EXTRAORDINARY

OFFICIAL GAZETTE
THE BAHAMAS
PUBLISHED BY AUTHORITY

NASSAU 28th August, 2025

NATIONAL HEALTH INSURANCE (SPECIFIED CHRONIC DISEASES) (PRESCRIPTION DRUG FUND) ACT, 2025

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No. 68 of 2025

NATIONAL HEALTH INSURANCE (SPECIFIED CHRONIC DISEASES) (PRESCRIPTION DRUG FUND) ACT, 2025

AN ACT TO REPEAL THE NATIONAL INSURANCE (CHRONIC DISEASES PRESCRIPTION DRUG FUND) ACT (CH. 350A) AND TO PROVIDE FOR THE ESTABLISHMENT OF A NEW FUND UNDER THE CONTROL AND MANAGEMENT OF THE NATIONAL HEALTH INSURANCE AUTHORITY TO SUPPLY PATIENTS SUFFERING FROM SPECIFIED CHRONIC DISEASES WITH SAFE, EFFECTIVE, AND ECONOMICAL PRESCRIPTION DRUGS AND MEDICAL SUPPLIES; AND TO IMPROVE THE ACCESSIBILITY TO, AND AFFORDABILITY OF, PRESCRIPTION DRUGS AND MEDICAL SUPPLIES

[Date of Assent 28th August 2025]

Enacted by the Parliament of The Bahamas

PART I – PRELIMARY

1. Short title and commencement.

(1) This Act shall be cited as the National Health Insurance (Specified Chronic Diseases) (Prescription Drug Fund) Act, 2025.

(2) This Act shall come into operation on a date to be appointed by the Minister by notice published in the *Gazette.*

2. Interpretation.

(1) In this Act —

"Authority" means the National Health Insurance Authority;

"beneficiary" means a person entitled to prescription drugs and medical supplies under the Plan;

"Formulary" means the list of prescription drugs prepared by the Authority for dispensing to beneficiaries under the Plan;

"Fund" means the National Health Insurance (Specified Chronic Diseases) (Prescription Drug Fund) established under section 6 of this Act;

"indigent person" means a person who is exempt by the National Insurance Board from paying contributions to the National Insurance Fund due to insufficiency of income;

"medical supplies" means surgical or medical items that are expandable, consumable, disposable, or non-durable and used for diagnosis or treatment of specified chronic diseases;

"medical practitioner" means a person registered under the Medical Act (Ch. 224);

"Minister" means the Minister responsible for Health;

"Plan" means the National Health Insurance (Specified Chronic Diseases) (Prescription Drug Plan) established under section 4;

"pharmacy" means a pharmacy registered under the Pharmacy Act (*Ch.227*);

"prescription drugs" means drugs prescribed by a medical practitioner for the treatment of specified chronic diseases;

"resident" means a person ordinarily resident in The Bahamas for a period or periods aggregating in the whole to not less than six months in the calendar year before the application for registration under section 7;

"specified chronic disease" means a chronic disease or medical condition set out in the *First Schedule*;

"Tax Compliance Certificate" means a certificate issued by the Financial Secretary under section 130 of the Public Finance Management Act, 2023 (*No. 4 of 2023*), proving that the applicant has fulfilled the obligation to pay monies due to the Government.

(2) For the definition of **"resident"** in subsection (1), a person is ordinarily resident in The Bahamas, if The Bahamas is used as a home by that person for not less than six months before the application for registration.

(3) A person's ordinary residence under subsection (2) shall not be deemed to have been interrupted because of —

(a) an occasional or temporary absence from The Bahamas not exceeding six months;

(b) an absence due to the performance of a duty arising from, or incidental to, an office, service or employment held or undertaken by him; or

(c) an absence in pursuit of a course of higher education,

if in the case of (b) and (c), he resumes actual residence in The Bahamas within six months of the completion of the duty, service or employment, or a course of education.

3. Purposes of the Act.

The purposes of this Act are —

(a) to improve the accessibility and affordability of prescription drugs and medical supplies for the treatment of specified chronic diseases;

(b) to foster collaboration with partners and stakeholders towards the implementation of a national programme for dispensing prescription drugs and providing medical supplies for the treatment of specified chronic diseases;

(c) to support the development of a Formulary; and

(d) to support the development of a national bulk purchasing strategy for providing prescription drugs and medical supplies.

PART II – CHRONIC DISEASES PRESCRIPTION DRUG PLAN

4. Chronic Diseases Prescription Drug Plan.

(1) There is established the National Health Insurance (Specified Chronic Diseases) (Prescription Drug Plan), which shall be managed by the Authority.

(2) Notwithstanding section 7(1), the persons registered under the Chronic Diseases Prescription Drug Plan established under the National Insurance (Chronic Diseases Prescription Drug Fund) Act (*Ch.350A*) shall, after the commencement of this Act, be deemed to be registered under this Act and eligible to receive benefits under the Plan established by subsection (1).

5. Objectives of the Plan.

The objectives of the Plan are —

(a) to continue to provide access to cost-effective prescription drugs and medical supplies to beneficiaries for treatment of specified chronic diseases;

(b) to increase access to safe, effective, high quality, affordable prescription drugs for treatment of specified chronic diseases;

(c) to reduce the financial burden of purchasing prescription drugs and medical supplies by beneficiaries for treatment of specified chronic diseases;

(d) to support the appropriate use of prescription drugs and medical supplies in a manner that prioritizes patient safety, optimizes health outcomes and reinforces the sustainability of the health system of The Bahamas;

(e) to improve the physical and mental well-being of citizens and residents of The Bahamas; and

(f) to provide comprehensive coverage of prescription drugs and access to medical supplies for beneficiaries.

6. Establishment of the Prescription Drug Fund.

(1) There is established a National Health Insurance (Specified Chronic Diseases) (Prescription Drug Fund) which shall be under the control and management of the Authority.

(2) The Fund shall consist of —

(a) sums approved by Parliament;

(b) contributions by beneficiaries as prescribed;

(c) rent, interest on investments, or other income derived from the assets of the Fund; and

(d) sums properly accruing to the Fund.

(3) There shall be paid out of the Fund —

(a) monies for the purchase and financing of prescription drugs and medical supplies;

(b) costs and expenses incurred by the Authority in the management of the Plan, including disbursements for remuneration, allowances, and operating expenses;

(c) monies for health education, health promotion, and research on the prevention of specified chronic diseases.

(4) The Authority shall maintain financial records of monies accruing to the Fund and monies paid out of the Fund.

7. Beneficiaries of the Plan.

(1) A person is entitled to benefits under the Plan where he —

(a) is a citizen or resident of The Bahamas;

(b) is certified by a registered medical practitioner to be suffering from a specified chronic disease or medical condition; and

(c) is in receipt of —

(i) retirement benefit under regulation 18 of the Regulations;

(ii) retirement grant under regulation 21A of the Regulations;

(iii) invalidity benefit under regulation 22 of the Regulations;

(iv) old age non-contributory pension under regulation 90 of the Regulations;

(v) invalidity assistance under regulation 91 of the Regulations;

(vi) disablement benefit assessed at one hundred per centum under regulation 52 of the Regulations;

(vii) survivor's benefit for persons over the age of sixty years under regulations 24, 25 and 26 of the Regulations; or

(viii) survivor's assistance under regulation 92 of the Regulations.

(2) The following persons qualified under paragraphs (a) and (b) of subsection (1) are entitled to benefits under the Plan —

(a) children under eighteen years of age;

(b) persons under twenty-five years of age and pursuing full-time studies at an institution of higher educational;

(c) indigent persons;

(d) persons over the age of sixty-five years who do not fall in a category in subsection (1) (c);

(e) persons who are employed at the Department of Corrections, the Simpson Penn Industrial School for Boys, and the Williemae Pratt Industrial School for Girls;

(f) members of the Royal Bahamas Police Force and the Royal Bahamas Defence Force;

(g) public officers;

(h) persons receiving maternity care during pregnancy, childbirth, and the post-natal period as prescribed.

(3) Persons eligible to receive benefits under subsections (1) and (2) shall make application to the Authority to be registered under the Plan in the manner prescribed.

(4) For this section, **"the Regulations"** mean the National Insurance (Benefit and Assistance) Regulations (*Sub. Leg.* Vol. V. (*Ch. 350-2*).

8. Supply of prescription drugs and medical supplies.

(1) The Authority shall, under the Public Procurement Act, 2023 (*No. 3 of 2023*), enter into contracts to procure supplies of prescription drugs listed in the Formulary, and to procure medical supplies for specified chronic diseases with —

(a) the Minister;

(b) Public Hospitals Authority;

(c) pharmacies registered under the Pharmacy Act (*Ch. 227*) ;

(d) manufacturers of prescription drugs and medical supplies licensed under the Pharmacy Act (*Ch. 227*); and

(e) wholesale distributors of prescription drugs and medical supplies licensed under the Pharmacy Act (*Ch. 227*).

(2) The Authority shall, under the Public Procurement Act, 2023 (*No. 3 of 2023*), enter into contracts with international suppliers to procure supplies of prescription drugs listed in the Formulary, and to procure medical supplies for specified chronic diseases.

PART III – PARTICIPATING PHARMACIES AND MEDICAL SUPPLY COMPANIES

9. Contracts with participating pharmacies and participating medical supply companies.

(1) The Authority may enter into a contract with a —

(a) privately owned registered pharmacy;

(b) medical supplies company, whether privately owned or not;

(c) hospital or a clinic managed by the Ministry of Health or the Public Hospitals Authority;

(d) pharmacy managed by the Ministry of Health or the Public Hospitals Authority; or

(e) licensed hospital, or licensed clinic,

to dispense prescription drugs and provide medical supplies for the Plan in accordance with the terms of a contract under this section.

(2) The Authority shall not enter into a contract with the entities in subsection (1) unless —

(a) in the case of a privately owned pharmacy —

(i) the pharmacy is registered under the Pharmacy Act (*Ch.227*); and

(ii) the pharmacy has a Tax Compliance Certificate valid for at least six months from the date of the contract;

(b) in the case of a medical supplies company, the company is in possession of a Tax Compliance Certificate valid for at least six months from the date of the contract;

(c) in the case of a hospital, or clinic managed by the Ministry of Health or the Public Hospitals Authority —

(i) the hospital or clinic is licensed under the Hospital and Health Facilities Act (*Ch. 235*); and

(ii) the hospital or clinic has a Tax Compliance Certificate valid for at least six months from the date of the contract;

(d) in the case of a pharmacy managed by the Ministry of Health or the Public Hospitals Authority —

(i) the pharmacy is registered under the Pharmacy Act; and

(ii) the pharmacy has a Tax Compliance Certificate valid for at least six months from the date of the contract.

(e) in the case of a hospital or clinic privately owned —

(i) the hospital or clinic is licensed under the Hospital and Health Care Facilities Act (*Ch. 235*); and

(ii) the hospital or clinic has a Tax Compliance Certificate valid for at least six months from the date of the contract.

(3) A registered pharmacy, medical supplies company, hospital or clinic with which the Authority contracted under subsection (1), shall be issued a Certificate of Participation by the Authority, in the Form prescribed in the *Second Schedule*.

(4) A beneficiary may obtain prescription drugs or medical supplies from a participating pharmacy, a participating medical supplies company, a participating licensed hospital, or a participating licensed clinic on the production of—

(a) a prescription in writing from a registered medical practitioner;

(b) an identification card issued by the Authority; and

(c) a valid passport, driver's licence, voter's card or other form of identification as required by a participating pharmacy, a participating medical supplies company, a participating hospital or a participating clinic.

(5) A participating pharmacy may, on satisfaction of the requirements specified in subsection (4), dispense prescription drugs or provide medical supplies to a beneficiary.

PART IV – FINANCIAL PROVISIONS AND REPORTS

10. Payment out of the Consolidated Fund.

All sums approved by Parliament under this Act for payment to the Fund, shall be paid out of the Consolidated Fund.

11. Actuarial Review and Financial Reports.

(1) The Authority shall, with the assistance of an actuary approved by the Minister, review the operation of the Fund on the thirty-first day of December of the year next following the coming into operation of this Act, and thereafter, review the operation of the Fund for the period ending on the thirty-first day of December in every third year.

(2) After each review referred to in subsection (1), the Authority shall report to the Minister on the financial condition of the Fund and the adequacy of contributions to the Fund.

(3) The Minister shall cause a copy of the report submitted to him under subsection (2), to be laid before both Houses of Parliament.

PART V - GENERAL PROVISIONS

12. Protocol for effective use of prescription drugs and medical supplies.

(1) The Minister, after consultation with the Authority, shall publish on the website of the Authority and the website of the Ministry of Health, a protocol for the appropriate use of prescription drugs and medical supplies for specified chronic diseases.

(2) The Minister may, after consultations with medical practitioners, pharmacists, beneficiaries and other stakeholders, publish a report on the

effectiveness of the protocol every two years following the first publication of the protocol.

13. Regulations.

(1) The Minister may make regulations for the administration of this Act, for carrying out its purposes, and to give effect to the provisions of this Act.

(2) Regulations may provide for —

(a) the form of application for registration as a beneficiary;

(b) dispensing prescription drugs and providing medical supplies to beneficiaries by the Authority with or without the payment of contributions to the Fund by beneficiaries;

(c) sharing between the Authority and beneficiaries of the cost of prescription drugs and medical supplies, where beneficiaries are required to pay contributions to the Fund;

(d) the establishment, periodic review and amendment of the Formulary;

(e) the terms and conditions for the dispensing of prescription drugs and the provision of medical supplies to beneficiaries by participating pharmacies, participating medical supply companies, participating hospitals and participating clinics;

(f) the issue of an identification card to a beneficiary; and

(g) other matters required to be prescribed for better carrying out of the objectives of this Act.

14. Amendment of First Schedule.

(1) The Minster may, by Order, amend the list of specified chronic diseases set out in the *First Schedule*.

(2) An Order made under subsection (1) of this section, shall be subject to affirmative resolution of both Houses of Parliament.

(3) In subsection (2), the expression **"subject to affirmative resolution of both Houses of Parliament"** means that an Order shall not come into operation unless approved by a resolution of each House of Parliament.

15. Repeal of Ch. 350A.

The National Insurance (Chronic Diseases Prescription Drug Fund) Act (*Ch. 350A*) is repealed.

FIRST SCHEDULE

(Sections 2 and 8)

SPECIFIED CHRONIC DISEASES

Rheumatic Diseases (including Juvenile Rheumatoid Arthritis and Lupus)

Asthma and Chronic Obstructive Pulmonary Disease (COPD)

Benign Prostate Hypertrophy

Breast Cancer

Diabetes Mellitus

Epilepsy

Glaucoma

Dyslipidaemia (High Cholesterol)

Hypertension

Ischaemic Disease

Heart Failure

Psychiatric Disorders (including Depression, Psychosis, Schizophrenia, and Dementia)

Prostate Cancer

Sickle Cell Anaemia

Thyroid Disease (Hyperthyroid and Hypothyroid)

Renal Replacement (Limited to transplant patients)

Solid Tissue Graft Transplant (Limited to transplant patients)

SECOND SCHEDULE

(Section 9)

CERTIFICATE OF PARTICIPATION

This is to certify that_____

_____

(*registered pharmacy/medical supplies company/licensed hospital/ licensed clinic*)

is authorized to dispense prescription drugs / provide medical supplies to beneficiaries on behalf of the Authority under a contract dated _____.

_____

Managing Director

National Health Insurance Authority