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Section 207: Memorandum of Understanding

A Memorandum of Understanding (MOU) among the Ministry of Finance, Ministry of Health, and the Social Security Administration will establish coordination regarding the following functions:

1. The duties and responsibilities of each agency while operating under the HCFA.
2. Preparing an annual report within 90 days after the end of each fiscal year for the President of the Republic of Palau, the President of the Senate, and the Speaker of the House of Delegates of the Olbiil Era Kelulau. The report will detail the financial status of the Fund, its investments, MSA participation, medical care utilization, and other matters as requested.
3. Coordinating any necessary activities among the agencies to meet the objectives of the HCFA.

[Source: 41 PNC § 911 & 912]

Section 208: Duties and Responsibilities of the Committee

The Committee, acting on behalf of the Medical Savings Account (MSA) and National Health Insurance (NHI) of the Republic of Palau, shall exercise and perform the following powers and duties:

1. Transact any business.
2. Enter into contracts for management, medical or ancillary service providers, third-party administrators, auditing, actuarial, investment, legal, or any other advice or services.
3. Issue subpoenas and administer oaths appropriate for the administration of the two plans.
4. Bond any employee of the Administration in such cases and amounts as necessary.
5. Have the authority to promulgate by-laws, procedures, policies, or rules and regulations that shall have the force and effect of law, necessary to carry out any duty, operation, or function as required under this Act.
6. Carry out adjudicative proceedings.
7. Maintain bank accounts and a bank overdraft for normal operations.
8. Delegate any power, function, duty, or responsibility as necessary to ensure the administration and operation of the two plans and funds.
9. Ensure that all HCFA functions being performed by external entities are being performed in the best financial interest of the Health Care Fund and its MSA/NHI members, whether performed by other government agencies through a Memorandum of Understanding, by a contracted Consultant or Third-Party Administrator, or otherwise.
10. Approve recommendations, official documents, and other actions that require approval by the Committee.

[Source: 41 PNC § 908]