activities to the Minister, the Chairman of the Board of Directors to pave the way for submitting them to the Board of Directors.
- i) Representing the Authority in relations with third parties.
- j) Providing the state organizations with the required data and reports of the Authority.

Article (26) The Vice President of the Authority shall assume the following functions, powers and competencies:

- Assuming the functions and powers of the Authority's President in the event of his absence.
- Supervising the preparation of the detailed programs for executing duties, works and plans of the Authority.
- Following up the execution of regulations, decisions and the instructions issued for improving performance.

- Submitting periodical reports to the Authority's President regarding the level of performance of works.
- Any other or powers charged with by the Minister, the Chairman of the Board of Directors or the President of the Authority.

Article (27) A resolution of the Minister, Chairman of the Board of Directors, shall define the competencies of the general departments, the functional descriptions and administrative divisions of the Authority and its branches.

(Chapter Four) **Final provisions**

Article (28) Employers shall be directly responsible for deducting the insurance premiums from the wages and pensions of the insured persons monthly according to the provisions of the law, and transfer them into the Authority's account at the Central Bank or any other bank defined by the Authority.

Article (29) By virtue of the provisions of the Resolution, the amounts due to the Authority shall be considered as immediately due debts of the employers who have independent financial status and shall be fully paid before any other debts.

Article (30) The competent court shall urgently look into litigations resulted in the implementation of the provisions of this decision.

Article (31) The administration of the Authority shall prepare primary operational budget upon the issuance of this Resolution to be financed by an advance from the state treasury and to be reimbursed not later than two years from the commencement of the operation.

Article (32) The Minister, Chairman of the Board of Directors, shall issue the detailed and organizing decisions for implementing the provisions of this resolution.

Article (33) This resolution shall come into force from the date of its issue and shall be published in the official gazette.

Issued at the Presidency of the Republic, Sana'a On

Dated / / 1423

Corresponding / / 2004

Mh'd Yahay Al-Naamy
Minister of Public Health and Population

Abdul-Qader Ba-Jammal
Prime Minister

Ali Abdullah Saleh
President of the Republic

4. Health insurance proposal for armed forces Yemen

*Republic of Yemen
Ministry of Defense
Chief of General Staff
Department of Military Medical Services*

DRAFT LAW OF MEDICAL INSURANCE FOR THE ARMED FORCES

Article (1):

This law is denominated as the law of medical insurance of the Yemen armed forces and shall be effective as of issue and published in the official gazette.

Article (2):

Following expressions shall have the meanings defined for each unless the context indicates otherwise:

Republic:	Republic of Yemen
Armed Forces:	Yemen Armed Forces
Minister:	Minister of Defense
Ministry:	Ministry of Defense
Director:	Director of Military Medical Services
Officer:	Whoever acquired an officer rank by a republican resolution.
Individual:	Each non commissioned officer or soldier employed with a military number in the armed forces.
Employee:	An employee in the armed forces or one of the affiliated institutions having civil servants grades applicable in the Republic of Yemen whose service is subject to retirement law of the armed forces.
Servant:	Whoever serves in the armed forces or affiliated institutions with a civil capacity with a lump sum monthly salary.
Retired:	Each officer, individual, or employee classified and referred to retirement before the effectiveness of this law or thereafter.
Martyr:	Officer, individual or employee classified or servant who expired as a result of war operation in the battlefield or inflicted by an injury after evacuation therefrom either before the effectiveness of this law or thereafter.
Hospital:	The Military Hospital existing in any area.
Medical Center:	Each military medical center or clinic.
Authority:	The Supervising Authority of the Medical Insurance Department formed in accordance to the provisions of this law.
Medical stores:	Medical stores of the armed forces.
Treatment:	Medical services including clinical examinations, laboratory, X-ray and specialist treatment as well as surgery operations including delivery and care to pregnant women including all types of treatment and medicines within available potentials.

Article (3):

- a- A fund is established in the armed forces for the medical insurance purposes having objectives of securing medical treatment and services to subscribers and beneficiaries which shall be denominated as the Medical Insurance Fund.
- b- The Fund is considered a legal person having an independent budget and represented by the general prosecutor in actions raised by or raised against it before courts.

Article (4):

Subscribers are:

- a- Officers, individual and employees classified and servants working in the armed forces.
- b- Officers, individuals and employees classified and retired of the armed forces.
- c- Those whose subscription acceptance is decided by the Authority in accordance to the provisions of this law.

Article (5):

- a- The subscription of persons provided by clauses (a) and (b) of article (4) of this law is obligatory.
- b- The monthly subscription of persons subject to the provisions of clauses (a) and (b) of article (4) of this law is 3% of the basic salary for individuals and 5% of the basic salary for officers but the monthly subscription premium for persons provided by clause (c) of article (4) of this law shall be decided by a decision of the Authority and it shall have the right to amend it from time to time.
- c- After the decease of the person subject to the provisions of clauses (a) and (b) of article (4) of this law his family members shall be exempted from the monthly subscription premium provided by article (6) of this law in accordance to the provisions provided therein and as long as those provisions apply thereto.

Article (6):

Beneficiaries of the Fund are the members of the subscriber's family legally dependant on him:

- 1- Father.
- 2- Mother.
- 3- Wives.
- 4- Single, widow and divorced daughters.
- 5- Sons under 18 years of age.
- 6- Handicapped sons and daughters incapable of self dependence in accordance to a resolution from the Supreme Military Medical Committee.
- 7- Sons and daughters enrolled in institutes, colleges and universities as long as they are students until they reach 25 years of age.
- 8- Brothers and sisters incapable of self dependency.

Article (7):

By approval of the Minister those not mentioned by article (6) of this law may be treated against payment of treatment cost in case of necessity and emergency.

Article (8):

A permanent body is formed to supervise the Fund and its management composed of the following:

- | | |
|--|---------------|
| 1- Minister | Chairman |
| 2- Chief of the General Staff | Vice Chairman |
| 3- Vice Chairman of the General Staff for Logistics and Supply | Member |
| 4- Vice Chairman of the General Staff for Human Resources | Member |
| 5- Vice Chairman of the General Staff for Technical Affairs | Member |
| 6- Director of the Military Medical Services Department | Member |
| 7- Director of the Financial Department | Member |
| 8- Director of the Legal Department | Member |

Article (9):

The body is competent in the following matters:

- 1- Setting the general policy of the Fund management and supervision of implementation.
- 2- Find material resources that guarantee the continuity of the Fund to secure its objectives.
- 3- Decide the budget of the Fund and monitor implementation.
- 4- Own lands, real estates and installations and rent the same for the purposes of the Fund and its property shall be for the armed forces.

- 5- Design internal administrative and financial instructions and orders.
- 6- Accept grants and donations and include the same in the Fund budget as well as provision of donations for treatment purposes when necessary.
- 7- Decide the acceptance of subscription and benefiting of any person or body from this Fund else than those indicated by this law if the body deems that necessary.
- 8- Consider the subscription fees, treatment fees, expenditures and amend them in accordance to requirements.
- 9- Designate the locations of hospitals and medical centers pertaining to the Fund in the Republic.
- 10- Deposit in, develop and invest moneys of the Fund in favor of the Fund objectives.

Article (10):

- a- The body holds meetings in the presence of the Chairman or the Vice Chairman once each three months at least and whenever necessary.
- b- The legal quorum exists by the presence of two thirds of members and decisions are taken by majority of present members and in case of equal votes the Chairman shall have a casting vote.

Article (11):

The Minister shall have the right to decide overtime allowance for specialist doctors, pharmacists, medical technicians and specialized nurses commissioned to carry out regular overtime as per the following percentages:

Grade of specialization	Percentage from total payable salaries and allowances
Assistant specialist and third specialist	25%
First and Second specialist and consultant	30%

Article (12):

The Director shall be a General Executive Director of the Fund administratively and technically.

Article (13):

The Director issues the necessary technical and administrative instructions within the hospital and medical centers to guarantee the progress of work.

Article (14):

The Director issues medical personal identity cards for the purpose of treatment for each subscriber and beneficiary having the legal conditions.

Article (15):

The Director may confiscate the misused cards for the duration deemed appropriate provided that duration does not exceed one year.

Article (16):

The Director or whoever represents him may impose expulsion penalty from the hospital or the medical center on all subscribers or beneficiaries who violate the internal instructions and orders and applicable regulations if their medical conditions so permit.

Article (17):

Treatment for the purposes of this law is provided to whoever may seek clinical, laboratory and X-ray examinations and any other specialized examinations or surgical operations and includes childbirth, pregnancy and child care as well as other medical services within the limits of available potentials and also includes treatment abroad pursuant to a medical report issued by the Supreme Military Medical Committee.

Article (18):

Families of armed forces martyrs are treated free of charge in accordance to provisions of this law.

Article (19):

Family of deceased officer, individual, classified employee or servant is treated free of charge by reason of the official employment in accordance to the provisions of this law.

Article (20):

Family of deceased officer, individual, classified employee or servant during existence in duty is treated free of charge in accordance to provisions of this law.

Article (21):

The Fund budget is composed of the following resources:

- a- Contribution of the Ministry of Defense from its general budget with an equivalent of 6% of the basic salary of each officer, individual, classified employee or servant in the armed forces.
- b- Subscribers' premiums in the Fund provided by article (4) of this law in percentages indicated by clause (b) of article (5) of this law.
- c- Treatment and accommodation fees in military hospitals and medical centers.
- d- The profits of the Fund moneys investment.
- e- Grants, donations and aid.

Article (22):

Moneys of the Fund are disbursed by resolution of the Minister pursuant to a budget approved by the Authority.

Article (23):

All moneys due to the Fund account are collected by the Director of the Financial Department in the Ministry of Defense in accordance to the collection law of State moneys.

Article (24):

For the purposes of collecting treatment expenses patients indicated by article (11) of this law are dealt with as beneficiaries and cost of medical treatment and services provided to them are collected.

Article (25):

The Minister has the right to issue necessary instructions to implement the provisions of this law.

Article (26):

- a- Concerning securing of purchases, supplies and other materials for the needs of the Fund the applicable administrative system in the armed forces is followed therefore.
- b- The applicable financial system in the armed forces is followed in financial matters of the Fund and records, entries and accounts of the financial department in the armed forces relating to the Fund are considered an integral part of the official accounts, registers and entries of the Fund.

Article (27):

- a- The assets, properties, real estates and annexes are considered property of the armed forces including purchases of the Fund from its proper moneys.
- b- Upon cancellation of the Fund for any reason whatsoever its properties pertain to the armed forces.

5. Letter exchange on health insurance law proposal

Republic of Yemen
Presidency of the Council of Ministers

No.: 1/9/72
Date: 23/03/2004
Corr.:.....

Dear Mr. Abdulaziz Abdulqani
Chairman of Al-Shura Council

After greetings,

Subject: Health Insurance

Due to the social and economical significance of health insurance issue, I would kindly suggest that your esteemed Council to attach special importance to this issue, for the sake of providing the government with assistance in consultation and opinion, especially, that the social insurance issue is one of the matters that the Government gives them important status in its program.

Knowing that, the Ministerial Committee, formed for this purpose, has charged the competent authorities to choose a consultation house to carry out the study and define the necessary bases for commencement, as well as the legal, financial and institutional requirements.

It is very certain that the arguments and viewpoints given by your Council would have the theoretical and practical value to enrich this significant subject.

Best regards,
Abdulgader Abdulrahman Ba-Jammal
Prime Minister

Republic of Yemen
Presidency of the Council of Ministers

No.: PM/26/2731

Date:.....

Corr.: 13/06/2005

Dear/ Deputy Prime Minister & Minister of Finance
Dear/ Minister of Public Health & Population

After compliments,

Herewith, is attached a copy of the Memorandum No. (76) , dated 08/06/05, received from HE the Speaker of the Parliament , concerning the Government's commitment towards the Parliament to the two recommendations which were decided by the Parliament in the session held on 24th of Thulga'dah, 1425 Ah, corresponding to 05/01/2005, when endorsing the State's public Draft Budget of the Financial Year 2005, in respect of Health Insurance Draft Law and to put an end to the duplicity and conflict of competencies amongst the accounting units, as explained in the attachment..

This is for your acquaintance and taking the necessary actions.

Thanks,

Abdulgader Abdulrahman Bajamal
Prime Minister

A copy with compliments to:
HE the Speaker of the Parliament

Republic of Yemen
The Parliament
The Speaker of the Parliament Date:.....

No.: 76

Corr.: 08/06/2005

Dear Mr. Abdulgader Bajamal
Prime Minister

After compliments,

Please be kindly advised that the Government committed toward the Parliament to executing the two recommendations decided by the Parliament in the Session held on 24th of Thulga'dah, 1425 Ah, corresponding to 05/01/2005, when endorsing of the State's public Draft Budget of the Financial Year 2005; the recommendations stated the following:-

- 1- Hasten the presentation of the Health Insurance Draft Law related to the employees of the State's administrative system and the Draft Law of establishing the Health Insurance Authority, in addition to the completion of the required studies and plans for the implementation of the Health Insurance.
- 2- Submit a report to the Parliament about ending up the duplicity and conflict of competencies between the accounting units and finance offices in the administrative institutions, which has led to the delay of paying out the financial dues, whereas, there should be adherence and observance to Article (91) of the Financial By-law, of the local authority, issued by the Republican Decree No. (24), of the year 2001; the matter which must be done by the end of May 2005.

Thereupon, we hope you will get acquainted with the subject and informing us about those two recommendations.

Best regards.

Yours faithfully,
Abdullah Bin Hussein Al-Ahmer
Speaker of the Parliament

Republic of Yemen
Ministry of Finance

No.: 622/F

Date:..... Minister Office

Corr.: 23/03/2004

Dear Minister of Public Health & Population

After compliments,

We have received the inquiries' Note of the Ad hoc Parliamentary Committee charged for studying the Public Budget Drafts of the Year 2005.

Please be acquainted with inquiries concerning your Ministry; and provide us with your replies tomorrow, Tuesday, 21/12/2004, so that we may be able to include them in the Government's reply to those inquiries.

We highly appreciate your cooperation for the sake of the public interest.

Best regards.

Alawi Saleh Al-Salami
Deputy Prime Minister
And Minister of Finance

Republic of Yemen
The Parliament

Fourth: In respect of the budget drafts of Independent and Annexed Unities, and Special Funds:-

- 1- What are the actions that have been taken for implementing the Council of Ministers' decision and the Parliament's repeated recommendations regarding the establishment of an ad hoc authority for health insurance of the state's employees?
- 2- The Committee noticed that the investments of the Handicapped People's Rehabilitation and Care Fund in the treasury bonds has exceeded that amount of the year 2001 by (YR 67,621), hence, what are the reasons of the Government's non-commitment to the execution of the Parliament's recommendations of the year 2004, in this respect?
- 3- The Committee noticed the increment of the financial amounts allocated for the contractual salaries and wages' item, in the budget of 2005, for some of the independent units and Funds, by the sum of (YR 302,902), at a percentage of (17%) greater than the year 2004, thus, to what extent that complies with the relevant laws and regulations?
- 4- Through the review of 2005 draft budget, concerning the independent and annexed units and the special funds, the Committee noticed that the Government's attitude towards the economical reformations does not reflect its seriousness and truthfulness, in regard of its reformation proposals, which is evidenced by what has been allotted for means of transportation and vehicles' item, the amount of (YR 425,425), in addition to what had been specified in the year 2004 budget for the purchase of means of transportation, the sum of (YR 434,107), the matter that does not proportionate with the expenditure guidance policy. It is required to clarify that; moreover, does that comply with the reformation program's decisions?

Agriculture and Fishery Support Fund

- 1- It has been stated in the Parliament's recommendations, when the approving of the general Budget, of the year 2004,
"To commit the administration of the Agriculture and Fishery Support Fund to carry out the following:-
A- To invest the Fund's resources in its specified purposes, but not to direct loans towards small enterprises or commercial economic corporations."
-

Republic of Yemen
Council of Ministers

Council of Ministers' Decree No. (22)
For the Year 2004, concerning the
Draft Law of Health Insurance

The Council has been acquainted with the results of the execution of the Council of Ministers' Decree No. (18) for the Year 2003, in the light of the meeting minutes of the Ministerial Committee formed for reviewing the Draft Law of Health Insurance, and decided the following:-

- 1- Minister of Public Health and Population has to seek for an experienced house specialized in the field of health insurance, so as to carry out a study for medical treatment and health actual facts in our country, in order to find out the availability of the basic requirements for the actual application of health insurance system.
- 2- Ministry of Public Health and Population should carry out a comparative study for the systems of health insurance applied in the neighboring countries and some Arab states, provided that the study should include the level of medical treatment services offered in those states and to compare them with the quality and level of medical treatment services in our country.
- 3- This order shall be enforced from 17/02/2004, and shall terminate by the execution of its rules.
- 4- The decision shall be executed by the suitable administrative means.

The reserved	The abstained	The executers	
None	None	Main	Participant
		Minister of Public Health and Population	

Order's content: Services/ Health - Draft Law of Health Insurance

Executing authority: Private.

Minutes of the Meeting of the
Ministerial Committee formed
Pursuant to the Council of Ministers'
Decree No. (18) of the Year 2002
To review the Draft Law of Health Insurance

The Ministerial Committee formed Pursuant to the above-mentioned Council of Ministers' Decree, held a meeting on Saturday, 14/02/2004, chaired by Mr./Alawi Saleh Al-Salami, Deputy Prime Minister and Minister of Finance, and attended by the following Ministers:-

- Dr. Rashad Ahmed Al-Rassas Minister of Legal Affairs.
- Humood Khaled Al-Sofi Minister of Civil Services &
Insurance
- Dr. MoPH&Pammed Y. Al-Noa'ami Minister of Public Health &
Population

And after reviewing the following documents:

- 1- The Council of Ministers' Decree No. (18), regarding the revision of the Draft Law of Health Insurance.
- 2- The Draft Law of Health Insurance as well as the Draft of the Republican Decree, regarding the establishment of Health Insurance Public Authority.
- 3- The concise report about the consultative meeting of the Executive Office belongs to the Ministers of Health of the Gulf Cooperative Council's States, in Sana'a from 17-18 February 2003.
- 4- Civil Health Insurance System No. (10), for 1983 issued pursuant to Article (80) of the Jordanian Public Health Law No. (21), of the year 1971, with its entire amendments till 01/08/1998.
- 5- Ministry of Finance's comments on the draft decision.

After a long discussion and exchanging opinions and suggestions, it has been agreed upon the following points:

- 1- Minister of Public Health and Population has to seek for an experienced house specialized in the field of health insurance, so as to carry out a study for medical treatment and health actual facts , in our country, in order to find out about the availability of the basic requirements for the actual application of health insurance system.
- 2- Ministry of Public Health and Population shall carry out a comparative study for the systems of health insurance applied in the neighboring countries and some Arab states, provided that the study should include the level of medical treatment services offered in those states and to compare them with the quality and level of medical treatment services in our country.
- 3- Report the results to Council of Ministers to take the appropriate decision.

Dr./ Yahya MoPH&Pammed Al-Na'ami
Minister of Public Health
And Population

Hamood Khaled Al-Soufi
Minister of Civil Service & Insurance

Dr./ Rashad Ahmed Al-Rasas
Minister of Legal Affairs

Endorsed

Alawi Saleh Al-Salami
Deputy Prime Minister and Minister of Finance
Head of the Committee

Republic of Yemen No. 26/4835
Presidency of The Council of Ministers Date: 22/11/2004

Dear Deputy Prime Minister- Minister of Finance
Dear Minister of Social Affairs and Labor
Dear Minister of Public Health & Population

Greetings.

Enclosed, herewith, a copy of the instructions Note of His Excellency/ President of the Republic, may God bless him, No. (5619) dated 21/11/2004 regarding acquaintance on the report submitted by H.E/ Chairman of Al-Shura Council No. (2004/355) dated 31/10/2004 regarding the matter of (the Health Insurance) (enclosed a copy) to study the recommendations mentioned in the report and take the appropriate actions regarding them in the light of the constitution provisions and the relevant valid laws that guarantee the public interest.

For reference and action as per instructions and informing us of what would have been conducted.

Thanks.

Abdul Kader Abdulrahman Ba- Gamal
Prime Minister

A copy with greetings to:-

- Chairman of Al-Shoura Council
- Manager of the office of Republican Presidency

Republic of Yemen
The President

Dear Prime Minister

In reference to the report submitted by HE the Chairman of Al-Shura Council No. (2004/355) dated 31/10/2004 regarding (Health Insurance), please consider the recommendations mentioned in the report and take the appropriate actions regarding them in the light of the constitution's provisions and the relevant valid laws which guarantee the public interest.

Thanks

Ali Abdullah Saleh
The President of the Republic

N0. (5619)
Date: 21/11/2004

6. Al Shura council comments on health insurance law proposal

Republic of Yemen
Al-Shura Council

Your Excellency President Ali Abdullah Saleh
President of the Republic

Greetings.

Subject: Health Insurance

In interaction with your constant concern for health issues as well as the other issues related to the citizens' lives in respect of providing them with all the necessary services such as healthcare, education, waters, electricity, roads and else of services, this concern which is reflected through your continuous instructions to the government to give priority to health sector in its platforms and plans to improve the citizen's healthcare since man is considered to be the core of development, its means and objectives. In your last visit to the Ministry of Health, you specified, in your speech, what the ministry should conduct and pointed out to a number of disorganizations, which the ministry should urgently tackle.

Realizing the importance of health as one of the most significant elements of development and that the physical and mental health of man is the basic motive for his productive capabilities, the Council included the subject of health with all its aspects in the Council's agenda during the past years. The Council also included the issue of the health insurance in its agenda of this year and devoted round one of its convention sessions (two sessions) of the year 2004 for this subject, the health insurance subject, which was prepared by the Health and Population Committee of the council in participation and cooperation with a number of specialized employees of the concerned ministries and some of NGOs.

The importance of discussing this subject comes from an increased realization, among most of the community categories, of the increasing economic burdens of health care and medicine in the existence of the economic inflation which is prevalent in most of the world countries including the advanced ones, the matter which is considered the most important cause of complaint about medical treatment. Therefore it has become very necessary to face those burdens and restrain their increase through the participation of the community individuals themselves in shouldering part of those costs together with the state aiming to get good and integrated health services because the potentials of the state alone can not bear these services' costs.

Your Excellency

The application of the primary health care method started in Yemen in 1978, which was the year when (Alma-Ata) meeting was held. Through implementing this method, Yemen benefited from the old traditional tri-link institutional system of offering health services consisted of units, health centers and hospitals. This system gradually expanded and its geographical coverage increased from 10% in 1970 to an estimated theoretical average of 50% at present. The health workforce greatly increased and medical institutes were opened in 11 governorates. The government and private universities also increased and graduated large numbers of qualified staff cadres for the health sector.

The Health care and economic development

Physical and mental health of man is the overwhelming factor influencing his productive capabilities. In this case, preserving a high standard of the citizen's healthcare has become one of the necessities; and all the opinions agree on healthcare and its economic and social requirements. However, opinions

might disagree on distributing its burdens and specifying the responsibilities of individuals, community and government for healthcare. Opinions also might agree on the increasing economic burdens of healthcare and medicine within the current economic inflation and such thing is one of the causes of complaint about medical remedy. It has become necessary to face such burdens in order to put a limit to their increase and this thing requires cooperation amongst the government, employers and employees.

Undoubtedly, the capability of shouldering the burdens of healthcare depends basically on the available potentialities and special funds provided by the national economy to develop the resources and potentials of the health sector and medicine, but the financial capabilities are not sufficient to support the basic structure of the health system nor its employees taking into account that the free medical services, all over the world, have become impossible due to the increase in the financial costs of health services. For these reasons, most countries began to search for additional resources provided through the participation of all the parts involved.

Through the available data it is shown:

- A decrease in the percentage of the healthcare services coverage:

Around 52% of the rural areas population do not receive primary healthcare services and they have no substantial system of medical reference though they represent 73% of the total population.

- The bad distribution of the required human resources:

The low salaries especially those of the technical qualified cadres result in the fleeing of many national cadres working in the rural areas to work in the cities, so we employ the foreigners to replace the Yemenis. They are around (1560) foreigners working in the public health sector.

- The health conditions may be considered through:

- An increase of death rates caused by non-infectious diseases particularly among children and infants.

- An increase of birth-rate and fertility among population particularly in the rural areas.

- The increasing rate of infection and spreading of infectious and parasitical diseases among population such as bilharziasis 17%, malaria 39,7% and diarrhoea 33,1%.

- There is only one physician for (4650) people and one hospital-bed for (1751).

- Payment in return for Health Services:

The Yemeni citizen pays around 79% of healthcare costs whereas this percentage does not exceed 40% in the countries similar to Yemen and the developing countries. The Yemen citizen pays for medical examination and check-up, medicine and everything related to inpatient care services. This forms a heavy burden to the citizens that leads many of them to borrow money, sell their properties, ask for help from others or perform unfavourable acts in the eyes of society.

The studies indicate that the Yemeni society and family pay around 79% of the primary healthcare costs which means that the government expenditure on healthcare represents only 21% of the costs whereas the citizen, in the countries similar to Yemen and the developing countries, pays only around 40% of these costs.

Your Excellency

The health sector in Yemen is suffering from the increasing costs of health care, as are most of the health systems in the world; the rich, medium income and poor countries, all are suffering this problem, but in different rates and degrees. This increase of the health care costs is attributed to three main reasons:

- Scientific advance of medical technique (such as open heart's valves surgery, replacing valves, transplanting organs and using modern costly diagnostic means)

- The increasing rate of aged people and life expectancy: It is well-known that over 65 year old people consume health care services tripled times more than younger people. These services are usually very costly.

- The increase of inflation rate in the two fields of health (technical – technological) as to whether the increase of wages, prices of medical missions and equipment or laboratory apparatuses, and others

In addition to these reasons, for the developing countries which include Yemen, the rapid growth of population compared to the number of the physicians working in the health sector and the potentials available for them such as medical equipment, apparatuses, centers and ...etc.

It has become impossible to provide free medical services all over the whole world. Therefore, it is necessary to think of some other additional alternatives to support the present health system of Yemen in which the government, employers and employees should participate together with the citizens because the health system in Yemen needs, more than any time before, to be supported, activated and revitalizing its mechanism to become efficient and effective tool in the hands of the state to execute its policies of providing healthcare services for the citizens, raising these services' standards and levels.

The Ministry of Public Health and Population has conducted a detailed analysis for the strategy of reforming the health sector to guarantee that this sector will perform its tasks and duties according to the following two main bases:

- Improving the level of healthcare services with a fair distribution among the citizens, age groups and the districts.
- Creating fair financial contributions among the population to offer health care services of high quality.

However, it has been clearly shown, through substantial analysis, that the health system is in serious need for reconsideration to activate it and add modern and creative methods , so that it will be able to offer good health care services, as well as working on improving the methods and procedures of its financing. This has been declared in government's platform and emphasized in the second five-year economic plan of the Republic of Yemen (2000 – 2005) which was approved by the joint meeting of the Parliament and Al-Shura Council, which also included approving the draft law of health insurance or the Bill of reforming the health sector approved in 1999. Accordingly, it has been searched for a helping device to overcome this problem, so as to guarantee providing health care for population, in their different conditions and districts through applying the health insurance system.

The reasons and needs for adopting the health insurance system:

- The free health care services provided by the State are not able to meet the needs of the citizens healthcare.
- Low governmental expending on health care.
- The constant increase in the costs of the private health care.
- Most of the citizens are unable to bear the burdens of illness.
- Poor administrative efficiency resulted from the lack of comprehensive planning to provide health care requirements for all individuals of community.

Health insurance concept is based on the idea of distributing the possible risk that an individual, a body, group of individuals or bodies might face, and it aims to reduce the burdens and financial costs of treating the illnesses resulting from emergent or ordinary risks that the insured persons might become exposed to during work.

Hence, Health insurance is a social system based on organizing, administering the idea of social cooperation and integration among individuals and it has its conventional legislative and legal institutional system.

Health Insurance aims at achieving the following:-

- 1- Removing the financial obstacle that precludes the patient from getting the medical and healthcare services.
- 2- Providing the citizens with integrated medical services which are accessible and of high quality.

3- Promoting for more diversification and competition in providing the citizen with good medical services.

- The importance of health insurance from the economic aspect :

Health insurance has a lot of economic and social advantages; from economic aspect, the following things are to be achieved:-

- Financial balance (revenues and expenditures) without declining the standard of services, since it depends on sufficient economic studies.
- Rationalizing the expenditure to enhance the principle of providing maximum sufficiency with a less possible cost. Accordingly health insurance assumes a number of rules and regulations that guarantee that the provided advantages will not be misused and that it is not possible to deprive some insured of their rights.
- Conducting a periodically economic study for the health insurance resources to keep pace with the inflation rates and the development of the insurance services.
- Separating the health insurance funds out of the public funds of the state to guarantee that they would not be effected by economic crises or problems.
- Carry out a study of the effects of preventive medical, health, and qualification services provided by health insurance on the individual and community productivity, considering the final outcome as the visibility of the proportional relation between the cost of services and their revenues.

As for the social aspect, health insurance achieves:-

- Enhancing the rights of the patients as the consumers of healthcare services.
- Improving the standards of providing the medical services and creating constant financial resources.
- Contributing to achieving the objectives of health and population policies, assisting at increasing the financings of health services and making these services available for all population.
- Providing integrated healthcare.
- Consolidating the principle of partnership between (the state and the citizen).
- Assuring the citizen of providing him with integrated health services which would make him feel secured and have its positive effects on his work and productivity.

In addition to the following characteristics and advantages:

- Improving the efficiency of health services, achieving fairness, enhancing the principle of auditing, securing continuity in addition to offering distinguished medical services as needed.
- Reforming the system of providing services and governmental health care to increase the coverage of primary health care services and offering them in good enough quality and comprehensive coverage .
- Achieving equality and fairness in providing services with efficiency and continuity to accomplish the ultimate goals represented in providing healthcare for all via offering a set of primary healthcare services for all citizens for fully considered and acceptable costs and a high level of quality.

Your Excellency

Through discussing the subject and its all ins-and-outs in which the members of the council, a number of leadership staff and cadres of the Ministry of Health and some of the NGOs leaders participated, it has been reached to the following suggestions and recommendations:

Recommendations:-

- 1- Through reviewing the available information and considering the experiences of the friendly and fraternal countries that applied the health insurance system, the Council believes that the best applicable systems, in the light of the economic and social conditions of our country, is the adoption of the social health insurance system for its positive effects on consolidating the principle of social integration and improving the quality of health services. Social health insurance system combines sharing the risk (illness) with the exchanged support (citizen / state) , through offering health services according to the need and distributing the burdens of financing as per capability of payment, i. e. the insured person subscribes financially in conformity with his capacity and gets health services according to his need.
- 2- Approving and issuing the law of social health insurance and the Republican Resolution of establishing the public authority of health insurance, selecting and qualifying the medical institutions providing health insurance services in accordance with high standard criteria.
- 3- Selecting nursing, technical and medical staff cadres working in the selected institutions according to scientific and practical criteria and as per the regulations and bylaws organizing this system.
- 4- The Ministry of Health and population shall draw up a strategic plan for raising the health and medical services standard and generalizing them, raising the efficiency of specialization standard, improving the technological means and diagnostic services, so that to offer advanced distinguished medical and healthcare services for the citizens in stead of burdening the state and the citizens due to having medical treatment abroad.
- 5- The Ministry of Health and other concerned authorities shall conduct a study for calculating the healthcare services costs which will be offered for the insured persons and the amounts of the deductions, the premiums paid by the insured, to create a balance between the costs and financing because in case of the existence of any disorganisations, it shall result in declining the level of quality of medical services offered to the insured and the failure of the whole scheme. Accordingly, the following things must be specified:-
 - 5-1: Categories benefited from this system.
 - 5-2: The deduction amounts, the premiums taken for the insured wages.
 - 5-3: Specifying the set of services offered to the insured.
 - 5-4: Specifying the costs of the services offered.
- 6- Awaiting the relevant organizations of the importance of applying the health insurance system, developing the administrative and technical capabilities of the health insurance, organizing work to improve the sufficiency of medical services offered to the insured, achieving justice and equality, emphasizing on the component of control and auditing to protect the insured from ill-treatment practices, exploitation and securing continuity and sustainability.
- 7- Implementing and applying the health insurance gradually according to (categories or geographical divisions) and that comes immediately after approving its draft law.
- 8- Setting up scientific and practical basics and criteria for the mechanism of evaluating and reconsidering the implementation of the health insurance system, and passing a judgement on this experience positively or negatively according to the following criteria:
 - 8-1: The scale of implementation and volume of the services which would be provided by the health insurance in the first two years of its application.
 - 8-2: The quality of health care offered and its technical standard.
 - 8-3: The opinion of the insured and to what extent they are given equal opportunities for getting the service.
 - 8-4: The opinion of the providers of health insurance services and to what extent they are given equal opportunities.
 - 8-5: The economies of this healthcare (i.e. its costs compared to its effects).
 - 8-6: The scale of coverage and the capability of expansion (administrative – organizational - technical – time)
- 9- Promoting and encouraging the national, Arab and foreign capital to invest in the health insurance field.

Your Excellency:

This is the outcome of what the Council has reached to, regarding the subject of health insurance. We submit it to your Excellency for your information and decision-making.

May Your Excellency accept our best regards and respect.

Abdulaziz Abdul Ghani

Chairman of Al-Shura Council

Date: 31/10/2004

No. (355)

7. Workers comments on health insurance law proposal

Comments on the health and population report of the Consultative Council concerning the health insurance

The health and population committee exerted great efforts and raised points the important of which are the following:

1. A rise and soaring of the economical charges of the health care and drugs occurred and therefore the free medical services became impossible.
2. No development may be possible in any country without good medical services and that the health insurance (as a strategic option) is the solution to improve quality and minimize cost.
3. The medical services in Yemen suffer from a shortage of coverage and low level of quality of these services together with low level of performance, monitoring, evaluation, absence of statistics, increased financial and administrative bureaucracy together with bad distribution of human resources.
4. There is gradual decrease in budgets allocated to the ministry which lead to the decrease of wages of employees together with charging citizens with the greater portion of the health care costs which obligated many people to borrow, sell their properties and request assistance of others or to have recourse to begging.
5. Essays were tried to improve the situation such as trying the participation in cost of the medical care but the aspired results were never achieved which lead to recognize the urgent need to review the performance of the health system as it does no more play its role to improve the health of citizens together with acknowledging the reality that the ministry of health is no more able to provide good health services.
6. Decision makers are compelled to provide unlimited support to secure the provision of health services to the citizens which is appropriate for their humanity and responding to their needs where the state guarantees a minimum limit of health care.
7. The less developing countries (of which Yemen is one) recourse to permitting the growth of the private sector and promoting it to serve the well to do which encourages diversification and competition of funding and providing health services whereas the government undertakes the public health programs and basic health services funding which avails the private sector the opportunity to fund the remaining medical services through the health insurance system.
8. The health insurance is based on the principle of distributing risk whereby the insured burdens proportionately to his ability and be treated pursuant to his need and the health insurance aims at providing complete health service to the citizens with high, easy and acceptable quality achieving the financial balance and the rationalization of expenditure.
9. The social health insurance occurred to solve the problems of weak classes and therefore it is obligatory imposed by the society to protect all its individuals to secure them safety and security and consequently it impacts their work and production.

Comments concerning the draft of the social health insurance law

Article (1) Definitions:

The insured: The beneficiary employee or worker of the health insurance settled in an employment or a permanent degree and who paid subscription fees of health insurance.

We note from above definition that the beneficiary of the health insurance must be an employee or worker in a permanent employment and has paid the subscription fees and therefore the employee family is not covered by the health insurance (as per the proposed bill) or any employee who fails to pay premiums in addition to the unemployed as the experiences of the low income countries emphasize that expanding the social health insurance is very difficult even in countries with average income higher than Yemen such as Indonesia which started this type of insurance since the sixties and

until now the coverage is not exceeding 13% of the population although the average income in Indonesia is double that in Yemen. In Bolivia the health insurance started in the thirties and the coverage level is not exceeding 18% and in Salvador it started since the sixties and the coverage is not exceeding 11% although the average income is four folds that of Yemen and similarly in Namibia and Thailand.

The essay was unsuccessful except in a limited number of countries such as South Korea and the Argentine because the average income in both is more than Yemen in twenty folds (exceeds eight thousand USD) and in addition to that the project started since twenty years ago" started in Argentine since eighty years" and is not covering all citizens until now" and how many centuries do we need to achieve our goals in covering all citizens of the republic with the health insurance through reliance on this method of insurance?

Employer: The administrative organ of the state and the public and mixed sectors units as well as each natural or legal person employing one or more workers against wages.

We note from the definition of the employer that all employers even those with limited income (owners of small stores) who employ one or two employees are required to insure their employees by the law although the experiences of other countries obligate the owners of establishments whose employees exceed a certain number to cover them with health insurance.

Article (7):

Services of health insurance of the insured include the preventive services:

It is a common practice that preventive services are not included under most of the health insurance services and in Yemen they are considered one of the tasks of the primary health care in the ministry as all preventive services and activities must be free of charge and not linked to any premiums paid by the beneficiaries but the cost is borne by the state especially as our country is still one of the countries still infected with many epidemics and it is unreasonable to make the basic preventive measures such as vaccination and mother and child care linked to any insurance scheme still contained in a limited number not exceeding 5% of the total number of citizens (official employees) . Does this mean that preventive services shall be limited to those who pay premiums or will it cover all? If it is limited to them we commit a crime against others by depriving them from the basic preventive services? And if services are to cover all, which is the ideal situation, then why should the employees only bear the cost of these services and how should we deduct from their salaries to provide them with preventive services which are provided freely to others? The preventive services also become valueless in certain cases if they do not cover all targeted categories either they be employees or not who are committed to pay from their salaries or not and therefore there is no way to avoid the freeness of all preventive activities to all and not to subject them to health insurance.

Article (8):

The patients insurance is funded from the following resources:

First: Monthly Subscriptions (6% employer or government and insured share from wages 5%):

- 1- Employees salaries (in public and private sectors) are very low and could not bear more deductions.
- 2- Employer shall deduct his share (imposed on him) of the total employee wages even though deduction is not immediate.
- 3- Together with the negative impact which the deduction shall have on the employees especially if the resulting service was unexpected, however the financial return of these deductions in the best conditions will not reach the volume of the budget of the Ministry of Public Health and Population and in this instance how do we aspire to achieve what the Ministry failed to do?!

Second: Contributions of the Insured (with a third outside the hospital):

This percentage is considered very high as a common practice the percentage of tolerance of the insured is not exceeding 10% especially in the government health insurance. Usually, this limited

percentage is taken not as an additional source of funding but as a precautionary measure to limit waste or exaggeration to use free services provided. However this high percentage may form a real impediment facing the low income people, which makes them abstain from referring to doctors even though their health conditions require doing so.

Third: Other Sources (duty on cigarettes):

Together with the additional charge this source may be detrimental to a big category of citizens, therefore it is primordial when including additional duties on this cursed bane that it should be in favor of the health insurance particularly if it is located to treat chronic diseases related to this commodity particularly cancer diseases although this proposal bears difficulty of implementation as tobacco companies shall refuse that as it previously happened when the Parliament discussed a draft bill of fighting smoking.

Fourth: Resources Investment Return

It is natural to invest the surplus of resources and resources shall not increase as long as we aim at gradual or geographic expansion of the social health insurance application which requires creating appropriate health facilities all over the country which completely lacks them. It is unnatural to think about the occurrence of any surplus while we need decades to reach an acceptable level of health services provision in accordance to the proposed insurance pattern.

Article (13):

The stop of insurance effectiveness:

- It may be natural that the insurance application on the insured be stopped during his absence outside the country in a private visit but the insured has the right to obtain a suitable compensation if he was in an official mission for his employer.
- It is also natural that the private leaves are included in the insurance as long as there is deduction from the salary of the insured to support the health insurance resources unless the leave is unpaid.

Article (15):

Treatment of the insured and treatment facilities defined by the Authority:

Upon the imposition of the health insurance, carrying out treatment of all by the Insurance Authority in selected contracted facilities or facilities selected by the Authority has a great disadvantage on the private medical sector as a whole, physicians, hospitals, diagnostic centers and pharmacies, taking in consideration that the private sector is currently outmatching the government sector but if the Authority officials don't contract with any private entity they may decide the failure of that entity as they control the treatment of about one million employee (governmental and private) which shall be a cause for administrative corruption, bribes and many encroachments more than what may be imagined and on the account of the provided service quality and consequently the result shall be the regression of the private health sector even though the Authority creates criteria based on which contracting is made. There shall remain the evaluation of the proper facilities for contracting as a fertile ground for bargaining. It is easy to avoid such criteria particularly in the absence of qualified cadre and an active association or authority which groups the owners of private facilities to protect their rights and the absence of any role for doctors' syndicate or union for the paramedical professions.

Article (16):

The insurance of work accidents form an additional charge on the employer and consequently an additional charge on the little salaries and that involved also interference with the work and responsibilities of the Ministry of Insurances and Insurance Funds.

Article (26):

The Council of Ministers may adjust the value of premiums and contributions:

If the worst part of the draft is the obligatory deduction with the monopoly of service provision this article gives the Council of Ministers the right to increase premiums and contributions without any need to amend the law or the ratification of the parliament and consultative council. Therefore, if the applications are insufficient to enable the Authority to carry out its tasks and instead of charging the

deficit to the government it is easy for it to double the percentage of premiums and contributions by a resolution from the Council of Ministers upon presentation from the Minister of Public Health and Population taking in consideration that the Ministry of Health agreed with experts that only a percentage of 5% shall be deducted (3% from the employer and 2% from the employee) while the law appeared with a percentage more than double that agreed upon and it is not excluded that a resolution shall be issued to increase the percentage even before proceeding to provide services although in the majority of states that rely on the contribution of its employees this contribution of the employees is not exceeding 2% in countries such as Egypt, Australia, China, Bulgaria, Finland, Guatemala, Panama and other countries.

Comments on the draft republican resolution to establish a health insurance general authority

Article (9):

If the Authority provides health services to the insured throughout the Republic including the preventive services and health education what role shall remain to be carried out by the different sectors and several departments of the Ministry of Health?

- When the Authority contracts with physicians and other medical professionals shall it resort to expatriate professionals and in this instance the salary budgets shall be insufficient and if contracting is made with local professionals shall the Authority stick to low salaries determined by civil service regulations? And at this point how will it guarantee their loyalty and seriousness in their work? And if they are granted suitable and satisfactory allowances shall salaries of their colleagues in the Ministry remain without adjustment?

Article (12):

If the state commits to pay any deficit of the Authority funds what are the controls that prevent the Authority from being indebted permanently even though its yields were billions. However, if the duties of the state are to support the Ministry of Health with appropriate budget to provide the citizens with basic services that will be infeasible if not associated with activation of reward and punishment principle and doing justice to qualified cadre and in the absence of that what shall be new shall not exceed increasing corruption and waste whenever allocations increase.

Article (24):

As long as the chairman of the Board of Directors (the Minister of Public Health and Population) has all main tasks and competencies in his hands including the final decision upon offers and tenders related to the activity and projects of the authority his role surpasses the supervision of the Authority to the direct responsibility thereupon and consequently there is no reason to establish the Authority and it may be sufficient to strengthen the role of the General Department of Health Insurance and that may save expenditure instead of creating branches in all governorates and a number of general departments within the Authority in order that the General Department of Health Insurance carries its role through the facilities of the Ministry of Public Health and Population in governorates.

General Remarks on the draft bill of Social Health Insurance

- 1- The authors of the bill try to make use of the experiences of some countries which already used this kind of insurance but they ignored the substantial differences between our country and those countries and among the most important differences is the availability of specialized national cadre in those countries and their lack in our country especially outside the main towns in addition to limited dissemination of health facilities particularly with different geographical natures which make more than half the population in Yemen out of the reach of any health facility (private or governmental).
- 2- If we suppose the possibility of this project success even partially that is based on an assumption of exaggerated efficiency and idealism in the insurance authority with its different leaderships. What are the guarantees that will make the Authority distinct and financially and administratively different and what shall guarantee that the law will not be merely used as a means for collecting huge amounts from destitute employees under the force of law to transfer

to a limited number of officials in the Authority and some providers of medical services as far as the employee is committed to pay the premium and receive service, if any, notwithstanding the standard and quality (Who will guarantee quality? Who will monitor, make accountable and punish?).

- 3- If the social health insurance emerged to solve the problem of weak classes this law makes them weaker by deducting part of their salaries especially as it does not observe the limited income employees as is the case in certain countries such as Belgium and Australia where deduction starts from salaries when a salary exceeds a certain limit and the limited income people are exempted and nevertheless they are provided with health services. If one of the characteristics of the social health insurance is to achieve justice and provide all people with comprehensive health coverage this is a far reaching objective at present time. Yet the application of the social health insurance in Yemen as it is presently is far from achieving justice as the experts of social health insurance assumed that this insurance shall start in Yemen by the year 2003 and shall achieve overall coverage by the year 2035 and that a category of permanent employees in the public and private sectors shall be covered by the social health insurance by the year 2020. In my opinion these are very optimistic periods as by using this type of insurance we need decades to provide suitable health services in the main towns only. Is it of justice to deduct from salaries of employees against services that may reach them after decades or probably will never reach them? Therefore, to achieve justice we have to liaise between deduction from salaries for the account of insurance and the time it may be possible to provide suitable health service in order that deduction from salaries shall not be unjustified.

Recommendations

First: from the recommendation of the health and population committee of the Consultative Council:

- The committee recommended the implementation of the health insurance system by stages.
- The monitoring and accountability element should be tightened to protect the insured from mistreatment and exploitation.
- The experience should be judged in accordance to scientific criteria and bases (volume and standard of services, opinion of the insured, service providers and cost compared to impacts).

Second: from the recommendations of the Consultative Council members after reading the report:

- The state should take all legal and administrative measures to guarantee increased health care to citizens.
- The law should be reviewed in order not to contradict the social security law and to avoid duplicity.
- To go step by step in health insurance in order to accommodate malignant and dangerous diseases at the beginning.
- Discuss the report and the two bill drafts and the decision with the General Federation of Trade Unions in the Republic.
- Transparency and clarity in the management of the existing insurance funds to secure the rights of subscribers.

Third: recommendations as a result of review of all above remarks:

1- Staging and gradation of the application of health insurance

We recommend delaying the issue of the law pending the application of a practical experience (experiment study) and it is appropriate to start by trying the content of the law on the employees of the Ministry of Public Health and Population so that the Ministry of Public Health and Population shall deduct from its budget an equivalent of 11% of its employees wages and shall endeavor through its institutions to provide health insurance service under the supervision of the General Department of Health Insurance for all the employees of the Ministry of Health and their families. If the service required to provide for them is unavailable in the institutions of the Ministry it may be possible to get the assistance of other health institutions on the expense of the health insurance and after six months

the experience shall be evaluated in accordance to scientific criteria and basis under supervision of specialized parties within the Ministry and outside and based on that if that experience failed with employees of the Ministry of Health its failure in the remaining ministries and different work authorities shall be an absolute and sure result but if the experience succeeded then it shall be generalized to all employees of the state and their families towards obligatory health insurance taking in consideration upon implementation of the experience that the provision of the service to the employee as an individual without his family shall not realize the employment satisfaction and family security even if that requires the contribution of the employee to the cost of his independents treatment. Before and during the implementation of the experience the Ministry of Public Health and Population must carry out its real role to rehabilitate its hospitals in order to provide services through them and not to resort in future to sending the difficult cases for treatment abroad on the expense of the health insurance of the employees of the Ministry.

2- Raising the standard of the available health services to citizens

It is possible to create the opportunity for the competition of health services providers to provide the best care when opportunities are equal to all providers of the service. When the citizen and his employer are free to select the health institution which they desire to refer to, either this institution is government or private, and in any governorate whatever it is that will encourage all health institutions (including hospitals, clinics and diagnostic centers) to excel in the provision of better services with the least possible cost. Seeking the achievement of this objective the following must be followed:

- Make the mandatory health insurance to the employees of the state and those working in companies and establishments which the number of permanent employees is more than five.
- Give complete freedom of employers to select the insuring company on its employees provided that this company is permitted to practice health insurance either that may be a local, foreign, government or private company.
- The Ministry of Health may adopt a project to establish a private company for health insurance under the supervision of the General Department of Health Insurance to compete with other companies and this company may be prioritized in providing the service to the state employees through bilateral contracts between the company and the state institutions so that the state institutions may contract with others in case the insurance company violates its obligations including the failure of the company to provide a distinct standard of health services which makes the company always keen to provide the best possible level of services with self monitoring and self funding (by installments paid voluntarily by government authorities when they find distinct services against what they pay).

3- Tasks that must remain entrusted to the Ministry of Health

With gradual expansion of the health insurance based on free competition principle in the provision of health services that shall alleviate the burdens of the Ministry of Health but shall not excuse it from undertaking its role in all preventive activities that should be free and not linked to any deductions, insurance or otherwise as it is a right for all and no area should be deprived of vaccination, education, motherhood and childhood services and other preventive services by reason that they are not listed under the social health insurance. Additionally, it is important that the Ministry undertakes the following:

- Treatment of chronic cases supported by the state in most states of the world such as cancer and kidney failure and similar cases.
- Provide drugs to chronic diseases such as hypertension, diabetes and epilepsy.
- Treatment of destitute patients who have no sources of income and not subscribed to any insurance entity.

For the importance of these tasks and their high cost (especially treatment of cancer) it is possible to allocate duties imposed on cigarettes to implement these tasks as there is a direct relationship between smoking and the occurrence of malignant diseases. It is also possible to make use of international donations and grants and local donations to make the Ministry play its role completely and therefore we may stop thousands of beggars (in mosques and roads) by reason of disease or disability.

8. Regulations for treatment abroad

*Republic of Yemen
Council of Ministers
Prime Minister*

**The Ministers
The Governors
Heads of Government bodies and institutions
General Managers of Public and Mixed Sector Companies**

Greetings,

You may have attached herewith a copy of the Prime Minister's Resolution No. (1) of 1998 concerning the medical treatment regulation abroad for civilians which was approved by the Cabinet in its session NO.(44) of 29/10/1997.

Therefore you are requested to be informed about and comply strictly to the provisions of the resolution and implement it comprehensively observing the public interest and the full keenness to apply it without recourse to the Council of Ministers as we noted that since the approval of this regulation by the Council of Ministers requests are still coming.

Please act according to the resolution with a fair treatment upon application without exceptions or distinction.

Thanks

**Farag Bin Ghanem
The Prime Minister**

Resolution of the Council of Ministers No. (1) of 1998 concerning the regulation of medical treatment of civilians abroad

The Prime Minister

By review of law No.(19) of 1991 concerning the Civil Service
Law No.(35) of 1992 concerning public bodies, institutions and companies and amendments
Republican resolution No.(135) of 1997 concerning the formation of the government and nomination of its members
And upon the presentation of the ministers of public health and finance
And after approval of the Council of Ministers

The following is resolved,

Article (1)

- 1- Medical committees are formed in the central hospitals in each of 9 the capital secretariat-Aden-Taiz - Hadhramout and Hodeida) and the minister of public health in consultation and co-ordination with the minister of finance to form other medical committees in the remaining governorates that have available specialized medical and health cadre and the diagnostic and treatment necessary means.

- 2- A resolution of the minister of public health shall determine the illness cases of civilians that require treatment abroad at the expense of the state, public bodies, institutions and companies of the public and mixed sectors.

Article(2):

The above mentioned committees in article(1) of this resolution shall be formed as follows:

- 1- Governorate Director of the central hospital(provided that he is a physician) Chairman
- 2- General Director of medical services at the ministry of public health or the director of medical services at the office of health affairs in the concerned governorate – Member and rapporteur
- 3- Head of the general surgery department at the concerned hospital- Member
- 4- Head of the paediatrics department at the concerned hospital – Member
- 5- Head of the internal medicine department at the concerned hospital- Member
- 6- Head of the gynaecology department at the concerned hospital – Member

Article(3)

The head of the medical committee has the right to summon some specialists in the fields of medical specializations else than those mentioned in article (20)of this resolution to participate in the activities of the medical committee whenever the illness case necessitates.

Article (4)

The medical committees hold their meetings weekly or whenever necessary by a request of the committee head and the minutes of meeting is filed to the ministries of public health and finance signed by all members of the committee.

Article (5)

Heads of the medical committees may, if they deem necessary, summon the treating physician of the illness case to reply to the medical committee members enquiries concerning the illness case he recommended treatment outside the republic.

Article (6)

The medical committee in any governorate may have the right to refer the presented illness cases to central hospitals in any of the other governorates that may have the necessary potentialities to treat the referred cases prior to the determination of departure abroad for treatment.

Article (7)

The Minister of Public Health by a resolution determines allowances entitled to members of the medical committee within the limits of the allocated appropriations for this purpose in the budget of the ministry of public health.

Article (8)

The Minister of Health may dismiss one or more members of the medical committee members upon a proposal from its chairman in the following cases:

- a. Absence from attending three successive sessions or more without an acceptable excuse.
- b. Leaking discussions contents and opinions of the committee members for the purpose of instigation.
- c. Any other act violating the honour of the profession.

Article (9)

The decision of the medical committees in the governorates indicated in article(1) of this resolution final and conclusive and implementation shall be effected accordingly provided that it is within the monthly number fixed for the committee.

Article (10)

No physician in the above indicated governorates in article(1) of this resolution may have the right to issue medical reports concerning travel for treatment abroad at the expense of the state or the public bodies, institutions or companies of public and mixed sectors.

Article (11)

The minister of public health shall issue a periodical ministerial resolution defining the sick cases that necessitate treatment abroad and the cases allowed for the medical committee and within the limit of 200 cases maximum each month for all medical committees.

Article (12)

Subject to the provisions of article(14) of this resolution a financial assistance of YR 120000 (One hundred twenty thousand Yemeni Rials) shall be paid for the state employees and YR 80000 (Eighty thousand Yemeni Rials) for non employees of the state for patients who obtained medical reports from the committees provided by article(1) of this resolution and within the limited numbers defined monthly for each provided that this financial assistance is paid in accordance to an agreed upon mechanism approved by the ministers of public health and finance.

Article (13)

Two round trip air tickets shall be spent for the patient and his companion and in case the patient is a child under nine years round trip tickets shall be spent for the child and his parents and the airlines assigned to spend the tickets are prohibited from substituting tickets by cash value or by another airline other than prescribed by the assignment.

Article (14)

The ministry of foreign affairs and the ministry of public health shall search for treatment grants for chronic diseases from brotherly and friendly countries and signing agreements to that effect and transferring the cases for treatment and in this case travel tickets shall be spent together with half the financial assistance.

Article (15)

If it was decided that the patient should return to resume treatment for the same case in accordance to a medical report of the treating hospital and after endorsement of the return by the medical committee a financial assistance of YR 65000(YR sixty five thousand) shall be paid to the patient in addition to travel tickets but not for more than once.

Article (16)

If the state employee afflicted while on duty by an accident and could not be treated in country the state shall bear all treatment expenses abroad in accordance to the medical committee report.

Article (17)

In emergency cases or in cases that necessitate saving life the medical committee is convened in an exceptional meeting to urgently decide upon the case without delay and all agencies should take the necessary measures to handle the case urgently and the case is counted within the cases fixed for the next month if the share of the month is already exhausted.

Article (18)

If similar cases are presented to or accumulated with the medical committee in excess of ten cases in one time and all require undergoing surgical operations in the same specialty the medical committees shall report to the ministry of public health to make arrangements to recruit specialists from abroad to carry out the surgical operations in country from treatment allocations for abroad and the ministry shall recruit specialist in different sections to conduct periodical examinations and operations.

Article (19)

The ministry of public health in co-ordination with the ministry of foreign affairs shall search the possibility of contracting with certain medical institutions abroad to treat the sick cases sent abroad or make the necessary arrangements to receive, accommodate, treat and see off patients.

Article (20)

Subject to non duplication of disbursement the ministry of finance shall undertake spending the cost of treatment and travel tickets for citizens and employees of the state and the public agencies, corporations and companies and the public and private sectors shall undertake payment of the treatment and travel tickets cost for their employees in accordance to medical reports issued by the medical committee indicated by article(1) of this resolution and the provisions of treatment abroad expenditures indicated by articles(12-13-14-15-16) of this resolution.

Article (21)

Each medical committee should submit a detailed report each three months to the ministry of public health to be submitted to the council of ministers defining the number and type of sick cases sent for treatment abroad.

Article (22)

To prevent any duplication of obtaining privileges and financial assistance contained in this resolution the original copy of the medical committee referred to in article(1) of this resolution signed by the chairman and members of the medical committee and stamped by its official seal shall be used.

Article (24)

All ministries, state organs, agencies , corporations, public companies and public and private sectors should abide by and comply to this resolution.

Article (25)

The competent ministers shall issue the necessary decisions to implement this resolution and in a way not to contradict its provisions.

Article (26)

Both the ministers of public health and finance shall submit periodical and annual reports to the council of ministers reporting the level of implementation of the provisions of this resolution within the indicated period.

Article (27)

Regulations and resolutions that regulate treatment abroad applicable with the government organs, public agencies, corporations and companies and public and mixed sectors are cancelled after the issue of this resolution and the regulations and resolutions concerning the treatment of the diplomatic corps abroad and university professors are excepted.

Article (28)

This resolution is effective as from the 1st of January 1998 and shall be published in the official gazette.

Issued at the council of ministers on 12th of Ramadhan 1418A.H corresponding to the 10th of January 1998 Gregorian.

Dr. Abdulla Abdul Wali Nasher
Minister of Public Health

Alawi Saleh Asslami
Minister of Finance

Dr. Farag Bin Ghanim
Prime Minister

9. Medical care regulation for Cement Corporation

ORGANIZATIONAL BYLAW OF MEDICAL CARE FOR THE EMPLOYEES OF THE GENERAL YEMENI CORPORATION FOR CEMENT MANUFACTURING AND MARKETING

CHAPTER ONE DEFINITIONS AND BASIC PROVISIONS

ARTICLE (1)

The following terms and expressions shall have meanings assigned thereto:

Corporation:	General Yemeni Corporation for Cement Manufacturing and Marketing
Production Unit:	Cement Factories (Bajel – Amran – Al-Barh)
Head Office:	Head Office of the Corporation
Board:	Board of Directors of the Corporation
General Manager:	General Manager of the Corporation or the Production Unit
Committee:	Personnel Affairs Committee

ARTICLE (2)

This bylaw is cited as the Organizational Bylaw of Medical Care for the Employees of the General Yemeni Corporation for Cement Manufacturing and Marketing

ARTICLE (3)

This bylaw is applicable on workers of all Production Units of the Corporation and the Head Office. Current members of the Board of Directors (non-workers at the Corporation) shall enjoy benefits stated in this Bylaw as decided by the Board.

ARTICLE (4)

Medical care is a benefit provided by the Corporation and its Production Units to its workers and members of their families as stated by law and covered by this Bylaw, namely: (a) wife and children (b) father and mother (is being sponsored by legal verdict).

ARTICLE (5):

Medical treatment and services shall be defined subject to the conditions, limitations and ceilings stated hereunder as follows:

- a) Provision of medical care by specialists in the health unit approved by the Production Units, medical centers or hospitals approved by the Corporation and its Production Units pursuant to official correspondences from the relevant department signed by the Chairman of the Corporation or the General Manager as the case may be.
- b) Medical care at employee house if necessary as judged by the Chairman or the General Manager as the case may be.
- c) Costs of medical inspection, admission and cost of medicines in hospitals and clinics approved by the Corporation and its Production Units and according to ceilings stated hereunder.

- d) Costs of laboratory examinations and analysis, x-rays, blood transfusion, brain gram, cardiogram, and all kinds of medical care and services related to diagnosis, inspection and surgical operations.
- e) Costs and expenses of all kinds of necessary surgical operations as well as work injuries based on medical reports issued from health units and hospitals approved by the Corporation and its Production Units.
- f) Dental treatment subject to defined ceilings.
- g) Costs of optical glasses as prescribed by specialized doctors (subject to defined ceilings).
- h) Occupational or chronic diseases (diabetes, hypertension, heart illnesses, bronchial asthma, allergy, ...etc.) according to provisions and limits stated hereunder.

ARTICLE (6)

In order to organize and control the provision of medical care services and conducting surgical operations, the Corporation and its Production Units should contract with only one governmental hospital and all treatments, examinations and surgical operations should only be done through this hospital. Surgical operations may be undergone in private hospitals if beneficiary requests so but in this case the Corporation shall not bear more than half the due costs of the operation, medicines and care according to this bylaw.

ARTICLE (7)

The Corporation and its Production Units (factories) shall issue health cards for its workers in order to verify the data of the employees, his marital status and define those dependents by name and photograph if necessary.

ARTICLE (8)

Pursuant to this Bylaw, a unit or a section should be established. One employee in the relevant department (according to workforce volume) shall be assigned to follow-up the medical care services pursuant to the provisions of this bylaw by issuing medical forms and letters, opening necessary records for entering all expenses of medical care for employees as stated by approved hospitals and clinics and make necessary adjustments subject to defined ceilings for each employee and inform the relevant department through the relevant manager of what to be reflected as a loan to be deducted from the entitlements of the employee or worker pursuant to this bylaw.

ARTICLE (9)

Beneficiaries from medical care services are defined as follows:

1. Employees and workers with differentiating between married and bachelor ones.
2. Dependents of the employee of his family members, namely:
 - a) Wife and children included in the health card of the employee, for sons under 19 years and shall continue for those who join university education until graduation (maximum to 25 years old) and for daughters until marriage.
 - b) Father and mother if being sponsored by the employee pursuant to a legal verdict and should be included in the medical card by 50% of operations and care.

CHAPTER TWO

TERMS AND CONDITIONS FOR DISBURSEMENT AND GRANTING MEDICAL CARE

ARTICLE (10)

Upon a request from the employee or health unit physician, the relevant department shall draft a letter to the approved hospital or clinic signed by the Chairman or the General Manager or whom authorized including name of the employee or his family member and the number of the medical card. No examination or disbursement of drug shall be made except by this card.

ARTICLE (11):

No employee may undergo examination or treatment with unapproved physicians or hospitals by the Corporation or its Production Units except for emergency cases provided the patient should move to the approved hospital upon ending of emergency condition.

ARTICLE (12)

Cost of Medical Drugs and Medications

Financial ceilings for the value of medical drugs and medication for the employee as an annual balance as follows:

- a) YR 18,000 for married employee pursuant to family or medical card. When both couple are working with the same entity, an amount of YR 12,000 shall be disbursed for each of them.
- b) YR 10,000 for bachelor employee
- c) Prescribed drugs or their value may be disbursed to the patient employee or one of his family members included in this medical or family ID card pursuant to a medical prescription from the approved hospital with the Corporation or the physician of the internal health unit at the Production Unit.
- d) Drug documents and physician prescription should be enclosed with the claim of the approved hospital for payment. No clearance, entry or deduction may be made from the employee allocations without these documents.
- e) An amount of YR 5,000 of the annual treatment allocations should be put aside for insurance and support of Social Solidarity Fund for Workers.

ARTICLE (13)

The Corporation and its Production Units shall pay medical treatment and services costs for the employee as stated in article (5) hereunder and pursuant to the signed contracts.

ARTICLE (14)

Dental Treatment Costs

Dental treatment is limited to filling, removal, dental cleaning and dentures fitting for necessary cases but not for plastic purposes.

Dental treatment cost shall be disbursed subject to the following provisions:

- Treatment should only be done by approved physician or hospital and upon a recommendation from the physician or hospital.
- Employee should have spent at least one year of service.
- Dental changes or dentures fitting should be made only after initial investigation by the dentist and subject to the fixed ceiling.
- Cost ceiling for all dental treatment is fixed to YR 7000 annually for the employee and his family members.

ARTICLE (15)

Medical Glasses Costs

Costs of purchasing medical glasses for the employee are fixed to YR 6000 every four years if necessary and subject to articles (11 and 12) hereunder.

CHAPTER THREE**WORK INJURIES, CHRONIC DISEASES, FIRST AIDS AND OCCUPATIONAL DISEASES****ARTICLE (16)**

Work Injuries

Upon any injury to the employee or worker during service, the following is required:

- a) Complete administrative reform indicating type of injury, location, size, time... and type of work conducted by the injured person then, in addition to number and date of administrative order and its issuer if work was done beyond official working hours or outside work premises.
- b) Report from the industrial security and professional safety giving particulars about how injury occurred and that it happened due to non-violation of the industrial security and professional safety rules.
- c) Report from the medical unit to which the injured person was moved.

Accordingly, the Corporation will be obliged to treat the employee or worker until recovery or disability is proven.

ARTICLE (17)

Chronic Diseases and First Aids

1. For the treatment of chronic diseases (diabetes, blood hypertension, heart diseases, bronchial asthma, allergy...etc. as defined by specialized physician), medications should be provided under supervision of approved health unit.
2. Medications for first aids should be provided by health units belonging to Production Units. Records for the disbursement of these medications should be opened according to the controls deemed appropriate by these Production Units.

ARTICLE (18)

Occupational Diseases

- a) Occupational disease cases should be defined by a list issued from specialized medical committee to be selected by the Chairman and consisting of a number of specialized physicians and this list will be used as a reference by the Corporation.
- b) Medical assistance should be disbursed for occupational diseases patients who are required to travel abroad upon a decision from the supreme medical committee as stated by paragraphs (a, b, c, d) of article (19).

CHAPTER FOUR**MEDICAL TREATMENT AND SERVICES ABROAD****ARTICLE (19)**

Provisions and Limitations for Medical Care Abroad

For general, chronic and occupational diseases that the employee or workers suffers from and which require travel to abroad upon a decision from the supreme medical committee due to the non-possibility of treatment inside the country, treatment assistance may be disbursed as follows:

- a) Assistance defined by the decision of the Prime Minister No. (1) for 1998.
- b) Additional assistance to be defined by a decision from the Board of Directors or the chairman upon a recommendation from the Personnel Affairs Committee at relevant Production Unit (factories) and approved by the General Manager of the Plant or a recommendation from the Board of Directors at the Head Office of the Corporation approved by the Chairman as the case may be.
- c) Decision of the Medical Committee should indicate the illness and potential travel country along with defining those illnesses that require accompanier.
- d) Economy class air tickets should be disbursed to the employee travelling for treatment and his accompanier if an accompanier was defined. Two air tickets should be disbursed if the patient was the wife of the employee or one of his children or three air tickets for the employee, wife and their child if the patient child was less then 3 to 5 years old pursuant to the decision of the Prime Minister No. (1) for 1998 regarding treatment abroad.
- e) Inc case another medical report exists which was not issued by the supreme medical committee and the Personnel Affairs Committee or the Board of Directors recommends the necessity of travel abroad, it is allowed to decide the appropriate financial assistance without prejudice to previous paragraph.

ARTICLE (20)

Final Provisions

1. Financial ceilings indicated in this bylaw may be amended by a decision from the Board of Directors upon a recommendation from the Personnel Affairs Committee or the Board of Directors of the Head Office of the Corporation or Plants.
2. All payments resulting from the implementation of this bylaw shall be covered from the allocations of the budget, the solidarity fund or both.
3. Insurance companies with whom the Corporation is dealing shall be claimed for medical treatment and care pursuant to the insurance document signed with it.
4. For sick leaves provided in the Executive Bylaw of Law No. 19 for 1991 regarding General Provisions of Civil Service shall be granted according to the said bylaw.
5. Provisions of this Bylaw should be respected and implemented by relevant departments at the Head Office of the Corporation or its belonging Production Units (factories).
6. Any violations to the financial ceilings fixed hereunder are punishable.
7. Any employee or worker who receives entitlements through false claims hereunder shall be deprived from these benefits for three years as of the date of discovering the event and any incorrectly disbursed allocations shall be deducted.
8. This Bylaw is applicable as from the beginning of the year 2000. Starting from January 2000, any disbursement made to employees or workers should be deducted pursuant to this bylaw.