

AN ACT

To adjust the membership and term duration of the Medical Referral Committee and for other purposes.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIIIL ERA KELULAU DO ENACT AS FOLLOWS:

1 Section 1. Legislative Findings

2 The Olbiil Era Kelulau finds that the terms and configuration of the Medical
3 Referral Committee should be amended. The Olbiil Era Kelulau believes that the
4 work of the Medical Referral Committee will be more informed if the financial
5 resource information of the Ministry of Finance and the Healthcare Fund is available
6 to the Committee's members.

7 Section 2. Amendment. Section 333 of Chapter 3, Title 34 of the Palau
8 National Code is amended as follows:

9 "§ 333. Medical Referrals Committee.

10 (a) The Minister of Health shall establish a Medical Referral Committee
11 comprised of five (5) physicians who practice in Palau, the Minister of Health, or his
12 or her designee, the Minister of Finance, or his or her designee, and a representative
13 from the Healthcare Financing Governing Committee. Committee members shall be
14 appointed for a term of three (3) years and may only be removed by a unanimous
15 vote of all other voting members. The treating physician for the patient under
16 consideration for off-island care shall be consulted prior to a vote by the Medical
17 Referral Committee. The Minister of Health may appoint other individuals to the
18 Committee, but they shall be non-voting members. A majority of voting members
19 shall constitute a quorum to conduct business.

20 (1) The five (5) physicians on the Committee shall be the only voting
21 members.

22 (2) The other members of the Committee shall be non-voting members.

23 (3) The Minister of Health, or his or her designee, the Minister of
24 Finance, or his or her designee, and a representative from the Healthcare

1 **Financing Governing Committee shall certify that funds are available for the**
2 **referral.**

3 **(b) The approval or denial of all proposed medical referrals shall be decided**
4 **by secret ballot of voting members of the Medical Referral Committee. Approval**
5 **shall require an affirmative vote from seventy-five percent (75%) of the voting**
6 **members of the Medical Referral Committee. No authorization for referral shall be**
7 **valid without the certification of funds available for the referral from subsection**
8 **(a)(3).**

9 **(c) The Medical Referral Committee shall have the sole discretion to authorize**
10 **Referrals; decisions of the Medical Referral Committee shall be final.**

11 **(d) The Medical Referral Committee shall base referral decisions on an**
12 **analysis of and subject to the following:**

13 **(1) the patient's ability to pay for the costs of a medical referral;**

14 **(2) the patient's life expectancy;**

15 **(3) a patient with a condition that can be treated adequately in Palau**
16 **may not be granted medical referral benefits;**

17 **(4) the likelihood that the patient's condition will be substantially**
18 **improved;**

19 **(5) A patient with a condition that the Medical Referral Committee**
20 **determines is terminal shall not be granted medical referral benefits; and**

21 **(6) Other factors the Medical Referral Committee deems appropriate.**

22 **(e) If the Medical Referral Committee approves a Referral, it shall specify in**
23 **writing:**

24 **(1) what services the referral patient is authorized to receive;**

25 **(2) which off-island provider will provide the services; and**

26 **(3) the projected length of stay off island.**

27 **(f) For approved Medical Referral patients, the national government may pay**
28 **only the cost of the patient's medical care.**

29 **(g) In the case of an indigent patient, meaning he or she is not enrolled in**
30 **health insurance, prior to receiving any benefit under this section, each medical**

1 referral patient, or his or her family member or other representative shall sign an
2 agreement to pay back not less than fifty percent (50%) of the total cost incurred by
3 the national government for that patient. The patient shall agree to allow the
4 national government to garnish his or her wages to reimburse the government for
5 medical referral costs. In the case of a patient enrolled in Palau Health Insurance, he
6 or she shall agree to pay the cost of medical referral as specified in 41 PNC § 955 and
7 following, or any regulations promulgated under that section.

8 (h) There shall be no outside interference in Medical Referral Committee
9 decision making. All information considered by Medical Referral Committee is
10 confidential.

11 (1) No person who is not a member of the Medical Referral Committee,
12 except the treating physician and his or her designee, may attempt to influence
13 a member of the Committee in any way regarding the approval of any
14 proposed medical referral patient.

15 (2) No person shall disclose any patient information, including but not
16 limited to the patient's name or other identifying information, diagnosis and
17 medical conditions, or financial information, as such patient information is
18 confidential.

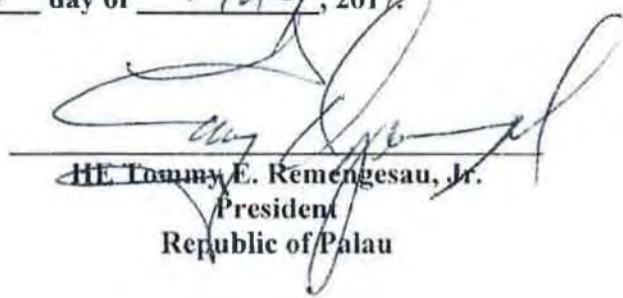
19 (3) Any person who violates this section shall be subject to a fine not to
20 exceed five thousand dollars (\$5,000).

21 (i) The Medical Referral Committee shall provide an annual report to the
22 President of the Republic of Palau, the presiding officers of the Olbiil Era Kelulau,
23 and the Minister of Health which contains the number of patients approved and
24 disapproved by the Committee as well as the funds expended as a result of the
25 decision to authorize off-island care.

26 Section 3. Effective Date.

27 This Act shall take effect thirty (30) days after its approval by the President,
28 or after ~~upon~~ becoming law without such approval, in order to allow for the
29 appointment of the new members and reorganization of the Committee consistent
30 with this Act.

Approved this 9th day of May, 2017.



HE. Tommy E. Remengesau, Jr.
President
Republic of Palau