This Regulation is issued by the Council of Ministers pursuant to Article 5 and 34 of the Definitions of Powers and Duties of the Executive Organs of the Federal Democratic Republic of Ethiopia Proclamation No. 691/2010 and Article 10 of the Social Health Insurance Proclamation No. 690/2010.

1. **Short Title**

This Regulation may be cited as the "Ethiopian Health Insurance Agency Establishment Council of Ministers Regulation No. 191/2010".

2. **Definitions**

In this Regulation, unless the context otherwise requires:

1/ "Proclamation" means the Social Health Insurance Proclamation No. 690/2010;

2/ "Ministry" means the Ministry of Health;

3/ any expression in the masculine gender include the feminine.

3. **Establishment**

1/ The Ethiopian Health Insurance Agency (hereinafter the "Agency") is hereby established as an autonomous federal organ having its own legal personality.

2/ The Agency shall be accountable to the Ministry.

4. **Head Office**

The Agency shall have its head office in Addis Ababa and may have branch offices elsewhere as deemed necessary.
The objective of the Agency shall be to implement the health insurance system.

6. Powers and Duties of the Agency

The Agency shall have the powers and duties to:

1. establish and implement efficient and effective health insurance system;
2. collect and administer monthly contributions of the social health insurance system;
3. conclude contracts with and effect payment to accredited health service providers and monitor their performances;
4. receive and investigate suggestions and complaints by members regarding service provision and provide appropriate solutions;
5. ensure that health insurance is being implemented in all institutions required to implement it;
6. create conducive conditions to expand and strengthen health insurance, encourage and coordinate those engaged in the field;
7. undertake public education and sensitization on health insurance;
8. undertake studies for revision of the benefit package and amount of contributions; present the result with recommendations to the Ministry; implement same when approved by the government;
9. where necessary, establish different committees, guide and coordinate their activities;
10. make investments pursuant to directives of the government;
11. take measures to ensure the financial sustainability of the health insurance system;
12. own property, enter into contracts and sue and be sued in its own name;
13. delegate part of its powers and duties to institutions as deemed necessary;
14. perform other activities as may be necessary for the attainment of its objectives;
8. Members of the Board

1/ Members of the Board shall be designated by the government and shall have the following composition:

- a) one member representing the Confederation of Ethiopian Trade Unions;
- b) one member representing the Ethiopian Employers Federation;
- c) representatives of other appropriate bodies.

2/ The Director General of the Agency shall participate in Board meetings with no voting right.

3/ The members of the Board shall be paid service fees determined by the government.

9. Powers and Duties of the Board

The Board shall have the powers and duties to:

1/ oversee and supervise activities of the Agency;

2/ submit the organizational structure and salary scale of the Agency to the Ministry to secure approval of the government;

3/ approve the recruitment, placement and dismissal of officers accountable to the Directors of the Agency;

4/ examine and approve the Agency’s strategies and implementation guidelines and monitor and supervise their implementation;

5/ submit the annual work plans and budgets of the Agency to the Ministry to secure approval of the government, and ensure the implementation of same;

6/ approve the annual operational and financial reports of the Agency; appoint external auditors, ensure that adequate measures are taken in accordance with audit reports, and ensure that audit reports are made public;

7/ approve income generating activities including investments;

8/ advise the Ministry on relevant matters related to health insurance;

9/ issue directives on matters that come within the powers and duties of the Agency.
1/ The Board shall meet once in a quarter, provided, however, that extraordinary meetings of the Board may be held at any time at the call of the Chairperson or one-third of the Board members.

2/ There shall be quorum where more than half of the members are present at a meeting of the Board.

3/ Decisions of the Board shall be passed by a majority vote of the members present; in case of a tie, the Chairperson shall have a casting vote.

4/ Without prejudice to the provisions of this Article, the Board may adopt its own rules of procedures.

11. Term of Board Membership

1/ The term of a Board membership shall be for five years; provided, however, that membership may be extended for only one additional term.

2/ Any Board member wishing to end his membership of the Board prior to the expiry of his term shall notify the Board.

3/ Notwithstanding the provisions of sub-article (1) of this Article, when the term of the Board member expires, the Chairperson of the existing Board shall serve as a member in the incoming Board for a period not extending six months.

12. Powers and Duties of the Director General

1/ The Director General shall be the chief executive officer of the Agency and shall, under the overall guidance of the Board, direct and administer the activities of the Agency.

2/ Without prejudice to the generality of sub-article (1) of this Article, the Director General shall:

a) exercise the powers and duties of the Agency specified in Article 6 of this Regulation;

b) employ and administer employees of the Agency in accordance with the basic principles of the federal civil service laws;

c) prepare and submit to the Board the annual work plans and budgets of the Agency and implement same upon approval;

d) prepare and submit to the Board draft directives and implement the same upon approval;

e) submit reports of the Agency to the Ministry upon their approval by the Board;
Powers and duties of Deputy Director Generals

1) The Deputy Director General who is specifically delegated shall act on behalf of the Director General in his absence.

2) Deputy Director Generals shall:
   a) assist the Director General in planning, directing and coordinating the activities of the Agency;
   b) perform other activities assigned to them.

Disbursement shall only be made in accordance with the approved annual work plans of the Agency and

No regulations, directives or practices shall, in so far as they are inconsistent with this Regulation, be
applicable in respect of matters provided for by this Regulation.

The budget required to cover staff remuneration and administrative costs of the Agency shall be allocated by the federal government.

The Agency shall keep complete and accurate books of accounts in its name.

Audited financial reports shall be submitted to the Auditor General annually by the Auditor General or by auditors appointed by him.

The books of accounts and other financial documents of the Agency shall be audited annually by the Auditor General or by auditors appointed by him.

The books of accounts of the funds of the health insurance system shall be audited annually by the Auditor General or by auditors appointed by him.

15. Bank Accounts

The Agency shall open and operate bank accounts in its name.

The Agency shall cover service costs from sources provided under Article 6 of the Proclamation.

17. Inapplicable Laws

18. Books of Accounts

16. Disbursement

The Agency shall keep complete and accurate books of accounts of the funds of the health insurance system.