

MEDICAL AND ELDERLY CARE ENDOWMENT SCHEMES ACT 2000

(No. 13 of 2000)

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An Act to reconstitute the Medical Endowment Fund and to establish the ElderCare Fund for the purpose of endowment schemes providing financial assistance in connection with medical and health care in Singapore and for matters connected therewith, and to repeal the Medical Endowment Scheme Act (Chapter 173A of the 1994 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

PART I
PRELIMINARY

Short title and commencement

1.—(1) This Act may be cited as the Medical and Elderly Care Endowment Schemes Act 2000 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) The Minister may appoint different dates for the coming into operation of the different provisions of this Act.

Interpretation

2.—(1) In this Act, unless the context otherwise requires —

“approved institution” means any hospital or other health care institution approved by the Minister under section 8;

“approved provider” means an organisation providing step-down care in respect of which an approval under section 23(5)(a) is in force;

“approved services” means step-down care provided by an approved provider in respect of which an approval under section 23(5)(a) is in force;

“authorised officer” means any officer authorised by the Minister in writing to exercise such power or perform such function or duty under this Act or any regulations made thereunder as the Minister may specify therein;

“Council” means the Advisory Council established under section 6;

“ElderCare Fund” means the ElderCare Fund established under section 18(1);

“eligible patient” means a person who is eligible to make an application under section 15;

“Medifund” means the Medical Endowment Fund established under the repealed Medical Endowment Scheme Act (Cap. 173A) and reconstituted under this Act;

“Medifund Account” means the account of a Medifund committee referred to in section 10;

“Medifund committee” means the committee appointed under section 14;

“organisation” means a society, body or group of persons, whether corporate or unincorporated;

“personal care” means assistance of a personal nature given to help a person who, by reason of any sickness, disability or injury, is unable on his or her own to attend to his or her daily needs or carry out his or her daily routine;

“recurrent costs”, in relation to the provision of any step-down care, means all such costs incurred or to be incurred by the provider in relation to its ongoing operations in providing such care other than the following costs:

- (a) the cost of acquiring the land on which the premises (whether built or to be built) at which such step-down care is or to be provided; and
- (b) such other costs that are capital in nature as the Minister may prescribe;

“step-down care” means —

- (a) accommodation, personal care and health care for persons suffering or recovering from any sickness, disability or injury;
- (b) personal care and health care during the day for any such persons; or
- (c) such other forms of health care or care arrangements for any such persons as the Minister may prescribe;

“step-down care institution” means any premises used (whether or not exclusively) for the purpose of providing step-down care therein;

“subvention” means a subvention under Part III out of the income of the ElderCare Fund.

(2) For the purposes of this Act, step-down care shall be taken not to include any medical or health care provided in any maternity home or premises used or intended to be used for the accommodation of pregnant women or of women immediately after childbirth.

(3) For the purposes of sections 3(2)(c) and 18(1)(c), the net income from investments of capital moneys shall be the amount ascertained by adding to, or deducting from, the income received from the investments of capital moneys any profit derived or loss sustained, as the case may be, from the realisation of such investments.

PART II

MEDIFUND SCHEME

Division 1 — Medifund

Reconstitution of Medical Endowment Fund

3.—(1) For the purposes of this Part, the Medical Endowment Fund or Medifund shall continue and be reconstituted in accordance with this Act.

(2) There shall be paid into the Medifund —

- (a) all capital moneys as are appropriated from time to time from the Consolidated Fund and authorised to be paid into the Medifund by this Act or any other written law;
- (b) gifts or bequests given or made for the purposes of Medifund; and
- (c) the net income from investments of capital moneys in the Medifund.

(3) The Minister shall be responsible for the administration of the Medifund and all moneys belonging to the Medifund may be deposited in any bank and invested in any investment authorised under the Financial Procedure Act (Cap. 109).

(4) The Medifund shall be regarded as a Government fund and as comprising public moneys for the purposes of any written law.

Capital moneys of Medifund

4.—(1) For the purposes of this Part, the Minister for Finance may, from time to time, pay into the Medifund such sums of capital money as he may determine out of moneys to be provided by Parliament.

(2) Notwithstanding the terms of any gift or bequest, all gifts and bequests given or made for the purposes of the Medifund shall be paid into the Medifund as capital moneys.

(3) The capital moneys of the Medifund shall not be used for any purpose other than for investment.

(4) Where at any time there is a permanent diminution of the capital moneys of the Medifund, the Minister shall, before paying out the income of the Medifund, make good such diminution from the income of the Medifund.

Application of income of Medifund

5. The income of the Medifund may be paid out and expended for all or any of the following purposes only:

- (a) for the provision of grants to Medifund committees to be applied for the purpose of defraying in whole or in part the hospital charges, fees and other expenses incurred by patients of approved institutions who are unable to pay such charges, fees or other expenses and are approved by the relevant Medifund committee;
- (b) for such other purposes as are authorised under this Act to be paid out from the Medifund or as may be prescribed.

Advisory Council

6.—(1) For the purpose of advising the Minister as to the application of the income of the Medifund, there shall be established an Advisory Council comprising such members to be appointed by the Minister.

- (2) The Minister shall appoint one of the members as chairman.
- (3) The Schedule shall have effect with respect to the Council.

Functions of Council and directions by Minister

7.—(1) The Council shall from time to time make recommendations to the Minister on all matters relating to the application of the income of the Medifund.

(2) The Minister may, on the recommendations of the Council, issue to any Medifund committee directives or guidelines on the approval of applications from eligible patients and on the administration of the Medifund Account of that committee.

Division 2 — Grants to Medifund Committees

Approved institutions

8. The Minister may, by notification in the *Gazette*, approve or revoke the approval of any hospital or other health care institution for the purposes of this Part.

Conditions on payment of grants

9.—(1) The Minister may from time to time authorise the payment of grants in such amount and to such Medifund committees as he may think fit.

(2) The Minister may, in authorising payment for any purpose under section 5 to any Medifund committee or other person, impose such terms and conditions as he may think fit.

(3) The Minister may require any Medifund committee or other person who fails to comply with such terms or conditions to repay into the Medifund any moneys paid under section 5.

Medifund Account

10.—(1) Every Medifund committee which receives a grant under section 5 shall establish and maintain an account to be called a Medifund Account with a bank in Singapore.

(2) The Medifund committee shall pay into the Medifund Account all moneys received as a grant under section 5 and any interest accruing thereon shall be paid into and form part of the moneys in the Medifund Account.

Withdrawal from Medifund Account

11.—(1) No money may be withdrawn from any Medifund Account unless such withdrawal is authorised in accordance with section 17.

(2) A Medifund committee shall repay into the Medifund Account any moneys withdrawn in contravention of subsection (1).

Dissolution, etc., of Medifund committee or approved institution

12.—(1) Notwithstanding any other written law to the contrary, all moneys in the Medifund Account of any Medifund committee designated to approve applications from eligible patients of any approved institution shall —

- (a) be deemed not to form part of the property of the Medifund committee or approved institution if it is dissolved or goes into voluntary or compulsory liquidation; and
- (b) not be available for payment of the debts of the Medifund committee or approved institution or be liable to be paid or taken in execution under an order or process of any court.

(2) The moneys in the Medifund Account shall, after deduction of any payment to the approved institution which has been authorised under section 17, be vested in and paid into the Medifund if the Medifund committee is dissolved.

Accounts of Medifund Account

13.—(1) Every Medifund committee shall cause to be kept proper accounts and records of all transactions and affairs relating to its Medifund Account and shall do all things necessary to ensure that all payments are correctly made and properly authorised and that adequate control is maintained over the moneys and receipts of its Medifund Account.

(2) Every Medifund committee shall, as soon as practicable after the close of the accounting period of its Medifund Account but not later than 30th June of each year, cause to be prepared and submitted financial statements in respect of that year to the auditor of the Medifund Account.

(3) The accounting period of a Medifund Account shall begin on 1st April of each year and end on 31st March of the succeeding year except that the first accounting period shall begin on the date of the establishment of the Account and shall end on 31st March of the succeeding year.

Division 3 — Medifund Committees

Medifund committees

14.—(1) The Minister may, by order in the *Gazette*, appoint one or more Medifund committees comprising such persons appointed by the Minister to consider and approve applications from eligible patients in approved institutions and to administer payments out of their Medifund Accounts.

(2) The order under subsection (1) shall designate the approved institutions and the classes of eligible patients in relation to which a Medifund committee may approve applications under section 15 and exercise any other powers or duties under this Part.

(3) A Medifund committee may sue or be sued in the name by which it is described in an order under subsection (1).

Applications by eligible patients

15.—(1) Every person who —

- (a) is a citizen of Singapore;
- (b) has received treatment or requires treatment from any approved institution;
- (c) is unable to pay the hospital charges, fees or other expenses incurred by him; and
- (d) satisfies such other requirements as may be prescribed,

may apply to the Medifund committee designated to approve his application for a payment out of the Medifund Account of the Medifund committee to defray in whole or in part the hospital charges, fees and other expenses incurred by him.

(2) Every application under subsection (1) shall be supported by such evidence as may be prescribed and by such further evidence as the Medifund committee may reasonably require.

Application made on behalf of patient

16. If an eligible patient, by reason of incapacity by physical or mental illness or any other cause, is unable to make an application under section 15, any member of his immediate family or the medical social worker in charge of his case may submit the application on his behalf.

Payments authorised by Medifund committee

17.—(1) Upon receipt of an application made under section 15, the Medifund committee designated to approve such applications from such class of eligible patients of such approved institutions for the purposes of this Part may, if it thinks fit and subject to the availability of moneys in the Medifund Account, approve the application of any eligible patient of any approved institution in that class and authorise in writing payments of such amount as it thinks fit out of the Medifund Account to the approved institution to defray in whole or in part the hospital charges, fees and other expenses incurred by that eligible patient.

(2) The Medifund committee shall, in considering any application and authorising payment, comply with any regulations made under this Act and any directive and guideline issued by the Minister under section 7(2).

(3) The Medifund committee may consider any other circumstances which, in the opinion of the committee, is relevant to the application.

(4) Notwithstanding subsection (1), a Medifund committee may authorise any person to approve the application by any eligible patient in exceptional circumstances and when the payment does not exceed such amount as may be specified in any directive or guideline issued under section 7(2).

(5) Nothing in this Act shall be construed to require a Medifund committee or an authorised person referred to in subsection (4) to

approve the application of every patient who satisfies the requirements under section 15.

PART III
ELDERCARE SCHEME

Division 1 — Establishment of ElderCare Fund

Establishment of ElderCare Fund

18.—(1) There shall be established a fund to be called the ElderCare Fund into which shall be paid —

- (a) all capital moneys as are appropriated from time to time from the Consolidated Fund and authorised to be paid into the ElderCare Fund by this Act or any other written law;
- (b) gifts or bequests given or made for the purpose of the ElderCare Fund; and
- (c) the net income from investments of capital moneys in the ElderCare Fund.

(2) The ElderCare Fund shall be regarded as a Government fund and as comprising public moneys for the purposes of any other written law.

Administration of ElderCare Fund

19. The Minister shall be responsible for the administration of the ElderCare Fund and all moneys belonging to that Fund may be deposited in any bank and invested in any investment authorised under the Financial Procedure Act (Cap. 109).

Capital moneys of ElderCare Fund

20.—(1) Upon the date of commencement of this Act, such sum as the Minister for Finance may determine out of moneys to be provided by Parliament shall be paid into the ElderCare Fund as capital moneys.

(2) The Minister for Finance may from time to time after the date of commencement of this Act pay into the ElderCare Fund such sums of

capital money as he may determine out of moneys to be provided by Parliament.

(3) Notwithstanding the terms of any gift or bequest, all gifts and bequests given or made for the purposes of the ElderCare Fund shall be paid into the ElderCare Fund as capital moneys.

(4) The capital moneys of the ElderCare Fund shall not be used for any purpose other than for investment.

(5) Where at any time there is a permanent diminution of the capital moneys of the ElderCare Fund, the Minister shall, before paying out the income of the ElderCare Fund, make good such diminution from the income of the ElderCare Fund.

Application of income of ElderCare Fund

21. The income of the ElderCare Fund may be paid out and expended for all or any of the following purposes only:

- (a) for the provision of subventions to any approved providers of step-down care for the purpose of defraying in whole or in part the recurrent costs in providing step-down care;
- (b) for such purposes as are authorised under this Act to be paid out from the Fund;
- (c) for such other purposes relating to step-down care as may be prescribed.

Division 2 — Approved Providers

Subvention only for approved providers

22. Payments of subvention cannot be made under this Part to any person providing step-down care unless the person is an approved provider in respect of —

- (a) all types of step-down care provided or proposed to be provided by the person;
- (b) one or more specific types of step-down care provided or proposed to be provided by the person;

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- (c) all types of step-down care provided or proposed to be provided by the person at specific premises; or
 - (d) one or more specific types of step-down care provided or proposed to be provided by the person at specific premises.

Application to be approved provider

23.—(1) Any organisation which is a provider of any step-down care may make an application in the prescribed manner for approval to be an approved provider in respect of —

- (a) all types of step-down care provided or proposed to be provided by the applicant;
- (b) one or more specific types of step-down care provided or proposed to be provided by the applicant;
- (c) all types of step-down care provided or proposed to be provided by the applicant at specific premises; or
- (d) one or more specific types of step-down care provided or proposed to be provided by the applicant at specific premises.

(2) Where an application is made under subsection (1), the Minister may request the applicant —

- (a) to permit an authorised officer to inspect the premises to which the application relates at any reasonable time; or
- (b) to furnish specified particulars about the operations of the applicant at those premises or the step-down care provided or proposed to be provided or both.

(3) The Minister may defer consideration of the application until the premises have been so inspected or the particulars have been furnished, as the case requires.

(4) In determining whether or not to approve any applicant as an approved provider, whether in respect of all types of step-down care or specific types of step-down care and whether in respect of the provision of such step-down care at specific premises, the Minister shall have regard to all matters he considers relevant.

(5) The Minister may —

- (a) approve, with or without conditions, the applicant to be an approved provider in respect of —
 - (i) all types of step-down care provided or proposed to be provided by the applicant;
 - (ii) one or more specific types of step-down care provided or proposed to be provided by the applicant;
 - (iii) all types of step-down care provided or proposed to be provided by the applicant at specific premises; or
 - (iv) one or more specific types of step-down care provided or proposed to be provided by the applicant at specific premises; or
- (b) refuse any such approval.

(6) The approval of any person under this section as an approved provider of step-down care shall be in force for such period as the Minister may specify.

(7) Where the Minister approves any organisation providing step-down care to be an approved provider, the Minister shall publish a notification in the *Gazette* declaring the organisation to be an approved provider in respect of all types or specific types of step-down care or in respect of the provision of such step-down care at specific premises, as the case may be.

Cessation of approval

24. An approval of an organisation providing step-down care as an approved provider shall cease to have effect if —

- (a) the approval is revoked under section 25; or
- (b) the period (if any) to which the approval is limited under section 23(6) expires.

Revocation and suspension of approval

25.—(1) The Minister may revoke, or suspend for a period not exceeding 6 months, any approval of an organisation providing step-down care as an approved provider if —

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- (a) in the opinion of the Minister, the organisation has ceased to be suitable to be an approved provider;
 - (b) the application for approval contained information that was false or misleading in a material particular;
 - (c) where the premises at which approved services are provided is licensed under the Private Hospitals and Medical Clinics Act (Cap. 248), the licence under that Act is either revoked or suspended, or the licence ceases to be in force and is not renewed;
 - (d) the organisation is convicted of an offence under section 31(3) or (5);
 - (e) the organisation fails to comply with any terms and conditions of the approval; or
 - (f) the organisation fails to comply with any conditions of any subvention paid in respect of any of its approved services, and the Minister is of the opinion that the organisation is again likely to so fail to comply.
- (2) Before revoking or suspending any approval under this section, the Minister shall notify the organisation concerned that revocation or suspension, as the case may be, is being considered, in particular —
- (a) the reasons for considering the revocation or suspension;
 - (b) invite the organisation to make written submissions to the Minister within 7 days after receiving the notice, or such further period as the Minister may allow; and
 - (c) inform the organisation that if no such submission is made within that period, any revocation or suspension, as the case may be, will take effect on the day after the last day for making submissions.
- (3) The Minister shall notify the organisation concerned in writing of his decision within 7 days after the end of the period allowed by subsection (2) for making submissions.

- (4) A revocation or suspension of any approval shall take effect —
- (a) if no submission was made under subsection (2) on the day after the last day for making submissions; or
 - (b) if such submission was made — 7 days after the day on which the notice under subsection (3) was given.
- (5) The Minister may revoke an approval (subject to such conditions as the Minister may think fit) if the approved provider requests the Minister in the prescribed manner to revoke the approval.
- (6) Where any suspension of approval made under this section is in force, the organisation concerned shall not for the purposes of this Part be regarded as an approved provider, but on expiry of the suspension, the organisation shall immediately revert to being an approved provider.

Division 3 — Subventions

Amount of subvention

26.—(1) The Minister may grant a subvention to an approved provider of such amount as he may determine.

(2) The Minister may determine different amounts of subvention for different classes of patients of approved providers, different classes of step-down care or different classes of approved providers.

(3) In determining the amount of subvention under subsection (1) to be granted to an approved provider, the Minister shall have regard to all matters he considers relevant, including but not limited to —

- (a) the recurrent costs of approved providers in providing step-down care of the same class; and
- (b) the number of relevant patients to whom step-down care is provided by the approved provider during any period determined by the Minister.

(4) In this section, “relevant patient” means a person who, in the opinion of the Minister, requires step-down care and is assessed by the Minister to be financially disadvantaged.

(5) Any opinion or assessment of the Minister under subsection (4) that a person requires step-down care or is financially disadvantaged shall be final and conclusive and shall not be reviewed in any court of law.

Conditions of subventions

27.—(1) A subvention may be paid to an approved provider on such conditions as the Minister may determine, including but not limited to conditions for repayment of subventions and admission of persons to any step-down care institution under the control and management of the approved provider.

(2) The Minister may, at any time after giving reasonable notice to an approved provider, vary or cancel any of the conditions imposed under subsection (1) or impose new conditions in respect of any subvention paid or payable to the approved provider.

Payment of subvention

28.—(1) A subvention shall be payable to an approved provider quarterly or at such other payment period as the Minister may allow.

(2) Subject to the provisions of this Act, a subvention may be paid to an approved provider in advance in respect of any payment period referred to in subsection (1) at such times and on such terms as the Minister may think fit.

Consequences for non-compliance

29.—(1) The Minister may, by notice in writing, impose one or more of the following sanctions on an approved provider that has not complied, or is not complying, with section 31(1) or with any condition of any subvention paid to the approved provider under section 27:

- (a) revoke or suspend the approval of the organisation as an approved provider;
- (b) restrict the approval as an approved provider in respect of a certain type or types of step-down care or in respect of a type of step-down care provided by the approved provider at specific premises;

- (c) reduce the total amount of subvention payable to the approved provider in any subsequent payment period;
- (d) require repayment of part or all of the subvention paid to the approved provider.

(2) Before imposing any sanction referred to in subsection (1) on an approved provider, the Minister shall notify the approved provider concerned that the imposition of sanction is being considered, in particular —

- (a) give to the approved provider a notice of non-compliance setting out the details of non-compliance;
- (b) set out the sanctions that can be imposed in this section on the approved provider for non-compliance;
- (c) invite the approved provider to make written submissions to the Minister within 7 days after receiving the notice, or such further period as the Minister may allow; and
- (d) inform the approved provider that if no such submission is made within that period, any sanction the Minister decides to impose will take effect on the day after the last day for making submissions.

(3) The Minister shall notify the approved provider concerned in writing of his decision within 7 days after the end of the period allowed by subsection (2) for making submissions.

(4) Any sanction imposed shall take effect —

- (a) if no submission was made under subsection (2) on the day after the last day for making submissions; or
- (b) if such submission was made — 7 days after the day on which the notice under subsection (3) was given.

(5) This section shall not affect the operation of section 25.

Recovery of overpayments of subventions

30.—(1) If the Minister pays an amount to an approved provider by way of subvention, any part of the amount that is an overpayment

shall be recoverable as a debt due to the Government and may be recovered by the Government in a court of competent jurisdiction.

(2) If the Minister pays an amount to an approved provider by way of subvention and a condition to which the subvention is subject is not met, the amount of subvention as the Minister determines under section 29(1)(d) shall be recoverable as a debt due to the Government and may be recovered by the Government in a court of competent jurisdiction.

(3) If an approved provider is liable to repay any amount under subsection (1) or (2), the amount (or part of it) may be deducted from one or more other subventions payable to the approved provider under this Part.

Duties of approved providers

31.—(1) Every approved provider shall —

- (a) keep records (whether in written or electronic form) that enable claims for payments of subvention to be properly verified, and proper assessments to be made whether the approved provider has complied, or is complying, with the conditions of any subvention paid to it and with its duties under this Act or any regulations made thereunder;
- (b) in relation to each of those records, retain the record for a period ending 3 years (or such other period as an authorised officer may allow) after the close of the financial year in which the record was made; and
- (c) comply with such other duties as may be prescribed.

(2) Every approved provider shall, as soon as practicable after the close of each financial year, cause to be prepared and submitted audited annual financial statements in respect of that year to the Minister or an authorised officer designated by the Minister.

(3) An approved provider who fails to comply with subsection (1) or (2) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$2,000.

(4) An approved provider shall not, in purported compliance with this section, make a record that is false or misleading in a material particular.

(5) Any approved provider who contravenes or fails to comply with subsection (4) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$3,000.

Monitoring powers

32.—(1) An authorised officer may, to the extent reasonably necessary for any of the purposes specified in subsection (2), do all or any of the following:

- (a) to enter during the day any step-down care institution under the control and management of an approved provider with the consent of the approved provider;
- (b) to take photographs of the premises of the step-down care institution;
- (c) to request the approved provider or any other person on the premises to answer any question, or to produce any document or record so requested by the authorised officer;
- (d) to inspect any document or record kept by the approved provider connected with the provision of step-down care, whether or not kept or maintained at those premises;
- (e) to take extracts from, or make copies of, any such document or record;
- (f) in relation to any such document or record —
 - (i) to operate equipment at the premises where such document or record are kept or maintained to see whether the equipment, or a disk, tape or other storage device that is at those premises and can be used or associated with the equipment, contains information that is relevant, in respect of the approved provider, to making the assessments referred to in subsection (2); and

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- (ii) if the authorised officer, after operating equipment at those premises finds that the equipment, or disk, tape or other storage device at the premises, contains information of that kind, to operate facilities at the premises to put the information in documentary form and copying the document or record so produced, or if the information can be transferred to a disk, tape or other storage device that is brought to the premises by the authorised officer, operating the equipment or other facilities to copy the information to the storage device and removing the storage device from the premises.

(2) An authorised officer may act as provided for under subsection (1) for all or any of the following purposes:

- (a) to assess whether records have been kept as required by this Part;
- (b) to assess whether the provisions of this Act or any regulations made thereunder relating to, or the conditions of the subvention in respect of, the approved provider concerned have been complied with.

PART IV

GENERAL FINANCIAL PROVISIONS

Administrative expenses

33.—(1) All expenses incurred in connection with the administration of the Medifund and the ElderCare Fund, including the cost of auditing the accounts of the Medifund and the ElderCare Fund, shall be defrayed out of the income of the Medifund and the ElderCare Fund, respectively.

(2) The costs of auditing the accounts of any Medifund Account shall be defrayed out of the income of the Medifund.

Financial year of Medifund and ElderCare Fund

34.—(1) The financial year of the Medifund shall begin on 1st April of each year and end on 31st March of the succeeding year.

(2) The financial year of the ElderCare Fund shall begin on 1st April of each year and end on 31st March of the succeeding year except that the first financial year of the ElderCare Fund shall begin on the date of its establishment and end on 31st March of the succeeding year.

Accounts

35.—(1) The Minister shall cause to be kept proper accounts and records of all transactions and affairs relating to the Medifund and the ElderCare Fund and shall do all things necessary to ensure that all payments out of the Medifund and the ElderCare Fund are correctly made and properly authorised and that adequate control is maintained over the assets and receipts of the Medifund and the ElderCare Fund.

(2) The Minister shall, as soon as practicable after the close of each financial year, cause to be prepared and submitted financial statements in respect of that year to the auditor of the Medifund and the ElderCare Fund.

Mode of payment out of Funds

36. No payment shall be made out of the Medifund or the ElderCare Fund unless such payment is authorised by the Minister.

Appointment, powers and duties of auditor

37.—(1) The accounts of the Medifund, the ElderCare Fund and every Medifund Account shall be audited by the Auditor-General or such other auditor as may be appointed annually by the Minister in consultation with the Auditor-General.

(2) A person shall not be qualified for appointment as an auditor under subsection (1) unless he is an approved company auditor under the Companies Act (Cap. 50).

(3) The auditor or any person authorised by him is entitled at all reasonable times to full and free access to all accounting and other records relating, directly or indirectly, to the financial transactions of

the Medifund, the ElderCare Fund and every Medifund Account and may make copies of, or take extracts from, any such accounting and other records.

(4) The auditor shall in his report state —

- (a) whether the financial statements show fairly the financial transactions and the state of affairs of the Medifund, the ElderCare Fund or the Medifund Account, as the case may be;
- (b) whether proper accounting and other records have been kept, including records of all assets of the Medifund, the ElderCare Fund or the Medifund Account, as the case may be;
- (c) whether the receipts, expenditure and investment of moneys and the acquisition and disposal of assets on account of the Medifund, the ElderCare Fund or the Medifund Account, as the case may be, during the financial year were in accordance with the provisions of this Act; and
- (d) such other matters arising from the audit as he considers necessary.

(5) The auditor shall —

- (a) as soon as practicable after the accounts of the Medifund, the ElderCare Fund or Medifund Account, as the case may be, have been submitted for audit, send a report of his audit to the Minister; and
- (b) submit such periodical and special reports to the Minister as may appear to him to be necessary or as the Minister may require.

(6) Where the Auditor-General is not the auditor of the Medifund, the ElderCare Fund or any Medifund Account, a copy of the audited financial statements and any report made by the auditor shall be forwarded to the Auditor-General.

Failure to furnish information to auditor

38.—(1) The auditor or any person authorised by him may require any person to furnish him with such information in the possession of

that person or to which that person has access as the auditor considers necessary for the purposes of his duties under this Act.

(2) Any person who fails, without reasonable excuse, to comply with any requirement of the auditor under subsection (1) or who otherwise hinders, obstructs or delays the auditor in the performance of his duties or the exercise of his powers shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$1,000.

Presentation of annual report, financial statements and auditor's report to Parliament

39. The Minister shall, as soon as practicable, cause an annual report in respect of the administration of the Medifund, the ElderCare Fund and every Medifund Account during the preceding financial year to be prepared and shall present a copy of such report and of the audited financial statements and the auditor's report to Parliament.

PART V

MISCELLANEOUS

Obstructing authorised officers in execution of their duties

40.—(1) Any person who obstructs, hinders or impedes any authorised officer in the performance or execution of his duty or anything which he is authorised, empowered or required to do under this Act or any regulations made thereunder shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

(2) Any person who fails, without reasonable excuse, to answer any question, to furnish any information or to produce any document or record to an authorised officer in contravention of section 32(1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$2,000.

False or misleading information

- 41.** Any person who knowingly or recklessly —
- (a) makes a statement that is false or misleading in a material particular in respect of any application for approval as an approved provider; or
 - (b) gives to the Minister or any authorised officer exercising a power or performing a duty or function under this Act or any regulations made thereunder any information or any document or record that contains information that is false or misleading in a material particular,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

Protection against personal liability

42. No suit or other legal proceedings shall lie against any member of any Medifund committee or any person acting under the directions or authorisation of the Medifund committee for anything which is in good faith done or intended to be done by him in the execution or purported execution of this Act or any regulations made thereunder.

Confidentiality of information

43.—(1) Except in the case of prosecution of an offence under this Act or any regulations made thereunder, an authorised officer shall not be compellable in any proceedings to give evidence in respect of, or to produce any document containing, any information which has been obtained from any approved provider or approved institution in the course of carrying out any inspection, assessment or performing any duty or function under this Act or any regulations made thereunder.

(2) Notwithstanding subsection (1), an authorised officer shall not disclose any information which is contained in the medical records, or which relates to the condition, treatment or diagnosis, of any person, as may have come to his knowledge in the course of carrying out any inspection or assessment or performing any duty or function under this Act or any regulations made thereunder unless the disclosure is made —

- (a) under or for the purpose of administering and enforcing this Act or the Infectious Diseases Act (Cap. 137);
 - (b) for the purpose of any disciplinary proceedings under the Medical Registration Act (Cap. 174); or
 - (c) for any other purpose with the consent of the person to whom the information relates or the representative of the person.
- (3) For the purposes of subsection (2)(c), “representative” means —
- (a) the executor, administrator or next-of-kin of a deceased person;
 - (b) the committee of the estate of a mentally disordered person appointed under the Mental Disorders and Treatment Act (Cap. 178).

Service of documents

44. Any notice, order or other document that is required by this Act or any regulations made thereunder to be served or given to any approved provider, Medifund committee or any other organisation may be served on or given to that provider, committee or organisation by delivering or sending by registered post the notice, order or document —

- (a) to the registered or principal office of the provider, committee or organisation; or
- (b) if the provider, committee or organisation has no such office, to any place in Singapore where it carries on business or conducts its activities, as the case may be.

Offences by bodies corporate, etc.

45.—(1) Where any offence under this Act or any regulations made thereunder is committed by a body corporate, a partnership or an unincorporated association of persons, any person who, at the time of the commission of the offence, was a director, manager, partner, secretary or other similar officer, or was purporting to act in any such capacity, he shall also be guilty of that offence and shall be liable to be proceeded against and punished accordingly unless he proves that —

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- (a) the offence was committed without his consent or connivance; and
 - (b) he had exercised all such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his functions in that capacity and to all the circumstances.

(2) In relation to a body corporate whose affairs are managed by its members, “director” means a member of the body corporate.

Regulations

46. The Minister may make such regulations as are necessary or expedient for the purpose of carrying out the provisions of this Act and, in particular, such regulations may —

- (a) prescribe the procedure for payments out of the Medifund Account and the criteria for approval of applications by eligible patients;
- (b) prescribe the procedure for the repayment of grants or subventions to the Medifund or ElderCare Fund, as the case may be;
- (c) prescribe the membership, terms of office and procedure of Medifund committees;
- (d) provide for the disposal of amounts which are unpaid or otherwise remain in any Medifund Account;
- (e) prescribe the proceedings of the Council; and
- (f) prescribe anything which may be prescribed under this Act.

Repeal, transitional and saving provisions

47.—(1) The Medical Endowment Scheme Act (Cap. 173A) is repealed (referred to in this section as the repealed Act).

(2) Any approval, decision, notice or other document prepared, made, granted, issued, and any act or thing done or given, under or pursuant to the repealed Act and valid immediately prior to the date of commencement of this section shall be deemed to have been prepared, made, granted, issued, done or given under or pursuant to the

corresponding provision of this Act and shall continue to have effect accordingly.

(3) All directives or guidelines made by the Minister under section 9 of the repealed Act shall be deemed to have been made under section 7 of this Act.

(4) Every Hospital Medifund committee appointed under section 12 of the repealed Act shall be deemed to be appointed as a Medifund committee by the Minister in accordance with section 14 of this Act.

(5) Every Hospital Medifund Account established under section 11 of the repealed Act shall be deemed to be a Medifund Account established under section 10 of this Act.

(6) All persons who, immediately before the date of commencement of this section, is a member of the Advisory Council under the repealed Act, shall continue as such member as if he had been appointed under section 6 of this Act.

(7) Subject to the Constitution, any breach, contravention or non-compliance of the repealed Act shall be deemed to be a breach, contravention or non-compliance of the corresponding provision of this Act and the powers conferred on the Minister or any authorised officer by this Act may be exercised in respect of such breach, contravention or non-compliance.

(8) Any application made to any Hospital Medifund committee under section 13 of the repealed Act which is pending immediately before the date of commencement of this section shall be deemed to have been made and shall be dealt with under the corresponding provisions of this Act.

(9) Any reference in any written law to the repealed Act or any provision thereof shall, as from the date of commencement of this section, be a reference to this Act or the corresponding provision of this Act.

(10) Any reference in any written law or document to the repealed Act shall be construed as a reference to this Act.

THE SCHEDULE

Section 6(3)

THE ADVISORY COUNCIL

1.—(1) Subject to this paragraph, every member of the Council shall hold and vacate his office in accordance with the terms of his appointment and shall, on ceasing to be a member, be eligible for reappointment.

(2) Any member of the Council may resign his office at any time by written notice given to the Minister.

(3) If the Minister is satisfied that a member of the Council —

(a) is guilty of neglect of duty or misconduct;

(b) has become bankrupt or made an arrangement with his creditors;

(c) is incapacitated by physical or mental illness; or

(d) is otherwise unable or unfit to discharge the functions of a member,

the Minister may remove him from office.

2. The validity of any proceedings of the Council shall not be affected by any vacancy among the members or by any defect in the appointment of any member.

3. At any meeting of the Council, one-half of the number of members shall constitute a quorum.

4. The arrangements relating to meetings of the Council shall be such as the Council may determine.

5. The chairman shall preside at all meetings of the Council at which he is present and in his absence the members present shall elect one of their number to act as chairman of that meeting.

6. All questions arising at any meeting of the Council shall be decided by a majority of votes of the members present and, in the case of an equality of votes, the chairman or member presiding shall have a casting vote.

7. Subject to the provisions of this Act and any regulations made thereunder, the Council may regulate its own procedure in such manner as it thinks fit.