

REPUBLIC OF ZAMBIA

**THE MEDICAL AID SOCIETIES AND NURSING HOMES
(DISSOLUTION AND PROHIBITION) ACT**

CHAPTER 317 OF THE LAWS OF ZAMBIA

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THE MEDICAL AND SOCIETIES AND NURSING HOMES (DISSOLUTION AND
PROHIBITION) ACT

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CHAPTER 317

MEDICAL AID SOCIETIES AND NURSING HOMES (DISSOLUTION AND PROHIBITION)

21 of 1975
13 of 1994

An Act to provide for the winding up and dissolution of medical aid societies; to prohibit the establishment and operation of medical aid societies and nursing homes; and to provide for matters connected with or incidental to the foregoing.

[1st August, 1975]

1. This Act may be cited as the Medical Aid Societies and Nursing Homes (Dissolution and Prohibition) Act, and is deemed to have come into operation on the 1st August, 1975. Short title and commencement

2. In this Act, unless the context otherwise requires- Interpretation

"consulting room" means any premises, other than a nursing home, used or intended to be used for the consultation, advice and treatment of patients, usually provided by a medical practitioner or a dental surgeon and includes a clinic but does not include-

- (a) any consulting room maintained or controlled by the Government; or
- (b) any institution or premises exempted by the Minister or the Council from the provisions of this Act or any other written law;

"Council" means the Medical Council of Zambia;

"maternity ward" means part of any premises in a hospital or nursing home used or intended to be used for the reception of pregnant women, or of women immediately after child-birth;

"nursing home" means any premises used or intended to be used for the reception of, and the provision of nursing care to, persons suffering from any disease, injury or infirmity, and includes a hospital or maternity ward in such hospital or nursing home but does not include-

- (a) any hospital, maternity home or other like premises maintained or controlled by the Government; or
- (b) any institution exempted by the Minister or the Council from the provisions of this Act or any other written law;

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"Societies" means the Commercial and Industrial Medical Aid Society Limited and the Zambia Medical Aid Society Limited, companies registered under the Companies Act.

Cap. 388

3. (1) The Commercial and Industrial Medical Aid Society Limited and the Zambia Medical Aid Society Limited shall, with effect from the commencement of this Act, cease to exist except for the purpose of winding up their affairs.

Dissolution of Societies

(2) When the Minister is satisfied that all necessary agreements and arrangements have been made for the winding up of the affairs of the Societies so that they may be dissolved, the Minister shall by statutory notice appoint a date on which the Societies shall be dissolved.

4. (1) Subject to the provisions of this Act, the Societies shall be wound up in accordance with the provisions of the Companies Act relating to voluntary winding up.

Winding up of Societies
Cap. 388

(2) No person shall be appointed a liquidator of either of the Societies without the prior written approval of the Minister, and any liquidator so appointed shall be paid out of the assets of that Society such remuneration as may be approved by the Minister.

5. (1) No person shall transfer any money, property or other assets of either of the Societies, whether by gift, loan, payment, sale or other disposition, and whether for the purpose of the winding up of the affairs of that Society or otherwise, without the prior written approval of the Minister.

Prohibition of transfer of property of Societies

(2) Any transfer of money, property or other assets in contravention of this section shall be null and void.

6. (1) With effect from the commencement of this Act-

Prohibition of establishment and operation of medical aid societies and nursing homes

(a) no company, society or other association shall be formed in the Republic for the purpose of providing directly or indirectly to its members medical, surgical or other curative treatment or preventive health service or of reimbursing such members the whole or part of any expenses incurred by such members in obtaining such treatment or such service, or providing to such members any other benefit during or in relation to their sickness, injury or other indisposition;

(b) no person shall establish or operate any maternity ward or nursing home.

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(2) Notwithstanding the provisions of subsection (1), the Minister may grant exemption from the provisions of this Act or permit the establishment or operation of a nursing home on such conditions as the Minister may impose.

7. Notwithstanding anything to the contrary contained in any written law or in the memorandum and articles of association of either of the Societies or in any other document, the winding up and dissolution of the Societies under this Act shall not operate as a breach of contract by either of the Societies, and the contractual rights and obligations of any person affected by such winding up and dissolution shall, upon the commencement of this Act, be determined in accordance with the provisions of the Law Reform (Frustrated Contracts) Act.

Consequences of
dissolution of Societies
Cap. 73

8. The Minister may order the person who owns or operates any nursing home which is established or operated in contravention of this Act to close down such nursing home.

Closure of nursing
homes

9. Any person who after the publication of this Act contravenes any provision thereof or any order made thereunder shall be guilty of an offence and shall be liable on conviction to imprisonment for a term not exceeding six months or to a fine not exceeding seven thousand five hundred penalty units, or to both.

Offences

(As amended by Act No. 13 of 1994)

10. The Minister may, by statutory instrument, make regulations and in writing give directions for the better carrying into effect of this Act.

Regulations

SUBSIDIARY LEGISLATION

SECTION 10-THE MEDICAL AID SOCIETIES AND NURSING HOMES (EXEMPTION, ESTABLISHMENT AND OPERATION) REGULATIONS

Statutory Instruments
91 of 1990
118 of 1994

Regulations by the Minister

1. These Regulations may be cited as the Medical Aid Societies and Nursing Homes (Exemption, Establishment and Operation) Regulations.

Title

2. In these regulations unless the context otherwise requires, "appropriate professional medical body" means-

Interpretation

- (a) the Medical Council of Zambia;
- (b) the Pharmacy and Poisons Board; and
- (c) the General Nursing Council.

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3. (1) The organisations set out in the Schedule to these Regulations are-

Organisations exempt or permitted to establish or operate nursing homes

- (a) exempt from the provisions of subsection (1) of section six; or
- (b) are permitted to establish and operate a nursing home.

(2) Any person or organisation whose majority shareholders are Zambians may apply to the Medical Council of Zambia for permission to establish or operate a nursing home in accordance with these Regulations.

(3) A person or organisation exempted or permitted to operate or establish a nursing home under these Regulations shall be issued with a certificate of authority by the Medical Council of Zambia.

(As amended by S.I. No. 118 of 1994)

4. (1) Every nursing home shall appoint and employ personnel registered with the appropriate professional medical body to operate and provide service in that institution.

Staff and services of nursing homes

(2) Every nursing home shall publish a notice for the public at its premises outlining the services offered and the personnel available to provide such services.

(3) No nursing home shall publish the services and personnel referred to in subsection (2) without the prior written approval of the Medical Council of Zambia.

(As amended by S.I. No. 118 of 1994)

5. (1) The premises of a nursing home shall be constructed in such a way and contain such equipment and machinery as shall be commensurate with the services it will provide.

Premises and facilities of nursing homes

(2) Every nursing home operating as a private hospital shall provide the following basic services and facilities:

- (a) emergency and casualty services operating twenty-four hours;
- (b) out-patient department;
- (c) operating theatre facilities;

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- (d) laundry facilities;
- (e) kitchen and catering facilities;
- (f) laboratory and blood bank services;
- (g) ambulance service;
- (h) X-ray and other radiological facilities;
- (i) mortuary and incinerator facilities;
- (j) diagnostic equipment;
- (k) pharmacy; and
- (l) an efficient communication system.

(3) A nursing home other than that operating as a private hospital shall provide the following basic services and facilities:

- (a) emergency and casualty services; and
- (b) physiotherapy facilities and services.

6. (1) A person authorised by the Medical Council of Zambia may at all reasonable times enter and inspect any premises which are being used as a nursing home to ensure that the provisions of these Regulations are being complied with:

Entry and inspection

Provided that nothing in this subsection shall be deemed to authorise the Medical Council of Zambia to inspect any medical record of any patient.

(2) Any person who refuses to allow the Medical Council under subsection (1) to enter and inspect any such premises shall be guilty of an offence and shall be liable upon conviction to a fine not exceeding seventy five penalty units to imprisonment for a period not exceeding six months or to both.

(As amended by Act No. 13 of 1994 and S.I. No. 118 of 1994)

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7. For the performance of its functions under these Regulations the Medical Council of Zambia shall constitute an Administrative Advisory Board on such terms and conditions as it may determine. Administrative Advisory Board

(As amended by S.I. No. 118 of 1994)

8. (1) A nursing home shall charge such fees as are commensurate with the services it provides. Fees

(2) No fees shall be charged by a nursing home which have not been approved by the Medical Council of Zambia.

(3) The Medical Council shall by statutory order determine the fees payable for obtaining the certificate of authority referred to under regulation 3.

(As amended by S.I. No. 118 of 1994)

SCHEDULE

(Regulation 3)

Organisations exempted or permitted to establish and operate nursing homes:

1. Zambia Industrial and Mining Corporation and its subsidiaries.
2. Zambia National Provident Fund.
3. Zambia Consolidated Copper Mines Limited.