

LAW ON THE INTRODUCTION OF A GENERAL HEALTHCARE SYSTEM  
AND RELATED ISSUES

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Law 89(I)/200

**The General Healthcare System Law of 2001 is published in the Government Gazette of the Republic of Cyprus pursuant to Article 52 of the Constitution.**

Number 89(I) of 2001

LAW ON THE INTRODUCTION  
OF A GENERAL HEALTHCARE SYSTEM AND RELATED ISSUES

The House of Representatives enacts as follows:

- Short title. **1.** This Law may be cited as the General Healthcare System Laws of 2001 to 2017.  
 134(I) of 2002  
 101(I) of 2004  
 62(I) of 2005  
 74(I) of 2017.

PART I — PRELIMINARIES

- Interpretation. **2.** — For the purposes of this Law, unless the context otherwise requires:
- 2(c) of 74(I) of 2017. ‘accident’ means an unforeseeable incident which may lead to the death or injury of a person, irrespective of whether that person is directly or indirectly involved in the causes of the accident;
- 2 of 101(I) of 2004. ‘Agreement on the European Economic Area’ means the Agreement on the European Economic Area signed in Oporto on 2 May 1992, as amended from time to time.
- 2(b) of 74(I) of 2017. ‘beneficiary’ means a person entitled to healthcare services under section 16;
- ‘Board’ means the Board of Directors of the Organisation.
- 2(c) of 74(I) of 2017. ‘Chairman’ means the Chairman of the Board;

- 2(c) of 74(I) of 2017. 'child' means offspring and includes stepchildren, illegitimate expressly recognised children and children adopted in a manner recognised by law and the definitions of 'parents', 'mother' and 'father' are construed accordingly;
- 'Commissioner' means the Complaint, Audit and Supervisory Commissioner who is appointed under the provisions of section 42;
- 2(c) of 74(I) of 2017. 'company' has the meaning ascribed thereto by the Income Tax Law;
- 2(c) of 74(I) of 2017. 'contribution I' means the amount the beneficiary is required to pay to healthcare providers for healthcare services received in the cases specified in section 20A(1)(b);
- 2(c) of 74(I) of 2017. 'contribution II' means the amount, in addition to the co-payment or contribution I, which the beneficiary is required to pay to the pharmacist for the receipt of pharmaceutical products and/or medical devices and medical hygiene supplies, in addition to the expenditure covered by the Organisation;
- 'contribution' means contribution payable under this Law;
- 2(c) of 74(I) of 2017. 'contribution' means either contribution I or contribution II;
- 2(c) of 74(I) of 2017. 'contributor' means any person who is required to pay contributions under section 19;
- 2(c) of 74(I) of 2017. 'co-payment' means the amount the beneficiary is required to pay to healthcare providers for healthcare services received;
- 2(c) of 74(I) of 2017. 'Cyprus Medical Council' means the Council established under section 3 of the Law on the registration of Doctors;
- Cap. 250.  
30 of 1959  
30 of 1961  
53 of 1961  
79 of 1968  
114 of 1968  
14 of 1974  
18 of 1979  
72 of 1991  
66(I) of 1995  
112(I) of 1996  
102(I) of 2004  
24(I) of 2009  
162(I) of 2011  
73(I) of 2013  
171(I) of 2013.
- 2(c) of 74(I) of 2017. 'Decision' means a decision of the Organisation published in the Government Gazette of the Republic;
- 2(c) of 74(I) of 2017. 'dentist' means a dentist registered under the provisions of the law on the registration of Dentists;
- Cap. 249.  
70 of 1962  
33 of 1983  
59 of 1988  
6 of 1992  
64(I) of 1995  
18(I) of 1998  
82(I) of 2004  
279(I) of 2004  
25(I) of 2009

81(I) of 2015.

‘Director General’ means the Director General of the Organisation;

2(c) of 74(I) of  
2017.

‘discrimination’ means direct or indirect discrimination based on grounds of, inter alia, gender, religion, racial or ethnic origin, colour, philosophical, political and religious beliefs, sexual orientation, age, state of health, disability and socio-economic situation;

2(b) of 74(I) of  
2017.

‘earnings’:

59(I) of 2010

114(I) of 2010

126(I) of 2010

2(I) of 2012

37(I) of 2012

170(I) of 2012

193(I) of 2012

106(I) of 2014

194(I) of 2014

176(I) of 2015

1(I) of 2017.

(a) in relation to an employed person has the meaning ascribed thereto by the Social Insurance Law;

(b) in relation to a self-employed person, means:

(i) insurable earnings within the meaning of the Social Insurance Law and the Regulations issued thereunder;

118(I) of 2002

230(I) of 2002

162(I) of 2003

195(I) of 2004

92(I) of 2005

113(I) of 2006

80(I) of 2007

138(I) of 2007

32(I) of 2009

45(I) of 2009

74(I) of 2009

110(I) of 2009

41(I) of 2010

133(I) of 2010

116(I) of 2011

197(I) of 2011

102(I) of 2012

188(I) of 2012

19(I) of 2013

26(I) of 2013

27(I) of 2013

17(I) of 2014

115(I) of 2014

134(I) of 2014

170(I) of 2014

116(I) of 2015

187(I) of 2015

212(I) of 2015

110(I) of 2016.

(ii) the amount derived each year from the sources specified in section 5(1)(a) and (2)(a) of the Income Tax Law in excess of the amount referred to in subparagraph (i) hereinabove;

(c) in relation to a person who holds or exercises any office, means the amount derived each year from the sources specified in section 5(1)(b) and (2)(b) of the Income Tax Law;

- 2(c) of 74(I) of 2017. ‘emergency’ means a case where a person is threatened by an immediate danger to their life and/or health, or severe irreversible disability if healthcare services are not provided in good time;
- ‘employed person’ has the meaning ascribed thereto by the Social Insurance Law;
- ‘employer’ includes the Republic of Cyprus;
- 2(c) of 74(I) of 2017. ‘European Commission’ means the Commission of the European Union;
- ‘general practitioner’ was repealed by 2(d) of 74(I) of 2017.**
- 2(c) of 74(I) of 2017. ‘healthcare provider’ means a natural or legal person governed by private or public law or the associations thereof, or public health services that cooperate with the Organisation for the purpose of providing healthcare services to beneficiaries under the provisions of this Law, and any Regulations, internal regulations and Decisions issued thereunder;
- 2(c) of 74(I) of 2017. ‘healthcare services’ means the services specified in Part VII of this Law;
- 2(c) of 74(I) of 2017. ‘hospital’ means any healthcare facility that is used or intended to be used for the purpose of admission and accommodation of beneficiaries for the purpose of providing them with healthcare services;
- 2(c) of 74(I) of 2017. ‘income earner’ means any natural person having an income;
- 2(b) of 74(I) of 2017. ‘income’ means the income of any natural person derived from the sources defined in section 5 of the Income Tax Law, other than remuneration or pension, and includes dividends, as defined in the Special Contribution for the Defence of the Republic Law;
- 117(I) of 2002  
223(I) of 2002  
188(I) of 2003  
178(I) of 2007  
23(I) of 2009  
44(I) of 2009  
75(I) of 2009  
111(I) of 2009  
40(I) of 2010  
132(I) of 2010  
114(I) of 2011  
190(I) of 2011  
72(I) of 2012  
29(I) of 2013  
119(I) of 2015  
208(I) of 2015  
209(I) of 2015  
68(I) of 2016.
- 2(c) of 74(I) of 2017. ‘information technology system’ means the information technology system which the Organisation shall develop and operate under the provisions of section 4(3) of this Law;
- ‘Fund’ means the Healthcare Insurance Fund established under section 18;
- 2(c) of 74(I) of 2017. ‘inpatient healthcare’ means the provision of healthcare to a beneficiary who is admitted to a hospital because the following are required:
- (a) at least one overnight stay by the beneficiary; and/or
- (b) the use of specialised medical facilities and/or medical equipment in a hospital facility;
- 2(c) of 74(I) of 2017. ‘internal regulations’ means regulations issued by the Organisation, approved by the Minister and published in the Government Gazette of the Republic;

2(c) of 74(I) of 2017.  
132 of 1988  
98 of 1990  
103(I) of 2004.

**‘large semi-governmental organisation’ was repealed by 2(d) of 74(I) of 2017.**

2(c) of 74(I) of 2017. ‘list of medical devices and medical hygiene supplies’ means the list of medical devices, medical hygiene supplies and/or categories thereof, for which the cost or part of the cost is covered by the Organisation under the System;

2(c) of 74(I) of 2017. ‘list of pharmaceutical products’ means the list of pharmaceutical products and/or categories of pharmaceutical products, for which the cost or part of the cost is covered by the Organisation under the System;

2(c) of 74(I) of 2017. ‘maximum co-payment’ means the maximum total amount of co-payments that each beneficiary may pay to healthcare providers during one year;

‘Medical Council’ means the Council established under section 59;

2(c) of 74(I) of 2017.  
Government Gazette,  
Third (I) Annex:  
18.7.2003  
15.4.2005  
25.7.2007  
10.7.2009  
11.10.2013.

2(c) of 74(I) of 2017. ‘medical hygiene supplies’ means consumable supplies, orthopaedic and orthotic items, prosthetics and implants;

2(b) of 74(I) of 2017. ‘Member State’ means a Member State of the European Union or any other contracted party to the Agreement on the European Economic Area and Switzerland;

2(c) of 74(I) of 2017.  
214 of 1988  
131 of 1991  
154(I) of 2003  
217(I) of 2004  
249(I) of 2004  
30(I) of 2006  
43(I) of 2009  
122(I) of 2011  
1(I) of 2012  
196(I) of 2015.

‘Minister’ means the Minister of Health.

2(c) of 74(I) of 2017. ‘nurse’ means a registered nurse within the meaning of the Nursing and Midwifery Law;

‘Organisation’ means the Health Insurance Organisation established under section 3;

2(c) of 74(I) of 2017.  
140(I) of 1989  
36(I) of 1998  
76(I) of 2004

‘other health professionals’ means registered Physiotherapists within the meaning of the Law on the registration of Physiotherapists, registered Occupational Therapists within the meaning of the Law on the registration of Professional Occupational Therapists, registered Speech-Language Pathologists within the meaning of the Law on the registration of Speech-Language Pathologists, registered Psychologists with specialisation in clinical

- 101(I) of 2005. psychology within the meaning of the Law on the registration of Psychologists, Clinical Dieticians within the meaning of the Registration of Food Scientists and Dietitians Law or  
34(I) of 2006 any other professional exercising activities in the healthcare sector, according to the terms  
203(I) of 2014. and conditions determined by the Organisation by means of Regulations;
- 136(I) of 2001  
55(I) of 2004.
- 68(I) of 1995  
104(I) of 1996  
17(I) of 1999  
234(I) of 2004  
59(I) of 2009  
204(I) of 2014.
- 31(I) of 1996  
42(I) of 2001  
171(I) of 2004.
- 2(c) of 74(I) of 2017. ‘palliative care’ means the provision of healthcare services to beneficiaries with chronic progressive illnesses, control of pain and other symptoms aimed at improving the quality of life of beneficiaries through the provision of comprehensive healthcare to the beneficiary until death by healthcare providers, which may be offered in conjunction with therapeutic treatment;
- 2(c) of 74(I) of 2017. ‘patient’ means a person suffering from any disease or disorder or any person requesting or to whom healthcare services are provided;
- 2(b) of 74(I) of 2017. ‘pension’ means the retirement pension of any natural person derived from sources defined in section 5 of the Income Tax Law, and the term ‘pensioner’ is interpreted accordingly;
- 2(b) of 74(I) of 2017. ‘personal doctor’ has the meaning ascribed thereto by the provisions of section 23(2);
- 2(c) of 74(I) of 2017. ‘Pharmaceutical Council’ means the Council set up in accordance with the provisions of section 4 of the Law on Medicinal Products for Human Use (Quality Control, Supply and Prices);  
70(I) of 2001  
83(I) of 2002  
35(I) of 2004  
78(I) of 2004  
100(I) of 2004  
263(I) of 2004  
13(I) of 2005  
28(I) of 2005  
97(I) of 2005  
122(I) of 2005  
20(I) of 2006  
75(I) of 2006  
104(I) of 2006  
20(I) of 2007  
76(I) of 2007  
25(I) of 2010  
116(I) of 2010  
92(I) of 2011  
63(I) of 2012  
209(I) of 2012  
121(I) of 2013  
146(I) of 2013  
114(I) of 2014.
- 2(c) of 74(I) of 2017. ‘pharmaceutical product’ has the meaning ascribed thereto by the Law on Medicinal Products for Human Use (Quality Control, Supply and Prices);



- 2(c) of 74(I) of 2017. ‘pharmacist’ means a registered pharmacist under the provisions of the Pharmacy and Poisons Law;
- 2(c) of 74(I) of 2017. ‘pharmacy’ has the meaning ascribed thereto by section 2 of the Pharmacy and Poisons Law;
- Cap. 254. ‘prescription’ has the meaning ascribed thereto by the Pharmacy and Poisons Law;  
 59 of 1962  
 37 of 1967  
 16 of 1979  
 28 of 1989  
 33(I) of 1993  
 61(I) of 1995  
 145(I) of 2000  
 178(I) of 2002  
 89(I) of 2003  
 184(I) of 2004  
 97(I) of 2008  
 147(I) of 2013  
 128(I) of 2014  
 83(I) of 2015  
 179(I) of 2015.
- 2(c) of 74(I) of 2017. ‘private hospital’ has the meaning ascribed thereto by the Private Hospitals (Establishment and Operation Control) Act, which is used for the admission and accommodation of beneficiaries for the purpose of providing healthcare or inpatient healthcare services;  
 90(I) of 2001  
 193(I) of 2003  
 2(I) of 2004  
 93(I) of 2004  
 211(I) of 2004  
 213(I) of 2004  
 216(I) of 2004  
 110(I) of 2005  
 19(I) of 2006  
 29(I) of 2008  
 145(I) of 2009  
 129(I) of 2010  
 55(I) of 2011  
 32(I) of 2016  
 137(I) of 2016.
- 2(c) of 74(I) of 2017. ‘protocol’ means the System’s instructions for the provision of effective and efficient healthcare services, formulated on the basis of well-documented scientific literature;
- 2(c) of 74(I) of 2017. ‘public hospital’ means a hospital owned or controlled by the Republic or by any legal body governed by public law or by a local authority;
- 2(c) of 74(I) of 2017. ‘Regulation (EC) No 883/2004’ means Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems;  
 Official Journal of the EU: L 166, 30.4.2004, p. 1.
- 2(c) of 74(I) of 2017. ‘Regulation (EC) No 987/2009’ means Regulation (EC) No 987/2009 of the European Parliament and of the Council of 16 September 2009 laying down the procedure for implementing Regulation (EC) No 883/2004;  
 Official Journal of the EU: L 284, 30.10.2009, p. 1.

2(c) of 74(I) of 2017. Official Journal of the EU: L 344, 29.12.2010, p. 1. ‘Regulation (EU) No 1231/2010’ means Regulation (EU) No 1231/2010 of the European Parliament and of the Council of 24 November 2010 extending the application of Regulation (EC) No 883/2004 and Regulation (EC) No 987/2009 to nationals of third countries who are not already governed by these Regulations solely on the ground of their nationality;

2(c) of 74(I) of 2017. 99 of 1989 227 of 1990 27(I) of 1992 54(I) of 2008 3(I) of 2010. ‘Regulations’ means Regulations that are submitted to the House of Representatives for approval, under the provisions of the Law on the submission of regulations issued by authorisation of law to the House of Representatives;

2(b) of 74(I) of 2017. ‘remuneration of the Chairman and members’ means the compensation payable to the Chairman and the members by virtue of section 6;

‘Republic’ means the Republic of Cyprus.

‘self-employed person’ has the meaning ascribed thereto by the Social Insurance Law;

**‘services’ was repealed by 2(d) of 74(I) of 2017.**

2(c) of 74(I) of 2017. ‘social pension’, has the meaning ascribed thereto by the Social Insurance Law;

2(b) of 74(I) of 2017. ‘specialist doctor’ has the meaning ascribed thereto by the provisions of section 23(3);

2(c) of 74(I) of 2017. ‘state healthcare services’ means healthcare services provided by natural persons whose employer is the Republic and/or legal entities owned or controlled by the Republic;

**‘state hospital’ was repealed by 2(d) of 74(I) of 2017.**

**‘Supervisory Committee’ was repealed by 2(d) of 74(I) of 2017.**

2(d) of 74(I) of 2017. ‘supplier’ was repealed by 2(d) of 74(I) of 2017.

2(c) of 74(I) of 2017. ‘System’ means the General Healthcare System established under the provisions of this Law;

**(2) Repealed by 2 (a) of 74(I) of 2017.**

3 of 74(I) of 2017. Purpose of this Law. **2A.** The purpose of this Law is to introduce a general healthcare system in the Republic as a social security system for the provision of healthcare services and to establish a Health Insurance Organisation (‘the Organisation’) for the implementation, monitoring and management of the System in order to promote social solidarity, equal access and efficient use of resources.

## PART II — ESTABLISHMENT AND OBJECTIVES OF THE ORGANISATION

Establishment of the Organisation. **3.** An Organisation shall be established called “Health Insurance Organisation” constituting a legal person governed by public law with perpetual succession and common seal, and with powers to acquire, hold and dispose of property, to enter into contract, to sue and to be sued in its said name and to do whatever is necessary for the purposes of this Law.

Objective and powers of the Organisation. **4.— (1)** The objective of the Organisation is the implementation of a General Healthcare System under the provisions of this Law.

- 4(a) of 74(I) of 2017. (2) Without prejudice to the generality of section (1), the Organisation has the responsibility to:
- 4(b) of 74(I) of 2017. (a) manage the Fund;
- 4(c) of 74(I) of 2017. (b) ensure equal access to and provide the beneficiaries with the healthcare services provided for in this Law without discrimination;
- 4(d) of 74(I) of 2017. (c) contract with healthcare providers in accordance with the provisions of this Law;
- 4(e) of 74(I) of 2017. (d) subject to the provisions of the Fiscal Responsibility and Budgetary Framework Law and with the approval of the Minister and the Minister of Finance, establish companies or participate in companies or firms in which it holds, either directly or indirectly, through companies of which it holds the majority of shares or all issued shares, any share of their issued capital, for the purposes of conducting business, whether in the Republic or abroad, in cases where it considers that this serves its purpose and mission;
- 4(f) of 74(I) of 2017. (e) carry out annual actuarial reviews of the financial condition of the Fund in relation to its obligations arising from the implementation of this Law;
- (f) dispose of money of the Fund for purposes of research, information, education and training for the better operation and efficiency of the System;
- (g) provide incentives and scholarships for postgraduate studies in specialised subjects which the Organisation considers necessary and worthwhile;
- (h) dispose of an amount of money not exceeding 5% of the annual budget for the administration of the Organisation, unless the Council of Ministers, by decision, increases this proportion;
- (i) keep records;
- (j) take any other act or action which is relative to the above powers;
- 4(g) of 74(I) of 2017. (k) exercise any other powers provided for in any of the provisions of this Law and in any Regulations or internal regulations or Decisions issued thereunder;
- 4(h) of 74(I) of 2017. (3) In order to carry out the responsibilities referred to in sections (1) and (2), the Organisation shall develop and operate an information technology system.
- Board of Directors. **5.**— (1) The Organisation shall be managed and act through a Board of Directors which manages the property and the resources of the Organisation and represents the Organisation before any authority.
- 5(a) of 74(I) of 2017. (2) The Council shall consist of:
- (a) The Chairman;
- (b) two of ex-officio members, who are:
- (i) the Director General of the Ministry of Health; and
- (ii) the Director General of the Ministry of Finance;
- (c) ten appointed members, of which:

- (i) two represent the Government;
- (ii) three represent employers' organisations;
- (iii) three represent workers' organisations;
- (iv) one represents patients; and
- (v) one represents self-employed persons.

- 3(a) of 134(I) of 2002. (3) Subject to the provisions of this Law, the Chairman and the members shall be appointed by the Council of Ministers, under conditions determined by the Council of Ministers in the order of their appointment:
- 5(b) of 74(I) of 2017.
- It is understood that for the appointment or the replacement of the Chairman and prior to the appointment, dismissal and replacement thereof, as the case may be, consultations shall be held between the Minister, the President of the House of Representatives and the heads or parliamentary representatives of the relevant parliamentary groups in the House of Representatives.
- 5(c) of 74(I) of 2017. (4) The Chairman of the Board shall be an independent person appointed for a five-year term, with the option of renewal.
- 5(d) of 74(I) of 2017. (5) The Council of Ministers shall appoint alternates for ex-officio members of the Board.
- 5(e) of 74(I) of 2017. (6) The term of office of the appointed members referred to in subsection (2)(c) shall be for a period of five years, with the option of renewal.
- 5(f) of 74(I) of 2017. (7) The appointment of members referred to in subsection (2)(c)(i) shall be made on the recommendation of the Minister.
- 5(g) of 74(I) of 2017. (8) The appointment of the members referred to in subsection (2)(c)(ii) shall be made on the recommendation of the Minister, based on a list of persons submitted thereto by the employers' organisations.
- (9) The appointment of the members referred to in subsection (2)(c)(iii) shall be made on the recommendation of the Minister, based on a list of persons submitted thereto by the workers' organisations.
- 5(h) of 74(I) of 2017. (10) The appointment of the member referred to in subsection (2)(c)(iv) shall be made on the recommendation of the Minister, based on a list of persons submitted thereto by the Pancyprian Federation of Patients' Associations and Friends.
- 5(h) of 74(I) of 2017. (11) The appointment of the member referred to in subsection (2)(c)(v), shall be made on the recommendation of the Minister.
- 5(i) of 74(I) of 2017. (12) The appointed members as referred to in subsection (2)(c) shall be of the highest moral and professional standing, and shall have knowledge and experience in matters relevant to the Organisation's powers.
- 5(i) of 74(I) of 2017. (13) The Chairman and the appointed members of the Board, who fall under the provisions of subsection (2)(c) and had been appointed prior to the coming into force of the General Healthcare System (Amending) Law of 2017, shall continue to hold their office until the expiry of the term of office.
- 74(I) of 2017.
- 6 of 74(I) of 2017. **6.** The Chairman and the members of the Board may receive compensation as shall be determined by the Council of Ministers.
- Remuneration of the Chairman and members of the Board.

6 of 74(1) of 2017.  
Vacancy of the office of  
the Chairman and  
members  
of the Board.

7.-(1) The office of the Chairman or of a member of the Board becomes vacant:

(a) in case of death;

(b) in case of resignation effected by a letter addressed to the Council of Ministers;

(c) in case of removal from office declared by the Council of Ministers according to the provisions of subsection (2).

(2) Subject to the provisions of section 5(3) and section 8(1), the Council of Ministers shall remove from the office the Chairman or a member of Board if:

(a) he has been convicted of a criminal offence involving dishonesty or moral turpitude;

(b) he has been imposed of a prison sentence for commission of a criminal offence;

(c) he has become incapable of effectively performing the responsibilities, powers or duties of his office for the remainder of the term;

(d) the power of attorney appointing a member of the Board to represent a donor before the Organisation has been revoked;

(e) he has been declared bankrupt under the laws of the Republic;

(f) he has been declared mentally incapable or of unsound mind under the laws of the Republic;

(g) he has so abused his office as to render as to render the continuance of his term of office prejudicial to the public interest;

(h) on the recommendation of the Board in case of an unjustified abstention from the exercise of his functions and, in particular, in case of an unjustified absence from the meetings of the Board for three consecutive times;

(i) there is any reason with regard solely to the members of the Board representing the Government.

(3) Where the office of the Chairman or of a member of the Board becomes vacated prior to the expiry of the term of office, the Council of Ministers shall, subject to the provisions of Section 5(3), appoint a new Chairman or member, as the case may be, to serve for the remainder of the term of office of the preceding holder of that office.

7 of 74(1) of 2017.  
Temporary replacement  
of the Chairman or of a  
member of the Board.

7A.-(1) Where the Chairman is temporarily prevented due to any reason from exercising his duties, the Council of Ministers may temporarily appoint one of the members of the Board to act as an alternate during the temporary absence, and such appointment shall expire immediately upon the return of the Chairman to the exercise his duties.

(2) Where a member of the Board is temporarily prevented due to any reason from exercising his duties, the Council of Ministers may temporarily appoint another person to act as an alternate during the temporary absence, and such appointment shall expire immediately upon the return of the member of the Board to the exercise of his duties.

(3) Where any of the ex officio members of the Board is unable due to any reason to exercise his duties, the Council of Ministers may appoint an alternate to act as a temporary member of the Board.

Incompatibility of the  
Chairman and members  
of the Board.  
8 of 74(I) of 2017.  
7(I) of 2008  
12(I) of 2014  
40(I) of 2017.

**8.**-(1) A person who is a healthcare provider or has any interest in the provision of healthcare services, in accordance with the provisions of this Law, shall not be entitled to be appointed or continue as a Chairman or member of the Board under the provisions of the Law on the Professional Incompatibility of Certain Officers for Certain Professional and Other Activities.

(2)(a) The Chairman or any member of the Board who is directly or indirectly interested in any agreement entered into, or is proposed to be entered into by the Organisation for the purposes of this Law, shall disclose the nature of his interest at a meeting of the Board and shall not take part after the disclosure in any deliberation or decision of the Board relating to the agreement.

(b) A disclosure shall be recorded in the minutes of the Board.

(3) For the purposes of subsection (2), if at a meeting of the Board, the Chairman or a member of the Board makes a general statement that he holds shares in a particular company or organisation, this shall be considered sufficient disclosure of interest in any agreement entered into with the said company or organisation after the date on which the general statement was made.

(4) A disclosure of interest under the provisions of subsection (2) is not necessary to be made personally by the Chairman or by the member who has the interest, provided that all the members of the Board become aware of such disclosure.

9 of 74(I) of 2017.  
Meetings of the  
Council, etc.

**9.**-(1)(a) Subject to the provisions of this Law, the Board shall regulate its meetings, the manner and the time of their convocation, and the procedure followed therein.

(b) Subject to the provisions of paragraph (a), the meetings of the Board shall be convened by the Chairman or the person presiding over the meeting, under the provisions of subsection (2) or, if for whatever reason the Chairman or the person presiding over the meeting is unable to convene a meeting, it shall be convened by the eldest member of the Board.

(2) Subject to the provisions of subsection (1)(b), the meetings of the Board shall be chaired by the Chairman or, in case of his absence or other temporary impediment of him, the Board shall elect a person from among its members to chair the meeting by simple majority.

(3) The Chairman and six other members or, in case of the Chairman's absence, the person presiding over the meeting and eight other members shall constitute a quorum.

(4) Decisions of the Board shall be taken by a majority of the members present and voting, and in the event of a tie, the Chairman or the person presiding over the meeting, as the case may be, shall have a second or casting vote.

(5) Minutes of proceedings of every Board meeting shall be kept, which, subject to ratification by the Board, shall be signed by the Chairman or the person presiding over the meeting.

(6) The Board meetings shall be attended by the Director General or his representative and any other officer of the Organisation or a person invited by the Board to express his views on any matter, without the right to vote.

(7) The Board acts legally, and its proceedings are fully valid irrespective of a vacancy of any position, or any other defect in the appointment of the Chairman or any of its members.

9 of 74(I) of 2017. **10.**-(1) The Board may, by decision, delegate the exercise of any of the powers and responsibilities so by this Law conferred thereupon to the Chairman or any of its members, including the signature on its behalf and the sealing with the Organisation's seal of any contract entered into or act undertaken by the Organisation, on such conditions and terms as the Board may determine.

(2) The Board may, by decision, temporarily delegate to the Director General and/or to any other employees of the Organisation any of its responsibilities, which shall be performed within the limits set thereby and shall be subject to the control thereof.

9 of 74(I) of 2017. **11.** The establishment of committees and procedures to be followed for the examination of complaints submitted under the provisions of this Law by any person shall be determined by Decisions.

10 of 74(I) of 2017. **11A.**-(1) The Minister may issue directives of a general nature to the Organisation with respect to its activities, and the Organisation is required to implement any such directive.

(2) Subject to the provisions of the Fiscal Responsibility and Budgetary Framework Law, the Organisation shall provide to the Minister of Finance, upon the request thereof and through the Minister, reports, accounts and other information relating to its assets and activities, and shall in every way facilitate the audit of such information, at a time and in a manner as he may reasonably require.

(3)(a) The Organisation is required to draw up an assessment report on the efficiency and functionality of the entire system every three (3) years, which shall be submitted to the Minister for the purpose of informing the Council of Ministers in order to adopt a decision on any modifications of the framework required to improve the System's efficiency and functionality.

(b) The assessment report referred to in paragraph (a) hereinabove shall be communicated to the House of Representatives.

### PART III — STAFF OF THE ORGANISATION

11 of 74(I) of 2017. **12.**-(1) The Organisation's services shall be supervised by the Director General, who is the supreme executive agent of the Organisation, acting under the administrative control of the Board.

115 of 1990  
58(I) of 1992  
29(I) of 2006  
171(I) of 2007.

(2) The Director General shall be selected and appointed upon decision of the Board and in accordance with the provisions of the Law on Public Entities (Appointment of General Directors).

(3) The general duties and responsibilities as well as the qualifications required for the office of the Director General of the Organisation shall be specified in a service delivery plan drawn up in the form of Regulations issued by the Board and approved by the Council of Ministers and the House of the Representatives.

12 of 74(I) of 2017. **12A.**-(1) The Organisation's employees shall be appointed by and be subject to the administrative control of the Board.

(2) Regulations issued by the Council and approved by the Council of Ministers and the House of Representatives shall specify the following:

- (a) service delivery plans for the Organisation's staff;
  - (b) the general terms and conditions of the service delivery and, in particular, matters relating to appointments, promotions, transfers, appraisals and disciplinary misconduct of employees;
  - (c) the granting of retirement benefits, other allowances, compensation and financial benefits;
  - (d) any incidental, complementary and similar matters to those referred to in paragraphs (b) and (c).
- (3) Without prejudice to the provisions of subsection (2), internal regulations shall specify:
- (a) the criteria for the salaried appointment of persons not employed by the Organisation and who are appointed to the Organisation at a higher grade than the original pay grade of the office to which they are appointed, proportionate to the currently applicable criteria of the civil service;
  - (b) the disciplinary code pertaining to the Organisation's employees;
  - (c) any matters concerning the hourly-paid staff;
  - (d) any incidental, complementary and similar matters to those referred to in paragraphs (a), (b) and (c).
- (4) Without prejudice to the provisions of subsection (2), Decisions shall determine:
- (a) the manner, preparation procedure, type of forms and submission of the assessment reports;
  - (b) the employees' working hours, according to the Organisation's needs;
  - (c) any incidental, complementary and similar matters to those referred to in paragraphs (a) and (b).
- (5) For any matter concerning the Organisation's employees that has not been regulated by Regulations, internal regulations or Decision, and/or until the issue thereof, the provisions of the Law on Public Service shall be applicable, and for the hourly-paid staff the provisions of the Regulations on Terms of Employment for Hourly Government Staff shall similarly apply.

1 of 1990  
 71 of 1991  
 211 of 1991  
 27(I) of 1994  
 83(I) of 1995  
 60(I) of 1996  
 109(I) of 1996  
 69(I) of 2000  
 156(I) of 2000  
 4(I) of 2001  
 94(I) of 2003  
 128(I) of 2003  
 183(I) of 2003  
 31(I) of 2004  
 218(I) of 2004  
 68(I) of 2005  
 79(I) of 2005  
 105(I) of 2005  
 96(I) of 2006  
 107(I) of 2008



137(I) of 2009  
 194(I) of 2011  
 78(I) of 2013  
 7(I) of 2014  
 21(I) of 2014  
 100(I) of 2015.

(6) For the purposes of subsections (2), (3), (4) and (5), the term ‘employee’ also includes the Director General, subject to the provisions of section 12.

Status of the members  
 of the Board and the  
 Organisations’  
 employees.

**13.**—(1) The Chairman and the members of the Board, the Director General and the Organisation’s employees shall be considered as civil servants within the meaning of the Criminal Code.

Cap. 154.  
 3 of 1962  
 43 of 1963  
 41 of 1964  
 69 of 1964  
 70 of 1965  
 5 of 1967  
 58 of 1967  
 44 of 1972  
 92 of 1972  
 29 of 1973  
 59 of 1974  
 3 of 1975  
 13 of 1979  
 10 of 1981  
 46 of 1982  
 86 of 1983  
 186 of 1986  
 111 of 1989  
 236 of 1991  
 6(I) of 1994  
 3(I) of 1996  
 99(I) of 1997  
 40(I) of 1998  
 45(I) of 1998  
 15(I) of 1999  
 37(I) of 1999  
 38(I) of 1999  
 129(I) of 1999  
 30(I) of 2000  
 43(I) of 2000  
 77(I) of 2000  
 162(I) of 2000  
 169(I) of 2000  
 181(I) of 2000  
 27(I) of 2001.

13 of 74(I) of 2017

(2) The Chairman, the members of the Board, the Director General and any other employee of the Organisation, who, in the performance of their duties, finds or has reasonable cause to believe that an act of corruption or bribery has been committed by the Chairman, any member of the Board, the Director General or any other employee of the Organisation, is required to report it to a plenary session of the Board in writing, providing all the information necessary to substantiate his claim.

#### PART IV — ESTABLISHMENT OF COMMITTEES

Establishment of specialised bodies and committees. 14(a) of 74(I) of 2017.	<b>14.</b> -(1) The Board may, for the purposes of implementing the provisions of this Law, proceed with the establishment of specialised bodies and committees to assist and advise the Board in the exercise of its powers.
14(b) of 74(I) of 2017.	(2) Without prejudice to the general terms of subsection (1), the Board may establish an Internal Audit Committee, a Financial Management Committee and a Fund Sustainability Committee.
14(c) of 74(I) of 2017.	(3) The Board shall issue Decisions governing the duties and the operation of the committees and bodies established under this section.
Advisory Committee.	<b>15. Repealed by 15 of 74(I) of 2017.</b>

## PART V — BENEFICIARIES

16 of 74(I) of 2017. Beneficiaries of healthcare services.	16.-(1) Beneficiaries of healthcare services are any persons who have their habitual residence in the areas controlled by the Government of the Republic, who are also:
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(a) citizens of the Republic of Cyprus:

It is understood that the provisions of Regulations (EC) No 883/2004 and (EC) No 987/2009 are applicable as appropriate;

7(I) of 2007  
181(I) of 2011  
8(I) of 2013  
67(I) of 2013  
77(I) of 2015.

(b) citizens of the Union who are employed persons or self-employed persons in the Republic, or who retain such status, or have acquired the right of permanent residence under the provisions of the Law on Free Movement and Residence of Union citizens and their Families in the Republic:

It is understood that the provisions of Regulations (EC) No 883/2004 and (EC) No 987/2009 are applicable as appropriate;

Cap. 105. 2 of 1972 54 of 1976 50 of 1988 197 of 1989 ANNOUNCEMENT: 307 100(I) of 1996 43(I) of 1997 14(I) of 1998 22(I) of 2001 164(I) of 2001 88(I) of 2002 220(I) of 2002 66(I) of 2003 178(I) of 2004 8(I) of 2007 184(I) of 2007 29(I) of 2009 143(I) of 2009	(c) third-country nationals who have legally acquired the right of permanent residence in the areas controlled by the Government of the Republic under the Aliens and Immigration Law:
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153(I) of 2011  
 41(I) of 2012  
 100(I) of 2012  
 117(I) of 2012  
 32(I) of 2013  
 49(I) of 2013  
 88(I) of 2014  
 129(I) of 2014  
 17(I) of 2015  
 16(I) of 2016.

It is understood that the provisions of Regulation (EC) No 1231/2010 are applicable as appropriate;

(d) third-country nationals who have legally acquired the right to equal treatment in the branches of social security under the provisions of the Aliens and Immigration Law;

(e) recognised refugees or persons with subsidiary protection status granted thereto under the provisions of the Refugees Law;

6(I) of 2000  
 6(I) of 2002  
 53(I) of 2003  
 63(I) of 2003  
 9(I) of 2004  
 241(I) of 2004  
 154(I) of 2005  
 112(I) of 2007  
 122(I) of 2009  
 9(I) of 2013  
 58(I) of 2014  
 59(I) of 2014  
 105(I) of 2016  
 106(I) of 2016.

(f) persons who are family members of the persons specified in subsections (a), (b) and (d):

It is understood that the provisions of Regulations (EC) No 883/2004 and (EC) No 987/2009 are applicable as appropriate;

(g) persons who are family members of the persons specified in subsection (c) and who have also legally acquired the right of permanent residence in the areas controlled by the Government of the Republic under the Aliens and Immigration Law:

It is understood that the provisions of Regulation (EC) No 1231/2010 are applicable as appropriate;

(2) Beneficiaries of healthcare services are also any citizens of the Republic who have their habitual residence in the sovereign territories of the United Kingdom of Great Britain and Northern Ireland bases in Cyprus, and any persons who are family members thereof, who have their habitual residence in the areas controlled by the Government of the Republic or in the sovereign territories of the United Kingdom of Great Britain and Northern Ireland bases in Cyprus;

(3) For the purposes of subsection (1), 'family member' means:

(a) the spouse of a beneficiary;

(b) the children of a beneficiary under the age of 21; and

(c) the children of a beneficiary over the age of 21, who are dependent on them or their spouse, as determined by Regulations.

(4) For the purposes of this section, the habitual residence, if in doubt, shall be evidenced on the basis of information specified in Regulations.

(5) Decisions shall establish the procedures based on which a beneficiary may register or withdraw from the System, as well as the procedures for the commencement, renewal and termination of the right to healthcare services, in accordance with the provisions of the Law.

Special cases.  
17 of 74(I) of 2017.

**17.** The Board may, if it considers it just and proper, provide coverage for any other case under the terms and conditions specified in Regulations, after the submission of a relevant application.

#### PART VI — HEALTHCARE SYSTEM

Establishment and  
sources of the Fund.

**18.-(1)** For the purposes of implementing this Law, there shall be established a Healthcare Insurance Fund.

18 of 74(I) of 2017.

(2) The revenues of this Fund are:

- (a) contributions provided for in section 19;
- (b) co-payments and contribution I;
- (c) donations and bequests;
- (d) proceeds derived from assets of the Organisation;
- (e) any other revenue arising from the activities of the Organisation.

(3) The Board may invest monies forming part of the Fund in investments approved by the Minister of Finance, taking into consideration that these monies are not required by the Fund to meet its obligations.

19 of 74(I) of  
2017.  
Obligation for payment  
of contributions.

**19.-(1)** Obligation to pay contributions under this Law accrues to the following persons:

- (a) each employee at a rate of 2.65% of their earnings;
- (b) each employer at a rate of 2.90% on the earnings of each employee;
- (c) each self-employed person at a rate of 4.00% of their earnings;
- (d) each pensioner at a rate of 2.65% on the amount of their pension;
- (e) each person who holds or performs the duties of any office at a rate of 2.65% of their earnings;
- (f) the Republic or any natural or legal person, responsible for the payment of a remuneration of a person holding an office in accordance with the provisions of his appointment or election, shall pay a contribution at a rate of 2.90% of their earnings;
- (g) each income earner at a rate of 2.65% of their income;
- (h) the Consolidated Fund of the Republic at a rate of 4.70% on the earnings and pensions of persons referred to in paragraphs (a), (c), (d) and (e).

(2) For the purposes of subsection (1)(e) and (f), any person who holds or performs the duties of any office means a person who holds or performs the duties of a state or municipal or other office, and any commissioner or regulator appointed under legal provisions, and their earnings from this office are not included as earnings under subsection (1)(a) or (c) or (d) or (g) hereof.

(3) The persons referred to in subsection (1) (a), (c), (d), (e) and (g) shall pay contributions simultaneously or consecutively on their earnings, pension payment, and on their income.

(4)(a) Where the sum of the contributor's earnings, pensions and income referred to in subsection (1)(a), (c), (d), (e) and (g) are in excess of one hundred and eighty thousand Euro (€180.000), contributions are only payable on the sum of one hundred and eighty thousand Euro (€180.000).

(b) The order in which amounts are taken into account for the purpose of calculating the sum of one hundred and eighty thousand Euro (€180.000) are, first, the earnings sequentially referred to in (a), (b), (c) as determined under the definition of 'earnings', followed by the pensions, and, lastly, the income:

It is understood that if contributions are paid on a sum in excess of one hundred and eighty thousand Euro (€180.000), then the contributor may demand the refund of contributions paid to the Organisation on the amount exceeding one hundred and eighty thousand Euro (€180.000) by submitting a relevant application as determined by a Decision of the Organisation.

(5)(a) Subject to the provisions of paragraph (b) of this subsection, no contribution shall be paid after the lapse of the period of six (6) years from the end of the contribution period for which the contribution is payable.

(b) If a contribution has been missed as a result of deception or intentional omission of the liable person, then a contribution may be levied as if the reference to a six (6) year period in paragraph (a) of this subsection was in fact a reference to twelve (12) years.

(6) At least every three (3) years, the Organisation shall submit to the Minister an evaluation report on the System, with recommendations for any amendments to the legislation pertaining to participation, co-payments and contributions as well as the services provided to the beneficiaries, and any other information deemed appropriate, which is submitted to the Council of Ministers for approval, following the approval of the Minister and the Minister of Finance.

19 of 74(I) of  
2017.  
Contribution collection  
method.

**20.-**(1) Subject to the provisions of the Law, the Director of Social Insurance Services shall be responsible for the collection of the contributions specified in section 19(1)(a), (b) and (c):

It is understood that any collection of contributions made under section 19(1)(c) shall be made on insurable earnings within the meaning of the Social Insurance Law.

(2)(a) Employers shall bear the liability to withhold and pay the contributions referred to in section 19(1)(a) for any period during which, or for a part of which, any person has been employed by them in the capacity of salaried employee.

(b) Subject to the provisions of paragraph (a), contributions paid by the employer on behalf of the employee shall be treated as contributions paid by the employee.

(3) Notwithstanding the provisions of subsection (2), in the case of an employee employed by more than one (1) employer in private households, for work of a domestic nature within

the same contribution period, the employee shall be responsible for the payment of contributions referred to in section 19(1)(a) and (b).

(4) Notwithstanding the provisions of subsection (1), the contributions paid by employees of the Republic and the corresponding contributions payable by the Republic as an employer shall be paid to the Fund by the Accountant General of the Republic.

(5) Subject to the provisions of the Law, the Commissioner of Taxation shall be responsible for the collection of the contributions specified in section 19(1)(c) on earnings other than insurable earnings within the meaning of the Social Insurance Law.

(6)(a)(i) Any natural or legal person or fund providing any pension is required to withhold the contribution referred to in section 19(1)(d) from the amount of pension payable to each pensioner.

(ii) The Commissioner of Taxation, with the exception of contributions deducted by the Director of Social Insurance Services and the Accountant General of the Republic, shall be responsible for the collection of contributions referred to in paragraph (a)(i) hereof.

(b) Notwithstanding the provisions of paragraph (a) hereof, in the case of a person who receives a pension from abroad, including the persons to whom the provisions of Regulations (EC) No 883/2004 and (EC) No 987/2009, as amended or replaced, apply, the contribution referred to in section 19(1)(d) shall be collected by the Commissioner of Taxation.

(c) Notwithstanding the provisions of paragraph (a) hereof, the Director of Social Insurance Services shall withhold the contribution referred to in section 19(1)(d) relating to the amount of the social pension granted by the Consolidated Fund of the Republic.

(d) Notwithstanding the provisions of paragraph (a) hereof, the Accountant General of the Republic shall withhold the contribution referred to in section 19(1)(d) relating to the amount of the pension granted by the Consolidated Fund of the Republic.

(7)(a) Contributions referred to in section 19(1)(e) and (f) shall be withheld and/or paid by the Republic or any natural or legal person responsible for the payment of a remuneration of a person holding an office in accordance with the provisions of his appointment or election.

(b) The collection of contributions referred to in paragraph (a) hereof, which are withheld and/or paid by any natural or legal person responsible for the payment of a remuneration of a person holding an office in accordance with the provisions of his appointment or election, shall be the responsibility of the Commissioner of Taxation.

(c) The collection of contributions referred to in paragraph (a) hereof, which are withheld and/or paid by the Republic, shall be the responsibility of the Accountant General of the Republic.

(8)(a) Contributions payable under section 19(1)(g) shall be collected by the Commissioner of Taxation.

(b) Notwithstanding the provisions of paragraph (a) hereof, any person who pays dividends or interest, or any person who pays rent from sources within the Republic to a natural person, is required to withhold the contribution provided for in section 19(1)(g) from any payment made, which shall then be paid to the Commissioner of Taxation.

(c) For the purposes of paragraph (b) hereof, the term 'person' who pays dividends or interest has the meaning ascribed thereto by section 2 of the Income Tax Law, and includes the Republic.

(d) For the purposes of paragraph (b) hereof, a 'person' who pays rent has the meaning ascribed thereto subject to the reservation of section 4(1) of the Special Contribution for the Defence of the Republic Law.

(e) Any contribution required to be withheld under the provisions of this section shall be considered as a contribution imposed on the natural person from whom it is required and may be recovered.

(9) The contribution to the Consolidated Fund referred to in section 19(1)(h) shall be paid to the Fund by the Ministry of Health.

(10) Contributions received and/or withheld by the Director of Social Insurance Services, the Commissioner of Taxation, and the Accountant General of the Republic shall be paid to the Fund thereby.

(11)(a) The Director of Social Insurance Services shall have, *mutatis mutandis*, all powers, responsibilities and obligations, including the imposition of administrative fines and/or other administrative sanctions, including penalties and/or surcharges set forth in the Social Insurance Law, in order to perform the duties assigned thereto and to resolve any issues that may arise under the provisions of this Law, and any Regulations, internal regulations and Decisions issued thereunder.

(b) The Commissioner of Taxation shall have, *mutatis mutandis*, all powers, responsibilities and obligations, including the imposition of administrative fines and/or other administrative sanctions, including penalties and/or surcharges set forth in the Assessment and Collection of Taxes Law and the Special Contribution to the Defence of the Republic Law, in order to perform the duties assigned thereto and to resolve any issues that may arise under the provisions of this Law, and any Regulations, internal regulations and Decisions issued thereunder.

(12) The amount calculated by the Minister of Finance, in consultation with the Organisation, as representing the costs associated with collection of contributions by the Director of the Social Insurance Services and the Commissioner of Taxation shall be paid by the Fund to the Consolidated Fund of the Republic.

(13) The collection and/or withholding and/or payment of the contributions referred to in this section shall be effected in accordance with procedures specified by Regulations.

20 of 74(I) of  
2017.  
Co-payment and  
contribution.

**20A.**-(1)(a) Subject to the provisions of paragraph (b)(ii), the Organisation may require beneficiaries to make co-payments for the healthcare services they receive, as determined by Regulations.

(b)(i) The Organisation may require the payment of a contribution type I after direct access of the beneficiary to a specialist doctor of his choice, in accordance with the provisions of section 28(2)(b), for both the visit and for any other healthcare services resulting from the visit, as determined by Regulations.

(ii) Where the beneficiary pays a contribution type I for healthcare services received from a healthcare provider, he is not required to make a co-payment for the same healthcare services.

(c) Without prejudice to the provisions of paragraphs (a), (b) and (d) hereof, the Organisation may require payment of a contribution type II, in addition to the co-payment or contribution type I, for receipt of pharmaceutical products, as determined by Regulations.

(d) Without prejudice to the provisions of paragraphs (a), (b) and (c) hereof, the Organisation may require payment of a contribution type II, in addition to the co-payment or contribution type I, for receipt of medical devices and medical hygiene supplies, as determined by Regulations.

(2) The procedures for the payment of co-payments and/or contributions shall be specified in Regulations.

(3) The amount of contributions I and II shall be determined by Regulations.

(4)(a) The maximum co-payment shall be determined by Regulations.

(b) Where during one year a beneficiary has made co-payments, the total amount of which is equal to or greater than the maximum co-payment applicable in his case, he is not required to make any additional co-payment for the remainder of the year:

It is understood that where the beneficiary makes a co-payment in excess of the maximum co-payment, then the healthcare provider is required to reimburse the beneficiary for the amount received over the maximum co-payment.

(c) The healthcare provider shall inform the beneficiary that he has paid the maximum co-payment for the year and shall not collect any additional co-payment.

Voluntary insurance. 21.-(1) Subject to the provisions of this Law, exempted persons shall have the right to become members of the Healthcare System on a voluntary basis, on such terms and conditions as specified by internal regulations.

21(a) of 74(I) of 2017.

(2) The provisions of subsection (1) shall be applied as and when the Organisation announces the application of a special system for voluntary insurance, in which the rate of contribution, the conditions and the provision of services may differ from the conditions of contribution and the provision of services under the General Healthcare System.

21(b) of 74(I) of 2017.

(3) Notwithstanding the provisions of subsections (1) and (2), the Organisation is not required to enter into any agreement under this section, even if all the prerequisites for the submission of the relevant application are satisfied.

21(c)(d) of 74(I) of 2017.

(4) The application of this section shall be regulated by internal regulations.

22 of 74(I) of 2017.

## PART VII—ORGANISATION OF HEALTHCARE SERVICES PROVISION

23 of 74(I) of 2017. Healthcare provided by the System. 22.-(1) Healthcare provided by the Healthcare System includes the healthcare services referred to in this Part, as defined in Regulations and/or protocols adopted by the Organisation, as well as any other healthcare services that may be determined by Regulations.

(2) Without prejudice to the generality of subsection (1), healthcare services may include, inter alia, the following services:

(a) healthcare by personal doctors:



It is understood that the Board may, in exceptional cases as these may be determined by Decision, request the Minister to authorise doctors with a specific medical speciality, who choose to contract with the Organisation as personal doctors, to provide inpatient healthcare to beneficiaries registered on their list of patients;

(b) healthcare provided by specialist doctors;

(c) laboratory tests;

(d) necessary pharmaceutical products, medical devices and medical hygiene supplies upon prescription issued by a doctor or dentist and included in the list of pharmaceutical products, or the list of medical devices and medical hygiene supplies:

It is understood that, under the terms and conditions laid down by internal regulations, pharmaceutical products, medical devices and medical hygiene supplies not included in the list of pharmaceutical products or the list of medical devices and medical hygiene supplies may be granted approval;

(e) healthcare by nurses and midwives;

(f) palliative care;

(g) healthcare by other healthcare professionals;

(h) inpatient healthcare;

(i) preventive dental healthcare;

(j) medical rehabilitation, including the procurement, maintenance and replacement of orthopaedic and orthotic items and prosthetic limbs;

(k) home visits;

(l) transport of beneficiaries by ambulance;

(m) healthcare, as determined by Regulations, in the event of accidents and emergencies.

77(I) of 1997  
49(I) of 2003  
26(I) of 2007.

(3) The healthcare provided does not include chronic psychiatric institutional or compulsory care which is provided under the provisions of the Psychiatric Nursing Law.

(4)(a) Notwithstanding the provisions of this Law, the Board may, in consultation with the Medical Council or the Drugs Advisory Committee, by reasoned decision, refuse to provide healthcare of limited or doubtful efficacy, or healthcare services, the cost of which is very high and may endanger the sustainability of the System.

(b)(i) The party concerned may submit an objection by written application to the Board against the decision of the Board to refuse the provision of healthcare services under subsection (a), within thirty (30) days of notification thereof.

(ii) Prior to the examination of the objection, the Board shall refer the case to the Secondary Medical Council or the Drugs Review Board, as the case may be.

(c) Internal regulations shall determine the procedures and any matters relevant to the implementation of this subsection as necessary.

(5) Healthcare services under this section shall be provided only by healthcare providers contracted with the Organisation of the beneficiaries' choice under the provisions of this Law.

(6) The manner in which beneficiaries shall be provided with and have access to the services under this section shall be determined by internal regulations.

23 of 74(I) of  
2017.  
Provision of healthcare  
services by doctors.

23.-(1) For the provision of healthcare services by doctors, doctors are divided into the following categories:

(a) personal doctors; and

(b) specialist doctors.

(2) For the purposes of this Law:

(a) doctors, who choose to become personal doctors, should meet the requirements of one of the following categories:

(i) doctors specialised in general medicine for beneficiaries who have attained the age of 15 years; or

(ii) doctors specialised in geriatric medicine for beneficiaries who have attained the age of 65 years; or

(iii) doctors with special training in general medical practice recognised by the Cyprus Medical Council under the provisions of the Law on the registration of Doctors for beneficiaries who have attained the age of 15 years; or

(iv) doctors holding a certificate attesting to their right to practice the activities of general medical doctor under the national social security system, in accordance with the provisions of Regulation 8F(2) of the Doctors (Special Qualifications) Regulations, or doctors holding a recognised certificate issued by the competent authorities of other Member States to their nationals, granting them the right to pursue the activities of general medical doctor in the Republic under the national social security system, in accordance with the provisions of Regulation 8F(3) of the Doctors (Special Qualifications) Regulations to beneficiaries who have attained the age of 15 years; or

Official  
Government Gazette  
Third (I) Annex:  
2.5.2003  
30.4.2004  
4.6.2004  
29.5.2009  
20.6.2014  
12.6.2015.

(v) doctors specialised in pathology for beneficiaries who have attained the age of 15 years; or

(vi) doctors specialised in paediatrics for beneficiaries until they attain the age of 18 years; or

(vii) doctors who have proven to have attended training courses for special education in general medicine, as established by the Organisation in cooperation with the Ministry of Health and the Pancyprian Medical Association, and as approved by the Cyprus Medical Council, the content, duration and the terms and conditions of which shall be determined by internal regulations, and the conduct of which shall be determined by decision of the Organisation published in the form of a notice in the Government Gazette of the Republic, for beneficiaries who have attained the age of 15 years.

(b) Notwithstanding the provisions of subparagraph (vii) hereof, on only one occasion prior to the date on which the System becomes operational, doctors, who do not fall under the provisions of subparagraphs (i) to (vi), shall have the right to contract with the Organisation as personal doctors, subject to their attendance at a special training programme proposed to the Ministry of Health by the Organisation and developed by the Ministry of Health, in cooperation with the Pancyprian Medical Association and the Organisation, with the approval of the Cyprus Medical Council.

(3)(a) Specialist doctors are doctors with a specialty or specialisation recognised by the Cyprus Medical Council, under the provisions of the Doctors (Special Qualifications) Regulations, and who do not choose to contract with the Organisation as personal doctors in accordance with the provisions of the Law:

It is understood that doctors within the meaning of the Doctors (Special Qualifications) Regulations, who meet the requirements of this Law and choose to contract with the Organisation as personal doctors, are not entitled at the same time to contract with the Organisation as specialists.

(b) For the provision of healthcare services by specialist doctors, the Organisation shall contract with doctors with a speciality, or a specialty and specialisation, recognised by the Cyprus Medical Council as specified by Regulations.

23 of 74(I) of  
2017.  
Contracts for the  
provision of healthcare  
services by personal  
doctors.

**24.**-(1) For the provision of healthcare services within the meaning of section 22(2)(a), the Organisation shall contract with personal doctors.

(2) The Organisation may, in cooperation with the Ministry of Health and in consultation with the Pancyprian Medical Association, set standards for the required facilities and equipment for the provision of healthcare services to beneficiaries by personal doctors.

(3) The total number of beneficiaries who may be registered on a personal doctor's list shall not exceed two thousand five hundred beneficiaries at any given time.

(4) Notwithstanding the provisions of subsection (3), for the purposes of smooth operation of the System, the Organisation may, by decision, authorise the registration of a larger total number of beneficiaries on a personal doctor's list.

(5) Where the provision of healthcare services by a healthcare provider is made through more than one personal doctor, then the total number of beneficiaries of the healthcare provider shall be equal to two thousand five hundred on the number of personal doctors providing healthcare services in accordance with the provisions of this Law.

(6) The Organisation may, by means of Regulations, make provisions to impose geographic restrictions on the registration of beneficiaries on the lists of personal doctors for the purposes of ensuring smooth operation of the System.

23 of 74(I) of  
2017.  
Obligations of personal  
doctors.

**25.** Personal doctors have an obligation to:

(a) keep lists of registered beneficiaries to whom they provide healthcare services in a form determined by the Organisation;

(b) serve beneficiaries according to a time schedule determined by internal rules;

(c) register beneficiaries on their list following their referral by the Organisation under the provisions of section 26.

23 of 74(I) of  
2017.  
Registration, rights and  
obligations of  
beneficiaries.

**26.-(1)** Without prejudice to the provisions of section 24 (3), (5) and (6), beneficiaries must be registered on the list of a personal doctor of their choosing.

(2) Beneficiaries up to the age of 15 years must be registered on the list of a doctor specialised in paediatrics as determined in section 23(2)(a)(vi) or, where there is no doctor specialised in paediatrics, on the list of a personal doctor not specialised in geriatrics of the parents or guardian's choice, and beneficiaries who have attained the age of 15 years must be registered either on the list of a doctor specialised in paediatrics or of a personal doctor not specialised in geriatrics of their parents or guardian's choice until they attain the age of 18 years:

It is understood that, with respect to the choice of a personal doctor or a doctor specialised in paediatrics, as the case may be, the opinion of minors who have attained the age of 15 years shall be taken into serious consideration.

(3) Beneficiaries over the age of 65 years must be registered on the list of a doctor specialised in geriatrics or other personal doctor, apart from doctors specialised in paediatrics:

It is understood that beneficiaries, who have not attained the age of 65 years, are not entitled to register on the list of personal doctors specialised in geriatrics.

(4) Beneficiaries shall have the right to change the personal doctor of their choice once every six months from the date of their registration on a personal doctor's list, in accordance with procedures laid down by Decisions, which may also provide for the possibility for the Organisation to determine exceptional cases in which the right to change a personal doctor may only be exercised each time after a period of one year has elapsed, or before six months have elapsed from the date of registration on a personal doctor's list.

(5) In case where a personal doctor:

(a) refuses to register a beneficiary on his list, the beneficiary shall have the right to submit a complaint to the Organisation against the personal doctor's decision;

(b) wishes to remove a beneficiary from his list against the beneficiary's will, he shall inform the Organisation of his decision to do so, and the beneficiary shall have the right to submit a complaint to the Organisation against the personal doctor's decision.

(6) The Organisation may assign the provision of healthcare services to a beneficiary to a personal doctor who is contracted with the Organisation, who is then required to register that beneficiary on his list, with or without reservation, in the following cases:

(a) in case a beneficiary has submitted a complaint to the Organisation against a doctor's decision to remove him from his list, where the said beneficiary has not been registered on the list of another personal doctor of his choice; or

(b) in cases determined by Decisions, in which a beneficiary has not been registered on a personal doctor's list of his choice within the time period specified by Decisions:

It is understood that, subject to the provisions of this section, in all cases referred to in this section, personal doctors reserve their right to request the removal of a beneficiary from their list, provided that such request is made without any adverse discriminatory effect.

(7) The procedures and details regarding the examination of complaints submitted by beneficiaries, or the restrictions or requests for the removal or assignment of beneficiaries to personal doctors by the Organisation under the provisions of this section, as well as the time limits within which the Organisation shall be obliged to take a decision, shall be determined by Decisions.

23 of 74(I) of  
2017.  
Substitution of personal  
doctors.

**27.**-(1) Personal doctors may, if they so wish, compensate another personal doctor who is contracted with the Organisation for the provision of substitute service; the reasons and the procedure for the notification and control of the substitute service by the Organisation shall be determined by Decisions.

(2) Subject to the provisions of section 36, for healthcare services that are provided to beneficiaries during substitute service, payment shall be made by the Organisation to the personal doctor on whose list the beneficiaries are registered.

(3) The Organisation shall not pay any additional remuneration to the personal doctor providing the substitute service.

(4) For the purposes of this section, 'substitute service' means the temporary replacement of a personal doctor by another doctor contracted with the Organisation for the provision of healthcare services under the provisions of section 22(2)(a).

23 of 74(I) of  
2017.  
Provision of healthcare  
services by specialist  
doctors and their  
obligations.

**28.**-(1) For the provision of healthcare services within the meaning of section 22(2)(b) of this Law, the Organisation shall enter into contract with specialist doctors.

(2) Healthcare services by specialist doctors shall be provided to beneficiaries by specialist doctors of their choice:

(a) after referral by a healthcare provider, as determined by internal regulations; or

(b) after direct access of the beneficiary to a specialist doctor with payment of a contribution;  
or

(c) after direct access of the beneficiary to a specialist doctor under certain conditions and without payment of contribution I, as determined after consultations of the Organisation with the Pancyprian Medical Association, and with the consent of the Minister.

(3) Referrals to a specialist by healthcare providers referred to in subsection (2)(a) in order to cover visits made directly by the beneficiary to a specialist before the date of referral, are prohibited.

(4) Healthcare services provided in violation of the provisions of this section shall not be covered by the Organisation.

23 of 74(I) of  
2017.  
Provision of dental  
healthcare.

**29.**-(1) For the provision of healthcare services within the meaning of section 22(2)(i), the Organisation shall enter into contract with dentists.

(2) Beneficiaries of dental healthcare services shall have direct access to the dentist of their choice, or of their parents or guardians' choice, as the case may be, provided that they are contracted with the Organisation.

23 of 74(I) of  
2017.  
Contracts for provision  
of healthcare services to  
beneficiaries by  
providers other than  
doctors.

**30.** For the provision of healthcare services as determined in section 22 of this Law, the Organisation shall enter into contract with:

- (a) other healthcare professionals;
- (b) pharmacists who provide healthcare services through pharmacies;
- (c) laboratories;
- (d) nurses and midwives;
- (e) any other person who provides healthcare services which, at the Organisation's discretion, are included among the healthcare services within the meaning of this Law and any Regulations and/or internal regulations issued thereunder, and which the Organisation shall be obliged to provide, in accordance with the terms and conditions laid down thereby.

23 of 74(I) of  
2017.  
Provision of inpatient  
healthcare.

**31.-(1)** For the provision of inpatient healthcare, the Organisation shall enter into contract with public and private hospitals.

(2) The payment procedures for hospitals contracted with the Organisation for the provision of inpatient healthcare shall be determined by Regulations.

(3) Hospitals shall receive payment for inpatient healthcare based on groups of related diagnoses or other methods to be determined by Regulations, which may also provide for the provision of data and information pertaining to the groups of related diagnoses and the improved functioning of the System.

(4) The fees payable to hospitals contracted with the Organisation shall be determined by Decisions following consultations with representatives of the hospitals in question.

(5) Hospitals shall not be remunerated by beneficiaries for healthcare services covered by the Organisation under the System, except in the cases specified in section 20A.

23 of 74(I) of  
2017.  
Accident and  
emergency services and  
ambulance services.

**32.-(1)** For the provision of healthcare services to beneficiaries in the event of accidents and emergencies, the Organisation shall enter into contract with public and private hospitals.

(2) If, after examination in a hospital, it is deemed that the case does not constitute an accident and/or emergency, then the hospital shall receive payment only for the examination carried out:

It is understood that if the case is not considered an accident and/or emergency, but the beneficiary nevertheless chooses to receive healthcare at the hospital, then he is required to compensate the hospital himself.

(3) The method and procedures for the payment of hospitals contracted with the Organisation for the provision of healthcare services in the event of accidents and emergencies shall be determined by Regulations.

(4) The fees payable to hospitals contracted with the Organisation for the provision of healthcare services in the event of accidents and emergencies, shall be determined by Decisions following consultations with representatives of the hospitals in question.

(5) Hospitals contracted with the Organisation for the provision of healthcare services in the event of accidents and emergencies shall not be remunerated by beneficiaries for healthcare services covered by the Organisation under the System, except in the cases provided for in section 20A.

24 of 74(I) of  
2017.  
Ambulance transport  
services.

**32A.** For the transport of beneficiaries by ambulance, the Organisation shall enter into contract solely with ambulance service providers as determined by Regulations.

24 of 74(I) of  
2017.  
Obligations of  
healthcare providers.

**32B.** The Organisation may demand that all healthcare providers and/or their staff:

(a) ensure that they attend training programmes relevant to the effective implementation and operation of the System, as determined by internal regulations;

(b) ensure that they attend educational seminars that are organised from time to time by the Organisation or the Ministry of Health or their respective associations/societies and/or in cooperation among themselves and/or in cooperation with approved educational establishments;

(c) apply the clinical guidelines, the safety and/or quality assurance standards that are adopted by the System;

(d) keep records of beneficiaries as determined by the laws governing their profession, as well as any other records specified by Regulations;

(e) submit data in a form prescribed by the Organisation together with their claims for payment for the healthcare services provided;

(f) permit entry into their premises of persons authorised by the Organisation for the purpose of verifying whether the provisions of this Law and any Regulations or internal regulations or Decisions issued thereunder are complied with, and whether the terms and conditions of contracts with the Organisation are fulfilled; and

(g) provide the healthcare services provided for by this Law without adverse discrimination.

24 of 74(I) of  
2017.  
Information technology  
system.

**32C.-(1)** Healthcare providers are required to use the information technology system implemented for issuing referrals and prescriptions, submitting payment demands, managing the list of beneficiaries and any other actions and/or procedures specified in this Law and in any Regulations, internal regulations and Decisions issued thereunder:

It is understood that the actions and/or procedures referred to in subsection (1) shall be performed only through the information technology system, unless the Organisation specifies otherwise.

(2) For the purposes of this Law and any civil or criminal proceedings, the Organisation shall provide persons entitled to use the information technology system with security codes, which shall take the place of a handwritten signature that any documents would bear if they were submitted without the use of an information technology system.

(3) For the use of the information technology system, the Organisation shall issue a document containing the terms and conditions that must be complied with by any person using the information technology system.

(4) The user of the information technology system shall undertake the responsibility to fully comply with the security rules described in the terms and conditions of the system, as well as with the provisions of the Processing of Personal Data (Protection of Individuals) Law.

138(I) of 2001  
37(I) of 2003  
105(I) of 2012.

(5) Beneficiaries have the right to use the information technology system, provided that they comply with the provisions of subsections (2), (3) and (4):

It is understood that the generality of the provisions of sections 54, 54A and 54B shall not be affected.

25 of 74(I) of 2017.  
Provision of healthcare services abroad.  
149(I) of 2013  
82(I) of 2015.

**33.**-(1) Healthcare services that are not offered in the Republic, or that are insufficient to cover all the needs of the beneficiaries within the Republic, and with respect to which the provisions of the Application of Patients' Rights in Cross-Border Healthcare Law are not applicable, may be provided by hospitals abroad specified by the Organisation.

(2) Subject to the provisions of section 59, procedures to determine the need to transfer beneficiaries abroad shall be specified by internal regulations issued for this purpose.

(3) For the purposes of implementation of this section, the Organisation may establish a special account of the Fund to accept government grants, donations or other contributions that may be made by any person for the purpose of providing assistance to the Fund to cover the provision of healthcare services to beneficiaries abroad, in accordance with the procedures and under the terms and conditions set out in Regulations.

25 of 74(I) of 2017.  
Pharmaceutical products covered by the Organisation.

**34.**-(1) The Organisation may, in exceptional cases, contact the Ministry of Health to ensure the availability of specific pharmaceutical products necessary for the public health.

(2)(a) The Organisation shall draw up a list of pharmaceutical products under the provisions of this section.

(b) The Organisation may determine, by means of Regulations, methods for controlling and limiting expenditure, which may include, inter alia, contracts with holders of marketing authorisations or parallel imports of pharmaceutical products.

(3) The Council of Ministers, on the recommendation of the Minister, shall appoint a Drugs Advisory Committee and a Drugs Review Board, the composition, functioning, and procedures of which shall be determined by internal regulations.

(4) The Drugs Advisory Committee shall be responsible, inter alia, to:

(a) advise the Board:

(i) on the inclusion of products in the list of pharmaceutical products, following applications submitted under section 35;

(ii) on the inclusion or removal of products from the list of pharmaceutical products, at the request of the Board or on its own initiative;



- (iii) on the supply of pharmaceutical products that are costly or of limited or doubtful efficacy, which may or may not be included in the list of pharmaceutical products, at the request of the Board or on its own initiative;
- (b) exercise the powers laid down in section 35A in relation to medical devices and medical hygiene supplies; and
- (c) exercise any other powers that may be conferred thereupon by the Board.
- (5) The Drugs Review Board shall be responsible, inter alia, to:
- (a) make recommendations to the Council as to objections submitted against Board decisions; and
- (b) exercise any other power that may be conferred thereon by the Minister.
- (6) The Board shall appoint a Drug Compensation Advisory Committee, the composition, functioning and procedures of which are specified by internal regulations, whose purpose is to advise the Board on the compensation for pharmaceutical products that have been or will be included in the list of pharmaceutical products, as well as to exercise any other powers that may be conferred thereupon by the Board.
- (7) The manner and procedures for drawing up the list of pharmaceutical products and the expenditure to be covered by the Organisation shall be specified by internal rules.
- (8) The list of pharmaceutical products and any Annexes thereto shall be approved by the Board prior to their publication in the Government Gazette of the Republic and the notification thereof to the European Commission.
- (9)(a) The Minister may request that the Board reconsiders the inclusion and/or removal of pharmaceutical products from the list of pharmaceutical products.
- (b) Should the Board disagree with any recommendation of the Drugs Advisory Committee to include or exclude a pharmaceutical product and/or a category of pharmaceutical products from the list of pharmaceutical products, the Minister may, after consultation with the Board, request the inclusion or exclusion of a pharmaceutical product and/or a category of pharmaceutical products, the inclusion or exclusion of which has been recommended by the Drugs Advisory Committee.
- (c) Should the Board disagree with any recommendation of the Drugs Advisory Committee to remove a pharmaceutical product and/or a category of pharmaceutical products from the list of pharmaceutical products, the Minister may, after consultation with the Board, request the removal of a pharmaceutical product and/or a category of pharmaceutical products, the removal of which has been recommended by the Drugs Advisory Committee.
- (10) Before the System enters into operation, the Organisation shall publish in the Government Gazette of the Republic and notify the European Commission of the criteria it takes into account, when deciding whether to include or exclude certain pharmaceutical products or categories of pharmaceutical products from the list of pharmaceutical products.
- (11) Prior to the System's entry into operation, the Organisation shall notify the European Commission of the criteria for the therapeutic classification of the pharmaceutical products used by the Organisation under the System.
- (12)(a) Any decision by the Board to remove a pharmaceutical product from the list of pharmaceutical products must be justified on the basis of objective and verifiable criteria and be communicated to the person concerned, together with any expert opinions or

recommendations on which the decision is based, and the legal remedies available thereto against the decision in question, and the time-limits for the exercise thereof.

(b)(i) An objection against a decision of the Board to remove a pharmaceutical product from the list of pharmaceutical products may be submitted to the Board by the competent person in writing within thirty (30) days of notification of the decision to the said person, in accordance with procedures laid down by internal regulations.

(ii) When the reason or one of the reasons for the objection concerns the opinion of the Drugs Advisory Committee, the Board, prior to the examination of the objection, shall refer the case to the Drugs Review Board, in accordance with procedures laid down by internal regulations.

(13) Any Board decision to remove a category of pharmaceutical products from the list of pharmaceutical products must be justified on the basis of objective and verifiable criteria and be published in the Government Gazette of the Republic.

25 of 74(I) of  
2017.  
Applications by  
marketing authorisation  
holders or parallel  
importers of  
pharmaceutical products  
for inclusion in the list  
of pharmaceutical  
products.

**35.-(1)** For any pharmaceutical product manufactured in or imported to the Republic for which a marketing authorisation is in force in accordance with the provisions of the Medicinal Products for Human Use (Quality Control, Supply and Prices) Law, the marketing authorisation holder or parallel importer may submit an application in a form specified by the Organisation for inclusion in the list of pharmaceutical products, provided that it has been invoiced in accordance with the provisions of the Law in question.

(2) By way of exception, and under such terms and conditions as laid down by internal regulations, doctors contracted with the Organisation shall have the right to apply to the Organisation in a form specified thereby for the inclusion of a pharmaceutical product in the list of pharmaceutical products.

(3) The Organisation is required to notify the applicant of the Board's decision to include a pharmaceutical product in the list of pharmaceutical products within ninety days from the date of application.

(4) The applicant is required to provide the Board with all the necessary information regarding the pharmaceutical product and, where such information is insufficient, the Board shall immediately inform the applicant of any additional detailed information required therefrom:

It is understood that in the event that additional data and information is required to be submitted, the time limit provided for in subsection (3) shall be postponed and recommence after the additional data and information has been submitted.

(5)(a) Any Board decision to exclude a pharmaceutical product from the list of pharmaceutical products must be justified on the basis of objective and verifiable criteria and be communicated to the applicant, together with any expert opinions or recommendations on which the decision is based, and the legal remedies available thereto against the decision in question, and the time-limits for the exercise thereof.

(b)(i) An objection against a decision of the Board to exclude a pharmaceutical product from the list of pharmaceutical products may be submitted the Board by the applicant in writing within thirty (30) days of notification of the decision thereto, in accordance with procedures laid down by internal regulations.

(ii) When the reason or one of the reasons for the objection concerns the opinion of the Drugs Advisory Committee, the Board, prior to the examination of the objection, shall refer the case to the Drugs Review Board, in accordance with procedures laid down by internal regulations.

(6) Subject to the provisions of section 34, the Board may, on the recommendation of the Drugs Advisory Committee, authorise the coverage of expenditure, or part of the expenditure, for pharmaceutical products within the framework of the System for which the Drugs Review Board has issued an import licence in accordance with the provisions of section 3(6) of the Medicines for Human Use (Quality Control, Supply and Prices) Law.

(7) Any Board decision to exclude a category of pharmaceutical products from the list of pharmaceutical products must be justified on the basis of objective and verifiable criteria and be published in the Government Gazette of the Republic.

26 of 74(I) of  
2017.  
Coverage by the  
Organisation of medical  
devices and medical  
hygiene supplies.

**35A.**-(1) The Organisation may, in exceptional cases, contact the Ministry of Health to ensure the availability of specific medical devices and medical hygiene supplies necessary for the public health.

(2) The Organisation shall draw up a list of medical devices and medical hygiene supplies, the expenditure or part of the expenditure of which shall be covered under the System. The Organisation may determine, by means of Regulations, methods for controlling and limiting expenditure, which may include, inter alia, contracts with manufacturers and suppliers of medical devices and medical hygiene supplies.

(3) The Drugs Advisory Committee appointed pursuant to section 34(3) shall examine applications submitted by doctors, advise the Board on the inclusion or removal of medical devices and medical hygiene supplies from the list of medical devices and medical hygiene supplies, or on the provision of costly medical devices and medical hygiene supplies of limited or doubtful efficacy, which may or may not be included in the list of medical devices and medical hygiene supplies.

(4) For the inclusion of medical devices and medical hygiene supplies in the list of medical devices and medical hygiene supplies, applications shall be submitted to the Organisation by doctors in a form specified by the Organisation.

(5) The manner and procedures for drawing up the list of medical devices and medical hygiene supplies and the expenditure to be covered by the Organisation shall be determined by internal rules.

27 of 74(I) of  
2017.  
Remuneration of  
personal doctors.

**36.**-(1) Personal doctors may not be remunerated by beneficiaries for healthcare services covered by the Organisation under the System, except in the cases specified in section 20A.

(2) Personal doctors shall receive remuneration for the provision of healthcare services per registered beneficiary, based on their age group and/or in any other manner specified by Regulations:

It is understood that the amount of remuneration of personal doctors shall be determined by Decisions, following consultations of the Organisation with the Pancyprian Medical Association, and with the consent of the Minister.

27 of 74(I) of  
2017.

**37.**-(1) Specialist doctors shall receive remuneration for the provision of healthcare services in accordance with procedures laid down by Regulations:

Remuneration of  
specialist doctors and  
other healthcare  
providers.

It is understood that the amount of remuneration of specialist doctors shall be determined by Decisions, following consultations of the Organisation with the Pancyprian Medical Association, and with the consent of the Minister.

(2) The procedures for the remuneration of dentists shall be laid down by Regulations:

It is understood that the amount of remuneration of dentists shall be determined by Decisions, following consultations of the Organisation with the Pancyprian Medical Association, and with the consent of the Minister.

(3) The procedures for the remuneration of pharmacists shall be determined by Regulations:

It is understood that the amount of remuneration of pharmacists shall be determined by Decisions, following consultations of the Organisation with the Pancyprian Medical Association, and with the consent of the Minister.

(4) The procedures for the remuneration of nurses and midwives, other health professionals, laboratories, ambulance service providers and any other healthcare providers contracted with the Organisation shall be determined by Regulations:

It is understood that the amount of remuneration shall be determined by Decisions, following consultations of the Organisation with the respective competent professional associations, societies, bodies or representatives of each healthcare provider, and with the consent of the Minister.

(5) Healthcare providers referred to in subsections (1), (2), (3) and (4) shall not receive remuneration from beneficiaries for healthcare services covered by the Organisation under the System, except in the cases specified in section 20A.

27 of 74(I) of  
2017.  
Conclusion of contracts  
by the Organisation.

**38.-(1)** For the provision of healthcare services, the Organisation shall contract with natural or legal persons of private or public law or their associations or state health services, which comply with the provisions of this Law, and any Regulations, internal regulations and Decisions issued thereunder.

(2) Where the provision of healthcare services to beneficiaries is carried out by natural persons on behalf of healthcare providers, these former must comply with the provisions of this Law, and any Regulations, internal regulations and Decisions issued thereunder, and the obligations of healthcare providers bound the natural persons providing such services as well.

(3) The Organisation shall, before concluding contracts for the provision of healthcare services, register in the System the natural or legal persons of private or public law or their associations or the state health services wishing to provide healthcare services, for the purpose of monitoring their compliance with the provisions of this Law and any Regulations, internal regulations and Decisions issued thereunder.

(4) Any decision of the Organisation not to register or contract with any natural or legal person of private or public law or their associations or state health services, shall be duly justified and notified to the respective healthcare provider.

27 of 74(I) of  
2017.  
Control of compliance  
with obligations by  
healthcare providers.

**39.**-(1) The Organisation shall monitor and control compliance with the terms and conditions of the contract and the performance of healthcare providers in any way it deems necessary and effective.

(2) Without prejudice to the generality of subsection (1), the Organisation shall verify compliance with the terms and conditions of the contract and the performance of healthcare providers:

(a) by exercising in any way control over the issue of prescriptions and referrals, including via the information technology system maintained by the Organisation;

(b) by monitoring the extent of compliance with the technical specifications, quality criteria and other conditions laid down by the Clinical Quality Practices and Clinical Control Management Programmes, as determined from time to time by the Organisation in cooperation with the Ministry of Health and the corresponding professional societies, associations or bodies under the provisions of this Law, the implementation of clinical guidelines adopted by the System in any way whatsoever, including, inter alia, via the information technology system maintained by the Organisation where this is possible;

(c) by inspecting the records of beneficiaries and the premises of healthcare providers through on-site visits.

27 of 74(I) of  
2017.  
Reasons for suspension  
or termination of  
contracts for  
the provision of  
healthcare services.

**40.**-(1) The Organisation may suspend or terminate the contract for the provision of healthcare services with any healthcare provider for reasons specified in the contract, which include, inter alia:

(a) acts that constitute fraud or involve an element of deception or unethical behaviour leading to exploitation of the system;

(b) the healthcare provider has secured a healthcare service provision contract with the Organisation on the basis of false or misleading information submitted to the Organisation;

(c) the healthcare provider fails to meet the provisions of this Law and the terms and conditions of the contract after the date of signature thereof;

(d) the healthcare provider refuses or fails to comply with any of his obligations under this Law and any Regulations, internal regulations and Decisions issued thereunder and specified in the contract;

(e) the healthcare provider refuses or fails systematically and unjustifiably to offer for any reason the benefits provided for in this Law and any Regulations, internal regulations and Decisions issued thereunder and specified in the contract for the provision of healthcare services to beneficiaries, and in particular, where there is adverse discrimination against any beneficiary.

(2) Any decision of the Organisation to suspend or terminate a contract with a healthcare provider must be duly substantiated and communicated to the provider in question.

27 of 74(I) of  
2017.

**41.** Healthcare providers contracted by the Organisation are required to comply with the terms, conditions, minimum requirements and specifications of the contract.

Obligations of  
contracted healthcare  
providers.

- Appointment, duties  
and remuneration of the  
Commissioner.  
28(a) of 74(I) of  
2017.
- 42.-(1) A Complaint, Audit and Supervisory Commissioner shall, on the recommendation of the Minister, be appointed by the Council of Ministers, in accordance with the terms of the mandate set out in the instrument of appointment.
- 28(b) of 74(I) of  
2017.
- (2) The Commissioner shall at least hold post-graduate academic qualifications in one or more of the fields of Law, Economics or Finance, Basic Health Sciences, Public Administration or Business Administration, with at least seven years' experience in the relevant field.
- 28(c) of 74(I) of  
2017.
- (3) The appointment of the Commissioner shall be for a term of six years, who shall retire at the end of the month in which he attains the age of sixty-eight.
- 28(d) of 74(I) of  
2017.
- (4) The Commissioner is an independent official, accountable only to the Council of Ministers.
- 28(e) of 74(I) of  
2017.
- (5)(a) No person may be appointed or maintain the office of a Commissioner, if he, or his spouse, or first degree relative, is occupied in a professional capacity or holds shares in excess of 1% of share capital, or has any other direct, indirect, or conflicting interest in business enterprises, or has any other relationship with the provision of healthcare services provided under this Law.
- (b) A person shall be deprived of his capacity as Commissioner if, after assuming his duties, he:
- (i) acquires one of the capacities which constitute an impediment to appointment under paragraph (a);
- (ii) performs or undertakes any work or project or otherwise acquires a capacity that is incompatible with his duties as Commissioner;
- (iii) is convicted of a criminal offence involving dishonesty or moral turpitude;
- (iv) is convicted of a criminal offence punishable by imprisonment;
- (v) is convicted of a criminal offence in violation of the provisions of section 44(2);
- (c) is unable to adequately fulfil the functions, powers or duties of the office for the remainder of the term.
- (c) The Council of Ministers, as soon as it verifies that any of the events referred to in subsection (b) have occurred, shall publish a notice in the Government Gazette of the Republic, stating that the Commissioner, from a specific date indicated therein, shall no longer occupy the office.
- 28(f) of 74(I) of  
2017.
- (6)(a) The Commissioner shall receive remuneration, the amount of which shall be determined by the Council of Ministers.
- (b) The Commissioner may not hold any other post or office in the Republic or engage in any other occupation on payment.

- 28(g) of 74(I) of 2017. (7)(a) In the exercise of his duties, the Commissioner shall have an Office which will be staffed by officers with such qualifications and such terms of service as shall be determined in Regulations.
- (b) Notwithstanding the provisions of subsection (a), for the purposes of efficient operation, the Commissioner's Office may be staffed by civil servants or hourly-paid civil servants, as the case may be, who shall serve or be transferred or seconded to the Ministry of Health and assigned for employment in the Commissioner's Office:
- It is understood that the number of civil servants or hourly-paid civil servants that may be assigned for the purpose of staffing the Commissioner's Office, as well as the period of time during which they shall be assigned thereto, with the option of renewal, shall be decided by the Minister of Health, upon the request of the Commissioner:
- It is further understood that the evaluation of civil servants employed by the Commissioner's Office shall be carried out by the Director General of the Ministry of Health, taking into account the Commissioner's written opinions.
- (c) The Commissioner shall have the power, provided that the principle of hierarchy is adhered to the staff of his Office, to authorise in writing any officer of his Office to exercise on his behalf such of his powers and under such conditions, exceptions and reservations as he shall specify in the authorisation:
- It is understood that the Commissioner shall have no power to delegate his right to submit any report provided by this Law.
- 29 of 74(I) of 2017. Powers of the Commissioner. **43.**-(1) The Commissioner shall have the power to investigate complaints submitted by any person specified in section 45 concerning:
- (a) any decision, act or omission by the Organisation with regard to healthcare services covered thereby;
- (b) any act or omission by healthcare providers in the context of the implementation of the contract they have signed with the Organisation;
- (c) any decision, act or omission by the Organisation in relation to healthcare providers.
- (2) The Commissioner may at his own discretion examine any matter of general interest relating to the effective implementation and functioning of the System.
- (3) The Commissioner shall investigate, upon order by the Council of Ministers, any matter which concerns the functioning and implementation of the System.
- (4) The Commissioner shall have no power to investigate any complaint or action or issue in relation to which proceedings are pending before a Court or the Organisation or any other administrative or independent authority operating under any other law.
- 30 of 74(I) of 2017. Obligation for confidentiality. **44.**-(1) Subject to the provisions of this Law, the Commissioner and any member of the staff of his Office shall consider and treat as confidential any matter, document or information that they gain knowledge of in the course of their duties, as well as any report submitted in accordance with the provisions of this Law, and shall not disclose or impart details of any such matter, document or information, except for the purposes of investigation or reporting pursuant to this Law.
- (2) The Commissioner and any member of the staff his Office who, in violation of the provisions of this Law, discloses any information or details in violation of the provisions of

subsection (1) hereinabove, commits an offence and shall be liable to imprisonment of up to three years or to a fine not exceeding five thousand Euro (EUR 5 000) or to both.

Persons entitled to submit a complaint.  
31(a) of 74(I) of 2017.

**45.—** (1) Complaints under this Law may be submitted by any natural or legal person having a legitimate interest in the investigation of the complaint.

(2) Complaints may be submitted either personally by the interested party, or by a person duly authorised by the said party or by their legal heirs, and, in the case of a minor, by his guardian.

**(3) (4) Repealed by 31 (b) of 74(I) of 2017.**

Procedural provisions.

**46.—**(1) Prior to the investigation of a complaint, the Commissioner is required to verify that the complaint was made first to the person or to the body against whom it is directed and that every reasonable opportunity was given thereto to investigate and respond to the complaint.

(2) No complaint shall be investigated, under this Part, unless the complaint is put down in writing by or on behalf of the complainant, addressed to the Commissioner and submitted within twelve months since the complainant became aware of the action complained of, unless the Commissioner deems reasonable to proceed with the investigation of a complaint submitted after twelve months since the complainant became aware of the action complained of.

32 of 74(I) of 2017.

(3) The Commissioner shall decide at his own discretion and subject to the provisions of this Law, whether to initiate or to continue or discontinue an investigation in relation to a complaint submitted in accordance with the provisions of this Part, and shall notify the person concerned of his reasoned decision to discontinue the investigation.

33 of 74(I) of 2017.  
Obligations of the Organisation, healthcare providers, and procedure.

**46A.—**(1) Where the Commissioner conducts an investigation under this Law, he shall afford to the Organisation or to the healthcare provider or any official, officer or employee thereof who is alleged to have taken or authorised the action complained of, the opportunity to comment on any allegation relating to this action.

(2) If at any stage of the investigation, the Commissioner decides that there is sufficient evidence to justify the submission by him of a report or recommendation which may have an adverse effect on the Organisation or any official, officer or employee thereof or any other person, the Commissioner shall afford to them the opportunity to be heard.

(3) If at any stage of the investigation or after its completion, the Commissioner decides that a criminal or disciplinary offence may have been committed by any official, officer or employee or any other person, he shall refer the matter to the Attorney General of the Republic or to the competent authority, as the case may be, so that the appropriate measures may be taken.

(4) The investigations conducted by the Commissioner under this Law shall not be open to the public.

(5) Subject to the provisions of this Law, the procedure for conducting an investigation shall be such as the Commissioner considers appropriate in the circumstances of the case and, without prejudice to the generality of this provision, the Commissioner shall, subject to the provisions of this Law, have the power to receive information from such persons and in such manner as he thinks fit, and may determine whether any person may be represented, by an advocate or otherwise, in the investigation.



(6) The investigation of a complaint under the provisions of this Law shall not affect any action taken by the Organisation or the healthcare provider or any power or duty they have to investigate further any matter which constitutes the subject of the investigation.

(7) Subject to the provisions of this Law, the Organisation and the healthcare providers, if so requested by the Commissioner, shall offer every assistance necessary to the Commissioner in the execution of his duties.

(8) Where the Organisation or the healthcare provider refuses or fails to offer the assistance necessary to the Commissioner in the execution of his duties, the Commissioner may offer them a reasonable period within which they are invited to cooperate, and failure to cooperate within the time limit specified, the Commissioner may submit to the competent Minister a special report, and the Minister shall ensure that the assistance necessary is provided to the Commissioner in the execution of his duties

(9) Refusal of any official, officer or employee to cooperate with the Commissioner during an investigation conducted thereby under the provisions of this Law, where such cooperation is part of their duties and responsibilities, shall constitute a disciplinary offence due to breach of duty.

(10) Refusal of any healthcare provider to cooperate with the Commissioner during an investigation conducted thereby under the provisions of this Law, and where such cooperation is part of the healthcare services provision, shall constitute a disciplinary offence due to breach of duty.

33 of 74(I) of  
2017.  
Proof.

**46B.**-(1) Subject to the provisions of this Law and notwithstanding the provisions of any other law, the Organisation or any of its officers is not allowed to invoke the duty of confidentiality during an investigation conducted by the Commissioner, unless the information or answer to a question or the document or part of a document required concerns the relations of the Republic with any other state or international organisation, or the defence, security or foreign policy of the Republic, or which the Secretariat of the Council of Ministers certifies as concerning the procedure, consultations or decisions of the Council of Ministers or any Ministerial or other Committee appointed by the Council of Ministers.

(2) Notwithstanding the provisions of subsection (1), the Minister may give written notice to the Commissioner that, in his opinion, the disclosure of a specific document or piece of information would be detrimental to the defence or security of the Republic or to the public interest. In such a case, the Commissioner shall not disclose to any person the particular document or piece of information.

(3) During an investigation, conducted in accordance with this Law, the Commissioner shall have the power to call any officer or any other person to give evidence or to furnish any information or to produce any documents which the Commissioner considers relevant to the investigation, and such an officer or such a person shall be obliged to appear before the Commissioner at the time specified by the Commissioner.

(4) Unless otherwise provided in this Law, no person shall be compelled, for the purposes of an investigation under this Law, to give information or to answer a question or to produce a document which he would not be compelled to give, answer or produce in proceedings before any Court.

(5) No evidence or answer to a question or statement given or made by any officer or other person during an investigation conducted by the Commissioner shall be admissible as evidence against any person before any Court or in any other investigation or proceedings.

33 of 74(I) of  
2017.

**46C.** The Commissioner may order the payment to any person appearing before him in order to testify or provide information or produce documents:

Payment of expenses or allowance.

- (a) of travel, accommodation and subsistence expenses which he may have incurred; and
- (b) of allowance by way of compensation for the compulsory rest from work.

33 of 74(I) of 2017.  
Offences.

**46D.** Any person who:

- (a) without lawful excuse fails to provide information relevant to an investigation conducted by the Commissioner;
- (b) without lawful excuse refuses to appear before the Commissioner or to produce any particulars required by the Commissioner, or willingly obstructs the provision thereof;
- (c) provides any information or particulars knowing them to be untrue or which he has adequate reason to believe that they are untrue;
- (d) without lawful excuse obstructs in any way an investigation conducted by the Commissioner;
- (e) insults, obstructs or harasses the Commissioner or any person involved in an investigation;
- (f) refuses to employ any person, dismisses or, threatens to dismiss him from his post, influences or threatens to influence him, intimidates or compels him or imposes a fine or other punishment on him for the reason that this person:
- (i) has submitted or intends to submit any complaint to the Commissioner;
- (ii) has provided or presented or intends to provide or present any information or documents before the Commissioner;
- (iii) has testified or intends to testify before the Commissioner,

is guilty of an offence and is liable to imprisonment not exceeding one year or to a fine not exceeding five thousand Euro (EUR 5.000) or to both.

33 of 74(I) of 2017.  
Protection of the Commissioner.

**46E.**-(1) No legal proceedings may be brought against the Commissioner in relation to any act done by him or any opinion expressed by him or report submitted by him in the exercise of his functions, provided that he has exercised his functions and powers under this Law in good faith and within their limits.

(2) The Commissioner or any member of the staff of his Office may not be called to testify before a Court or in any proceedings of a legal nature in respect of any matter that has come to his knowledge in the exercise of his duties.

33 of 74(I) of 2017.  
Regulations.

**46F.**- Regulations issued by the Council of Ministers shall determine any matter relevant to Part VII of this Law to guide the Commissioner in the performance of his duties.

33 of 74(I) of 2017.  
Reservations.

**46G.**-(1) The provisions of Part VII of this Law shall not affect the provisions of any other law, administrative act or rules of law providing for the right to institute proceedings before any Court or for a hierarchical recourse before any administrative authority or for the conduct of an investigation by a Commission of Inquiry or any other proceedings, and nothing in this Law shall limit or affect in any way such remedy, right or proceedings.

(2) The investigations conducted by the Commissioner in accordance with the provisions of this Law shall not suspend any procedure related to the action under investigation or any time limit set for the institution of legal proceedings or the submission of a hierarchical resource.

34 of 74(I) of 2017.  
Commissioner's  
reports.

47.-(1) The Commissioner shall submit within the first quarter of every year to the Council of Ministers a report about the exercise of his functions with comments and suggestions. The report submitted under this subsection shall be published.

(2) The Commissioner shall draw up a report about each specific case examined by him in which the complaint was found to be justified or a recommendation, comments, or suggestions were made.

(3) When the examination of a case requires a lengthy period of time, the Commissioner may submit an interim report, which shall include suggestions about the remedial measures which, in his judgment, are necessary until the final completion of the investigation and the submission of his final report.

(4) The Commissioner's reports shall be communicated:

(a) in case the investigation was carried out after a complaint has been submitted, to the complainant or his authorised representative or legal heirs or to the natural or legal person against whom the complaint was made, as well as to the Organisation, irrespective of whether the complaint is made against it or not;

(b) in case the investigation was carried out proprio motu by the Commissioner or upon order by the Council of Ministers, to the Council of Ministers and the Organisation.

(5) Where after the completion of an investigation, the Commissioner concludes that harm or injustice has been done to the interested person, he shall include in his report a suggestion or recommendation to the Organisation and/or the healthcare provider for the redress of the harm or injustice, and may at his discretion prescribe the time within which the said harm or injustice must be redressed.

(6) After submitting his report, the Commissioner may consult with every appropriate means to ensure the implementation of his recommendations and to resolve the problem of the person concerned. Where the Organisation and/or the healthcare provider fails to notify the Commissioner within the prescribed period of time of the actions taken thereby to implement the proposals, suggestions or recommendations of the Commissioner, or refuses to implement them, and provided that the Commissioner considers that the reasons given by the Organisation and/or the healthcare provider for refusing to implement them are not sufficiently justified, the Commissioner shall submit to the Council of Ministers the outcome of his deliberations and shall have the right to publish the refusal or failure of the Organisation and the healthcare provider to comply with his proposals.

(7) Notwithstanding the provisions of this Law, where after the completion of the investigation, the Commissioner concludes that the action against which the complaint has been made may constitute a criminal offence, a copy of the report submitted under this section shall be sent to the Council of Ministers and the Attorney General of the Republic.

(8) The publications of defamatory matter referred to in this section, in addition to those listed in section 20 of the Civil Wrongs Law, are absolutely privileged.

Cap. 148.  
87 of 1973  
54 of 1978  
156 of 1985  
41 of 1989  
73(I) of 1992

101(I) of 1996  
 49(I) of 1997  
 29(I) of 2000  
 154(I) of 2002  
 129(I) of 2006  
 171(I) of 2006  
 82(I) of 2008.

#### PART IX — FINANCIAL PROVISIONS

- 34 of 74(I) of 2017.  
 Annual budgets.  
 20(I) of 2014  
 123(I) of 2016.
- 48.**-(1) Notwithstanding the provisions of this Part, any financial matters falling under the provisions of the Fiscal Responsibility and Budgetary Framework Law, to the extent that they apply to the Organisation, shall be handled on the basis of the provisions of the law in question.
- (2) In any financial year, remuneration for any healthcare service shall be adjusted proportionally, so that actual expenditure does not exceed the budgeted expenditure defined in the overall budget for the category of healthcare services to which it corresponds, as determined by Regulations.
- (3) The Organisation's expenditure shall not exceed its revenue.
- (4) In the event of emergencies, such as epidemics, earthquakes, floods, armed conflict, military operations and other similar incidents, the State shall bear the additional costs in order for the Organisation to maintain its viability.
- (5) For the purposes of this section, 'overall budget' means the expenditure determined by the Organisation after consultations with representatives of healthcare providers to be spent the following year.
- 34 of 74(I) of 2017.  
 Financial statements.
- 49.**-(1) The Organisation shall draw up its financial statements in accordance with internationally recognised accounting standards, and shall submit them to the Minister and the Minister of Finance as well as the Auditor General, within four (4) months after the end of each financial year.
- (2) The audited financial statements together with the report of the Accountant General shall be published.
- 34 of 74(I) of 2017.  
 Accounts and balance sheet.
- 50.**-(1) The Organisation shall, immediately after the end of the financial year, prepare a financial report, including a final balance sheet on the budget for the closing financial year, as provided for in the Fiscal Responsibility and Budgetary Framework Law.
- (2) The Organisation shall submit to the Council of Ministers, through the Minister, accounts for the closing financial year by 30 September of the subsequent year.
- 34 of 74(I) of 2017.  
 Audit of financial accounts.
- 51.**-(1) The Organisation's accounts shall be audited annually by the Auditor General of the Republic.
- (2)(a) The Auditor General may, at his discretion, entrust the audit or designate the delegation of the audit of the Organisation's accounts to auditors or audit firms that hold licences and are registered in the relevant register kept in accordance with the provisions of the Auditors and Statutory Audits of Annual and Consolidated Accounts Law.
- 42(I) of 2009  
 163(I) of 2013  
 96(I) of 2016.
- (b) The Auditor General may, at his discretion, carry out additional management or other audit at any time.

(3) The Auditor General may invite any member of the Board or employee of the Organisation to provide information or explanations or to produce any books, contracts, agreement, bill, invoice, or other document necessary to perform the audit.

(4) Subject to the provisions of subsections (1), (2) and (3), the Board may entrust the audit of the Organisation's accounts to independent, accredited auditors.

Exemption from taxation. **52. Repealed by 35 of 74(I) of 2017.**

Annual report. **53.—(1)** As soon as is reasonably practicable following the end of each financial year and 36 of 74(I) of 2017. in any case not later than September 30, the Organisation shall be obliged to submit to the Minister an annual report on the exercise of its powers during the year that ended as well as on the policy and the programme implemented by the Organisation.

(2) The annual report shall include copies of the audited accounts and the report of the Auditor General of the Republic.

(3) After the submission of the annual report of the Organisation to the Minister, a copy thereof shall be submitted to the House of Representatives.

#### PART X — MISCELLANEOUS PROVISIONS

37 of 74(I) of 2017. **54.** The processing of personal data either by the Organisation or any healthcare provider Personal data protection. shall be permitted only in accordance with the provisions of the Processing of Personal Data (Protection of the Individual) Law.

38 of 74(I) of 2017. **54A.—(1)** Subject to the provisions of the Processing of Personal Data (Protection of the Confidentiality and security of data processing by the Organisation. Individual) Law, any official, officer or employee of the Organisation shall be subject to the duty of confidentiality with regard to the personal data kept by the Organisation; the duty of confidentiality also continues to exist after departure from the Organisation.

(2) The Organisation shall ensure that only specifically authorised personnel have access to retained personal data, and shall keep a register of the said authorised personnel and apply appropriate technical and organisational measures to ensure and verify any access to the data.

(3)(a) The Organisation shall be obliged to keep personal data until the end of a retention period to be determined by Decisions.

(b) The Organisation shall ensure that the retained personal data is destroyed at the end of the retention period, with the exception of data with court-ordered access, which should be kept separate.

(4) Any person who violates the provisions of this section is guilty of an offence and is liable to imprisonment of up to five (5) years or to a fine not exceeding ten thousand Euro (EUR 10.000) or to both.

38 of 74(I) of 2017. **54B.—(1)** Subject to the provisions of the Processing of Personal Data (Protection of the Confidentiality and security of data processing by healthcare providers. Individual) Law, any healthcare provider, official, officer or employee shall be subject to a confidentiality obligation for the personal data retained thereby under the provisions of this Law; the healthcare provider's duty of confidentiality also continues after the termination in any way of his contract with the Organisation or the termination in any way of his access to personal data in accordance with the provisions of this Law, and the duty of confidentiality of officials, officers or employees also continues after their departure.

(2) Healthcare providers shall ensure that only specifically authorised personnel has access to the personal data retained thereby in accordance with the provisions of this Law, and any Regulations, internal regulations and Decisions issued thereunder, and shall keep a register of the authorised personnel and apply appropriate technical and organisational measures to ensure and verify any access to personal data.

(3)(a) Healthcare providers shall be obliged to keep the personal data retained thereby under the provisions of this Law, and any Regulations, internal regulations and Decisions issued thereunder, until the end of a retention period to be determined by Decisions.

(b) Healthcare providers shall ensure that the personal data retained thereby under the provisions of this Law and any Regulations, internal regulations and Decisions issued thereunder, is destroyed at the end of the retention period, with the exception of data with court-ordered access, which should be kept separate.

(4) A person who violates the provisions of this section is guilty of an offence and is liable to imprisonment of up to five (5) years or to a fine not exceeding ten thousand Euro (EUR 10.000) or to both.

38 of 74(I) of 2017. Receipt and processing of personal data by the Organisation. **54C.** Subject to the provisions of this Law and any Regulations, internal regulations and Decisions issued thereunder, and for purposes of creating and updating an integrated registry of beneficiaries, the Organisation shall have the right to receive and process personal data from the records held by the Republic and local government authorities.

Protection from automated processing of personal data. **55. Repealed by 39 of 74(I) of 2017.**

40 of 74(I) of 2017. Insurance cover for damages due to negligence. **56.** Healthcare providers shall be obliged to hold an insurance cover against negligence in relation to the provision of healthcare services from an independent insurance institution or body at a level and content which the Council may from time to time deem to be adequate.

40 of 74(I) of 2017. Consortia of healthcare providers. **57.** The Organisation may offer incentives for the establishment and operation of consortia between healthcare providers, as determined by internal regulations.

Consortia of doctors. **58. Repealed by 41 of 74(I) of 2017.**

42 of 74(I) of 2017. Medical Council and Secondary Medical Council. **59.-(1)** For the purposes of this Law, the Board shall appoint a Medical Board and the Minister shall appoint a Secondary Medical Board, the composition, operation and procedures of which shall be determined by Regulations.

(2) The Medical Board shall be responsible, inter alia, to:

(a) advise the Board on the need to transfer beneficiaries abroad to receive healthcare services;

(b) advise the Board on ways to achieve uninterrupted provision of healthcare services and to monitor beneficiaries both before and after their transfer abroad;

(c) advise the Board on the feasibility of providing healthcare services that may be costly or of limited or doubtful efficacy;

(d) exercise any other power that may be conferred thereupon by the Board.

(3) The Secondary Medical Board shall be responsible, inter alia, to:

(a) make recommendations to the Board on objections raised against Board decisions; and

(b) exercise any other power that may be conferred thereon by the Minister.

42 of 74(I) of  
2017.  
Oversight Committee.

**60.**-(1) The Minister shall appoint an Oversight Committee to ensure the provision of high-quality healthcare services and that appropriate measures are taken with regard to specific incidents of failure to exercise reasonable standards of skill or care by healthcare providers.

(2) The Oversight Committee shall, depending on the subject under examination, include representatives of the respective medical company and/or other relevant scientific and/or professional body as well as a patients' representative with special education and training, as determined by Regulations.

Offences.  
43(a) of 74(I) of  
2017.

**61.**-(1) A person who wilfully makes any false or inaccurate statement for the purpose of being registered on a personal doctor's list is guilty of an offence and is liable to a fine not exceeding one thousand Euro (EUR 1.000).

43(b) of 74(I) of  
2017.

(2)(a) In the cases where a person wilfully makes false or inaccurate statements for the purpose of being registered on a personal doctor's list, resulting in a successful registration which otherwise would have not been materialised on the basis of true or accurate facts, is guilty of an offence and is liable to a fine not exceeding three thousand five hundred Euro (EUR 3.500).

(b) In case of conviction, the registration shall be considered null and void, and the value of every service provided to that person as a result of such registration, may be demanded for recovery by the Organisation.

43(c) of 74(I) of  
2017.

(3)(a) Any healthcare provider who wilfully makes false or incorrect statements or entries in the records or in other documents and books used for the submission of claims to the Organisation, with the purpose to deceive the Organisation and receive payment for services or supplies he has not provided, or to collect greater amounts than those he would normally be entitled to, is guilty of an offence and is liable to imprisonment of three years or to a fine not exceeding eight thousand Euro (EUR 8 000) or to both.

43(d) of 74(I) of  
2017.

(b) In case of conviction, the contract between the healthcare provider and the Organisation shall be considered as being terminated from the date of the commission of the offence, and all amounts which have been paid to the healthcare provider on the basis of false or inaccurate statements and entries, become refundable to the Organisation.

43(e)(f) of 74(I) of  
2017.

(4) Any person who wilfully provides false or inaccurate information or particulars in connection with any provision of this Law and the Regulations issued thereunder not falling under the provisions of subsections (1), (2), and (3), commits an offence and is liable to imprisonment of three years or to a fine of eight thousand Euro (EUR 8.000) or to both.

43(g) of 74(I) of  
2017.

(5) Any omission or act done contrary to the express provision of this Law and the Regulations issued thereunder, constitutes an offence punishable with imprisonment for two years or with a fine not exceeding five thousand Euro (EUR 5 000) or to both. Any other offence committed in violation of the provisions of this Law and for which no provision for penalty is provided, is punishable with the same penalties mentioned hereinabove.

(6) In cases where any sums become refundable to the Organisation by any person who has been convicted, under subsection (2) or (3), the Court may order the payment of these sums to the Organisation, if these sums have been calculated or are acceptable by the accused, which are, thereafter, recovered as a fine, subject to any order issued by the Court relevant to the time and manner of the payment.

- 43(h) of 74(I) of 2017. (7) A person, who fails or omits to pay a contribution or surcharge payable in accordance with this Law, is guilty of an offence and is liable to imprisonment of one year or to a fine not exceeding three thousand four hundred Euro (EUR 3 400), and in case of a second or repeated conviction for the same offence to imprisonment of two years or to a fine not exceeding five thousand four hundred Euro (EUR 5 400) or to both.
- (8) In case a person has been convicted for refusing or neglecting or failing to pay a contribution, he is liable, in addition to any other penalty, to pay the Fund a sum equal to the said contribution, plus a sum not exceeding 50% of the amount of the contribution, as the Court may order.
- 43(i) of 74(I) of 2017. (9) An employer, who refuses or fails or neglects to pay a contribution to the Fund which he has deducted from the earnings of a person employed thereby, is guilty of an offence and is liable to imprisonment of two years or to a fine not exceeding five thousand four hundred Euro (EUR 5 400) or to both.
- (10) None of the provisions of this section may be construed as obstructing the Board to recover any sum due to the Fund with civil proceedings.
- Payment of fines, fees, and costs to the Fund. 44 of 74(I) of 2017. **62.** All fines, fees and costs recovered under this Law and the Regulations issued thereunder, shall be paid to the Fund.
- 45 of 74(I) of 2017. Investigation of infringements and imposition of administrative fines by the Organisation. **63.-(1)** The Organisation shall be responsible to investigate, on receipt of a grievance or complaint or at its own initiative, infringements of any provision of this Law or of the Regulations, internal regulations or Decisions issued thereunder.
- (2) When the Organisation, during the conduct of an investigation pursuant to subsection (1) hereof, identifies a violation of any provision of this Law or of the Regulations, internal regulations or Decisions issued thereunder, it shall have the power, either alternatively or cumulatively, depending on the nature, duration and gravity of the infringement to:
- (a) order or recommend to the offender concerned to put an end to the violation within a specified time limit and to avoid repeating it in the future, or if the violation has ended before the announcement of the Organisation's decision, to confirm the violation by its decision; and/or
- (b) impose an administrative fine, depending on the nature, gravity and duration of the infringement, the amount of which shall not exceed thirty thousand Euro (EUR 30 000); and/or
- (c) decide, if the infringement continues, to impose an administrative fine amounting to a sum of between three hundred and forty (EUR 340) and three thousand four hundred Euro (EUR 3 400) for each day that the infringement continues, depending on the severity thereof.
- (3) During the investigation of an infringement conducted under subsection (1), the Organisation may, when it deems necessary, take into account any commitment made thereto by the offender or on behalf of the offender with regard to the infringement committed and the prospect of remedying it.
- (4) The Organisation shall be obliged to duly justify its decision in relation to the exercise of any of the powers provided for in subsection (2) hereof.



(5) The administrative fines provided for in this section shall be imposed on the offender by a reasoned decision of the Organisation after the person concerned or his representative has been given the right to be heard.

(6) The decision to impose an administrative fine by the Organisation shall be subject to objection, according to procedures laid down by Regulations that ensure the objectivity and impartiality in the Organisation's decision-making process at secondary level.

(7) The amount of the administrative fine shall be collected by the Organisation if no objection is submitted before a District Court within the period of seventy-five days from the notification of the decision imposing the said administrative fine, or in case of an objection submitted to the Organisation, from the notification of the Organisation's decision on appeal.

46 of 74(I) of  
2017.  
Initiation of criminal  
proceedings.

**63A.**-(a) Criminal prosecution for any offence referred to in section 61(7), (8) and (9) shall be exercised, as the case may be, by the Director of the Social Insurance Services or by the Commissioner for Taxation.

(b) Any inspector or other official authorised by the Director of Social Insurance Services or the Commissioner of Taxation, with the consent of the Attorney General of the Republic, may initiate prosecution, appear and present evidence before any court and participate in any court proceedings initiated under the provisions of this Law for the offences referred to in section 61(7), (8) and (9) hereof.

46 of 74(I) of  
2017.  
Criminal liability for  
offences involving legal  
persons.

**63B.**-(1) Where a criminal offence pursuant to this Law is committed by a legal person with the consent or complicity or due to negligent action of a director, manager, secretary or other similar officer of the legal person, or by a person allegedly acting in such a capacity, or by a natural person providing healthcare services on behalf of the legal person, the person in question together with the legal person are considered guilty of the offence, and are both liable to criminal prosecution and to the corresponding penalties.

(2) For the purposes of this section, the term 'director' in relation to a legal person or a body of public law, the management of which is entrusted to its members, means a member of that legal person or body.

(3) Persons who, in accordance with the provisions of subsection (1), have criminal liability for an offence committed by a legal person shall be held severally or jointly with the legal person liable to any civil proceedings.

Regulations.  
47(a) of 74(I) of 2017

**64.**-(1) On the approval of the Council of Ministers, the Organisation may issue Regulations for the better implementation of the provisions of the Law, which shall be subject to the approval of the House of Representatives.

(2) Without prejudice to the generality of the provisions of subsection (1), and without prejudice to the provisions of the Law referring to the determination of matters by internal regulations, the Organisation may regulate any of the following matters by means of Regulations:

(a) contracts with healthcare providers;

(b) procedures for examining applications from healthcare providers;

(c) setting standards for buildings and other facilities, equipment, and any other matter relating to the provision of healthcare services covered by the System;

(d) procedures and conditions regarding the provision of healthcare services in special cases;

- (e) laying down specifications for medical devices and medical hygiene supplies covered by the System;
- (f) anything relating to the provisions of Part VIII of the Law, including the complaints procedure and their examination by the Commissioner;
- (g) defining levels and specifications for the healthcare services provided by the System;
- (h) regulating any matter relating to the functioning of the Oversight Committee;
- (i) record keeping and protection, confidentiality and processing of personal data by the Organisation;
- (j) anything relating to insurance cover against negligence and other necessary insurance cover;
- (k) distribution of funds under the provisions of section 4(2)(f);
- (l) determination of co-payments and/or contributions to be made by beneficiaries for any of the healthcare services provided under the System.

(3)(a) The implementation of this Law shall not be dependent on the prior making of regulations for all or for certain of the matters referred to in subsection (2), but until such regulations are issued, the Organisation shall issue circulars for each applied practice for the purpose of informing all interested parties.

(b) Circulars shall be issued within a reasonable period of time after the establishment of the applied practice.

47(b) of 74(I) of 2017. (4) Regulations issued pursuant to this section may provide for:

(a) the establishment of offences for violation of their provisions and provisions for penalties, depending on the nature of the offence, which may not exceed a fine of five thousand Euro (EUR 5 000);

(b) the imposition of administrative penalties for breach of their provisions.

47(b) of 74(I) of 2017. (5) The Annexes to the Law or the Regulations may be amended by Ministerial Decree.

Protection of the rights of the public officers serving in public hospitals.

**65. Repealed by 48 of 74(I) of 2017.**

Safeguard of the ownership of public hospitals.

**66.-(1)** The public hospitals remain the property of the state and the introduction of the general healthcare system does not affect their ownership status.

49(a)(b) of 74(I) of 2017.

(2) The state shall take all the necessary provisions so that the public hospitals are modernised in the fields of organisation, administration and management, and use the sources available with maximum benefit and efficiency.

Existing medical care funds.

**67. Repealed by 50 of 74(I) of 2017.**

51 of 74(I) of  
2017.  
Date of entry into force  
of the Law.

**68.**-(1) Subject to the provisions of subsection (2), this Law shall enter into force on the date of its publication in the Government Gazette of the Republic.

(2) Notwithstanding the provisions of subsection (1):

(a) sections 34, 35 and 35A shall enter into force on 1 January 2019;

(b) section 19 shall enter into force on 1 March 2019, and for the period from 1 March 2019 to 1 March 2020, the percentage of contributions referred to in section 19 shall be amended as follows:

(i) each employee at a rate of 1.70% of their earnings;

(ii) each employer at a rate of 1.85% on the earnings of each employee;

(iii) each self-employed person at a rate of 2.55% of their earnings;

(iv) each pensioner at a rate of 1.70% on the amount of their pension;

(v) each person who holds or performs the duties of any office at a rate of 1.70% of their earnings;

(vi) the Republic or any natural or legal person, responsible for the payment of remuneration to a person holding office in accordance with the provisions of their appointment or election, shall pay a contribution at a rate of 1.85% of their earnings;

(vii) each income earner at a rate of 1.70% of their income;

(viii) the Consolidated Fund of the Republic at a rate of 1.65% on the earnings and pensions of persons referred to in subparagraphs (i), (iii), (iv) and (v);

(c) section 42 and 60 shall enter into force on 1 March 2019;

(d) section 22(1), (2)(a), (b), (c), (d) and (k), (3), (4), (5) and (6) shall enter into force on 1 June 2019; and

(e) section 22(2)(e), (f), (g), (h), (i), (j), (l) and (m) and section 33 shall enter into force on 1 June 2020.