



NATIONAL ASSEMBLY

FIRST SESSION

THIRTY-EIGHTH LEGISLATURE

Bill 26

(2007, chapter 21)

**An Act to amend the Act respecting the
Régie de l'assurance maladie du Québec
and to amend other legislative provisions**

Introduced 17 October 2007
Passed in principle 25 October 2007
Passed 20 November 2007
Assented to 22 November 2007

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EXPLANATORY NOTES

The main purpose of this bill is to make the Régie de l'assurance maladie du Québec subject to the Act respecting the governance of state-owned enterprises and to introduce new governance rules adapted to the Board into its constituting Act.

The new rules concern, among other things, the composition and operation of the board of directors. The bill prescribes the rules of appointment to the board of directors and provides for the establishment of two committees under the authority of the board of directors, namely, the audit committee and the governance, ethics and human resources committee. New rules will also apply to the disclosure and publication of information.

The bill also contains administrative and technical amendments, particularly with respect to the publication of certain regulations made under the Health Insurance Act, as well as consequential amendments.

Lastly, the bill contains transitional provisions.

LEGISLATION AMENDED BY THIS BILL:

- Health Insurance Act (R.S.Q., chapter A-29);
- Act respecting prescription drug insurance (R.S.Q., chapter A-29.01);
- Act respecting the governance of state-owned enterprises (R.S.Q., chapter G-1.02);
- Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., chapter R-5);
- Act respecting health services and social services (R.S.Q., chapter S-4.2).

Bill 26

AN ACT TO AMEND THE ACT RESPECTING THE RÉGIE DE L'ASSURANCE MALADIE DU QUÉBEC AND TO AMEND OTHER LEGISLATIVE PROVISIONS

THE PARLIAMENT OF QUÉBEC ENACTS AS FOLLOWS:

ACT RESPECTING THE RÉGIE DE L'ASSURANCE MALADIE DU QUÉBEC

1. Section 7 of the Act respecting the Régie de l'assurance maladie du Québec (R.S.Q., chapter R-5) is replaced by the following sections:

“7. The Board is administered by a board of directors consisting of 15 members, including the chair and the president and chief executive officer. At least eight members, including the chair, must qualify as independent directors in the opinion of the Government.

The Government shall appoint the members of the board, other than the chair and the president and chief executive officer, taking into consideration the expertise and experience profiles approved by the board. The members of the board are appointed for a term of up to four years, as follows:

(1) two are appointed after consultation with organizations representing the business community;

(2) one is appointed after consultation with organizations representing labour;

(3) two are appointed after consultation with organizations representing users of health services;

(4) three are appointed from among professionals in the field of health within the meaning of the Health Insurance Act (chapter A-29), including one general practitioner and one medical specialist, after consultation with each body representing a class of health professionals having entered into an agreement under that Act;

(5) two are appointed after consultation with the professional orders in the field of health;

(6) two are appointed from among the members of the board of directors of an institution or an agency referred to in the Act respecting health services and social services (chapter S-4.2); and

(7) one is appointed from among the officers of the Government or its bodies.

“7.0.1. On the expiry of their term, the members of the board of directors remain in office until they are replaced or reappointed.

“7.0.2. The Government shall appoint the chair of the board of directors for a term of up to five years.

“7.0.3. On the recommendation of the board of directors, the Government shall appoint the president and chief executive officer, taking into consideration the expertise and experience profile approved by the board of directors.

The president and chief executive officer is appointed for a term of up to five years.

“7.0.4. If the board of directors does not recommend a candidate for the position of president and chief executive officer in accordance with section 7.0.3 within a reasonable time, the Government may appoint the president and chief executive officer after notifying the members of the board.

“7.0.5. The president and chief executive officer is assisted by one or more vice-presidents appointed by the Government.

The vice-presidents are appointed for a term of up to five years.

On the expiry of their term, the vice-presidents remain in office until they are replaced or reappointed.

“7.0.6. The office of president and chief executive officer and the office of vice-president are full-time positions.

“7.0.7. A vacancy on the board of directors is filled in accordance with the rules of appointment to the board.

“7.0.8. The board of directors must strike an audit committee and a governance, ethics and human resources committee. The provisions of the Act respecting the governance of state-owned enterprises (chapter G-1.02) that concern the governance and ethics committee and the human resources committee apply to the governance, ethics and human resources committee.”

2. Section 7.1 of the Act is amended by replacing “president” by “president and chief executive officer and the vice-presidents of the Board”.

3. Section 7.2 of the Act is amended by replacing “of the Board, apart from the president” in the first paragraph by “of the board of directors, other than the president and chief executive officer”.

4. Section 8 of the Act is repealed.

5. Section 9 of the Act is replaced by the following section:

“**9.** If the president and chief executive officer is absent or unable to act, the board of directors may designate a member of the Board’s personnel to exercise the functions of that position.”

6. Section 10 of the Act is repealed.

7. Section 12 of the Act is replaced by the following section:

“**12.** A member of the board of directors is not in conflict of interest for the sole reason that the member receives fees for care given in the exercise of professional duties.”

8. Section 13 of the Act is amended by replacing “president” by “president and chief executive officer”.

9. Section 14 of the Act is replaced by the following section:

“**14.** The Board may adopt internal by-laws. Such by-laws come into force on the date of their publication on the Board’s website or any subsequent date specified in the by-laws.”

10. Section 14.1 of the Act is amended

(1) by replacing “may delegate to the president and director general” in the first line of the first paragraph by “may, by regulation, delegate to the president and chief executive officer”;

(2) by replacing “authorize the subdelegation of listed functions” in the second paragraph by “authorize in the regulation the subdelegation of the powers listed in it”;

(3) by adding the following paragraph at the end:

“To come into force, the regulation must be approved by the Government.”

11. Section 15 of the Act is replaced by the following section:

“**15.** The Board shall determine by internal by-law the rules relating to the quorum at meetings of the board of directors.”

12. Section 16 of the Act is amended by replacing “of the Board, approved by it” in the first line by “of the board of directors, approved by it”.

13. The Act is amended by inserting the following section after section 16:

“**16.0.1.** No deed, document or writing binds the Board or may be attributed to it unless it is signed by the chair of the board of directors or the president and chief executive officer. It may also be signed by a member of the personnel or an office holder at the Board, but only to the extent determined by regulation.

The regulation may also, on the conditions it sets, allow the use of an automatic device to affix the signature on the documents mentioned in the regulation. The regulation may also allow a facsimile of a signature to be engraved, lithographed or printed on the documents mentioned in the regulation. Such a facsimile has the same force as the signature itself.

To come into force, the regulation must be approved by the Government.”

14. Section 16.1 of the Act is repealed.

15. Section 16.2 of the Act is amended by striking out the second paragraph.

16. Section 17 of the Act is amended by replacing “The members, functionaries and employees of the Board cannot” in the first line by “Neither the members of the board of directors nor the functionaries and employees of the Board may”.

17. Section 18 of the Act is amended by replacing “of the Board” in the third line by “of the board of directors”.

18. Section 21 of the Act is amended by replacing “president” in the second paragraph by “president and chief executive officer”.

19. Section 22 of the Act is amended by replacing “director general” in the third line by “president and chief executive officer”.

20. Section 24.3 of the Act is amended by replacing “general manager” in the second line by “president and chief executive officer”.

HEALTH INSURANCE ACT

21. Section 3.1 of the Health Insurance Act (R.S.Q., chapter A-29) is amended by striking out the second paragraph.

22. Section 12 of the Act is amended by replacing “statement of fees the form of which is accepted by the Board and” in the first paragraph by “fee statement form provided for that purpose by the Board,”.

23. Section 13.1 of the Act is amended by replacing “statement of fees the form of which is accepted by the Board and” in the first paragraph by “fee statement form provided for that purpose by the Board,”.

24. Section 13.3 of the Act is amended by replacing “statement of fees the form of which is accepted by the Board and” in the first paragraph by “fee statement form provided for that purpose by the Board,”.

25. Section 22.1 of the Act is amended by replacing “statement of fees the form of which is accepted by the Board and” in the first paragraph by “fee statement form provided for that purpose by the Board,”.

26. Section 22.1.0.1 of the Act is amended by replacing “conditions prescribed by regulation under section 16.1 of the Act respecting the Régie de l’assurance maladie du Québec (chapter R-5)” in the third paragraph by “terms and in the manner determined by the Board”.

27. Section 65 of the Act is amended

(1) by inserting “expiration date of the health insurance card,” after “insurance number,” in the eleventh line of the fifth paragraph;

(2) by replacing “to the Canada Employment and Immigration Commission” in the fourth and fifth lines of the sixth paragraph by “to the Department of Human Resources and Social Development of Canada, the Department of Citizenship and Immigration of Canada”.

28. Section 68.1 of the Act is amended by replacing “director general” in the third line of the first paragraph by “president and chief executive officer”.

29. Section 69 of the Act is amended

(1) by replacing “designated by the Minister” in the fourth line of subparagraph *b.3* of the first paragraph by “designated by the Minister or by a person the Minister authorizes in writing”;

(2) by replacing the second paragraph by the following paragraph:

“The Minister or the person the Minister authorizes in writing must publish on the website of the Ministère de la Santé et des Services sociaux a list of the places designated for the purposes of subparagraph *b.3* of the first paragraph and every update of the list. The list and any updates of it come into force on the date the places are designated.”

30. Section 69.0.1 of the Act is repealed.

31. Section 72 of the Act is amended by striking out subparagraph *f* of the first paragraph.

32. Section 72.1 of the Act is amended

(1) by replacing the second sentence of the second paragraph by the following sentences: “The regulation comes into force on the date of its publication on the Board’s website or on any later date specified in the regulation. Publication on the website imparts authentic value to the regulation.”;

(2) by adding the following paragraph at the end:

“Before 1 April each year the Board shall publish, in Part 2 of the *Gazette officielle du Québec*, a notice of the date on which the regulation made under the first paragraph was replaced or amended during the preceding year. The notice shall include the address of the website on which the regulation is published.”

ACT RESPECTING PRESCRIPTION DRUG INSURANCE

33. Section 60.1 of the Act respecting prescription drug insurance (R.S.Q., chapter A-29.01), enacted by section 23 of chapter 40 of the statutes of 2005, is amended by inserting the following sentence after “notice.” in the fifth line: “The effect of the notice may be retroactive to the date on which the medication is out of stock.”

ACT RESPECTING THE GOVERNANCE OF STATE-OWNED ENTERPRISES

34. Section 2 of the Act respecting the governance of state-owned enterprises (R.S.Q., chapter G-1.02) is amended by replacing “listed in Schedule I” by “and agencies listed in Schedule I, subject to the provisions set out in their constituting Acts”.

35. Section 3 of the Act is amended by adding the following in alphabetical order:

“ “enterprise” means an enterprise or other agency listed in Schedule I to this Act;”.

36. Schedule I to the Act is amended

(1) by adding “AND AGENCIES” after “ENTERPRISES” in the heading;

(2) by inserting “Régie de l’assurance maladie du Québec” in alphabetical order.

ACT RESPECTING HEALTH SERVICES AND SOCIAL SERVICES

37. Section 116 of the Act respecting health services and social services (R.S.Q., chapter S-4.2), amended by section 42 of chapter 40 of the statutes of 2005, is again amended

(1) by inserting the following paragraph after the first paragraph:

“Any corrections made by the Régie de l’assurance maladie du Québec under section 60.2 of the Act respecting prescription drug insurance (chapter A-29.01) apply, under the same conditions and in the same manner, to the list drawn up in accordance with the first paragraph.”;

(2) by replacing “second or third” in the second line of the fourth paragraph by “third or fourth”.

TRANSITIONAL AND FINAL PROVISIONS

38. The requirements relating to the number of independent members of the board of directors of the Régie de l’assurance maladie du Québec and to the independence of the chair provided in the first paragraph of section 7 of the Act respecting the Régie de l’assurance maladie du Québec, enacted by section 1 of this Act, and the requirement provided in the second paragraph of section 19 of the Act respecting the governance of state-owned enterprises apply as of the date set by the Government. That date must be set as soon as possible and the provisions referred to in this section are to apply not later than 14 December 2011.

The same applies to the requirement that the audit committee include a member of a professional order of accountants, set out in the second paragraph of section 23 of the Act respecting the governance of state-owned enterprises.

39. The Government may, in accordance with the Act respecting the governance of state-owned enterprises, determine that a member of the board of directors of the Régie de l’assurance maladie du Québec in office on 21 November 2007 has the status of independent director.

40. A member of the board of directors of the Régie de l’assurance maladie du Québec in office on 21 November 2007 who has not obtained the status of independent director under section 39 of this Act may, despite section 19 of the Act respecting the governance of state-owned enterprises, be a member of a committee referred to in section 7.0.8 of the Act respecting the Régie de l’assurance maladie du Québec, enacted by section 1 of this Act, until the number of independent directors on the board corresponds to the number set in the first paragraph of section 7 of the Act respecting the Régie de l’assurance maladie du Québec, enacted by section 1 of this Act.

41. The members of the Régie de l’assurance maladie du Québec in office on 21 November 2007 continue in office as members of the board of directors for the unexpired portion of their term and on the same terms, until they are replaced or reappointed.

The president of the Board continues in office on the same terms, for the unexpired portion of the term, as president and chief executive officer and exercises the functions of chair of the board of directors until that office is

filled in accordance with section 7.0.2 of the Act respecting the Régie de l'assurance maladie du Québec, enacted by section 1 of this Act.

42. Sections 36, 38 and 39 of the Act respecting the governance of state-owned enterprises apply to the Régie de l'assurance maladie du Québec from the fiscal year beginning on 1 April 2008.

43. In addition to the transitional provisions provided in this Act, the Government may, by a regulation made before 22 November 2008, enact any other transitional provision or measure useful for the purposes of this Act.

A regulation made under this section is not subject to the publication requirement set out in section 8 of the Regulations Act (R.S.Q., chapter R-18.1).

44. Section 22 of the Regulation respecting the application of the Health Insurance Act (R.R.Q., 1981, chapter A-29, r. 1) is amended by replacing “by the Minister” in subparagraph *ii* of paragraph *o* by “under subparagraph *b.3* of the first paragraph of section 69 of the Act”.

45. This Act comes into force on 22 November 2007, except sections 10 and 32, which come into force on the date or dates to be set by the Government and sections 21, 30 and 31, which come into force on (*insert the date of coming into force of subparagraph 1 of the first paragraph of section 23 of the Act respecting contracting by public bodies (2006, chapter 29)*).