

**VOTES & PROCEEDINGS  
OF THE  
FIFTEENTH PARLIAMENT**

**No. 12**

**First Sitting of the Second Meeting  
Saturday, 14th June 2003**

**3.00 p.m.**

1. The House met at 3.00 p.m. in accordance with the resolution made on 4th June 2003.
2. The Speaker, Hon. Fabian Ribauw, M.P., took the Chair and read Prayers.
3. **Recommendation of a Proposed Law Authorising the Withdrawal of Moneys From the Treasury Fund (Article 61)**

The Chair informed the House that he had received from His Excellency the President as Chairman of the Cabinet, the following recommendation -

*“Whereas the appropriation law in respect of a financial year commencing on 1st July 2003 did not receive the certificate of the Speaker on or before the 10th June 2003;*

*Whereas, Article 61(1) of the Constitution empowers the Cabinet to recommend to the Parliament a proposed law authorising the withdrawal of moneys from the Treasury Fund for the purpose of meeting expenditure necessary to carry on the services of the Republic of Nauru from 1st July 2003 until 30th September 2003 or such earlier date as the appropriation law comes into operation; and*

*Whereas such recommendation is required to be in writing delivered to the Speaker not later than 17th June 2003; and*

*Whereas the Speaker is required upon receipt of such recommendation aforesaid to lay it before the Parliament as soon as practicable; and*

*Whereas, if necessary, the Speaker is required to appoint a time for the beginning of a session of a sitting of Parliament for the purpose of considering the recommendation;*

*And be it known the Cabinet of the Republic of Nauru does hereby recommend to Parliament a proposed law to be entitled the “Supply Act 2003” which proposed law will authorise the withdrawal of moneys from the Treasury Fund for the purposes of meeting expenditure necessary to carry on the services of the Republic of Nauru from 1st July 2003 until 30th September 2003, or such earlier time as the appropriation law shall come into operation.*

*Dated this fourteenth day of June, Two thousand and three.*

*For Cabinet (signed) Ludwig D. Scotty, M.P. Chairman to the Cabinet and President of the Republic of Nauru.”*

4. **Matter of Privilege**

The Chair informed the House that he had referred the matter of privilege raised by Dr. K. Keke to the Committee of Privileges.

5. **Election of one Member to Fill the Vacancy in the Subsidiary Legislation Committee.**

His Excellency the President nominated the Hon. R. Kun (Minister for Justice).  
The Hon. Dr. K. Keke (Minister for Health) seconded.  
The Hon. R. Kun accepted the nomination.

There being no other nomination, the Hon. R. Kun was duly appointed to the Subsidiary Legislation Committee.

6. **Questions Without Notice** were asked.

7. **Ministerial Statement & Tabling of Papers**

(i) His Excellency the President laid on the Table of the House the Nauru Insurance Corporation Annual Report for 2001-2002.

(ii) The Hon. D. Adeang (Minister for Finance) laid on the Table of the House a Cabinet Order for the raising of a loan of AUD480,000 from the NPRT transacted under Section 25(d) of the NPRT Act 1968-1997.

(iii) The Hon. B. Waqa (Minister for Education) made the following statement to the House -

*“Honourable Speaker,*

*This august House is aware that a complaint of alleged breach of privilege and contempt of the House by the Secretary for Justice was made to the Honourable Speaker by Hon. Kieren Keke, M.P., vide his letter dated 3rd June 2003. The matter was referred to the Committee of Privileges by the Honourable Speaker at the first meeting of the Committee held on 13th June 2003 for its indepth examination and report.*

*For the information of the House, I have the pleasure to inform the Honourable Members that I had been elected Chairman of the Committee of Privileges of the Fifteenth Parliament and Honourable Riddel Akua as its Deputy Chairman in its first meeting held yesterday which was convened by the Honourable Speaker.*

*Honourable Speaker,*

*I wish to inform the House that Committee shall endeavour to complete its examination of the subject at the earliest and lay its report on the Table of the House. Thank you.”*

Mr. Gioura (Ubenide) moved that the statement made by the Minister for Education be noted.

(iv) The Hon. Dr. K. Keke (Minister for Health) made the following statement to the House -

*“Honourable Members,*

*I wish to inform the House of new government policies regarding overseas medical referrals that were approved by Cabinet yesterday and shall take immediate effect.*

*As you are all aware, the people of Nauru have been fortunate in that there has in the past been sufficient funds to finance a scheme whereby those needing medical treatment not available in Nauru have been sent to Australia on government expense. This, however, has been provided at great financial cost to Nauru.*

*This financial burden on the nation has been exaggerated by unnecessary referrals for some time. There has long been a pattern of patients going on overseas referrals that could have been treated on Nauru. There is a regular stream of patients that return time and again for review in Australia that can be undertaken in Nauru. The financial burden has also been exaggerated by incurring unreasonable costs under the scheme for instance, patients are referred for a particular problem but end up having a whole host of conditions attended to that could be treated on Nauru. Almost every patient has a family escort, whether they need it or not.*

*Allow me to provide you with some figures to illustrate the extent of the financial burden.*

*A very conservative estimate is that government expenditure on overseas medical referrals for 2002/2003 will be around \$3.3 million, or about 50% (half) of the total Health budget for 2002/2003. This well exceeds the budgetted amount of \$2.5 million. In addition, as of May 2003, there are almost 2 million dollars worth of outstanding medical bills to be paid in Australia.*

*As a consequence, the current overseas referral scheme is barely able to function.*

*Due to the huge cost of the scheme and the current cash flow crisis facing the government, patients who urgently need overseas medical treatment are delayed for unreasonably long periods, or, in some disastrous cases, never make it in time.*

*It is abundantly clear to this government, and it should be plain for all to see that under the current economic climate, this pattern of costly referral is unsustainable.*

*It is clear, from the huge debts owing and the enormous ongoing costs of the current scheme, that Nauru cannot remain blind to the fact that we cannot afford the current overseas referral scheme.*

*The overseas referral scheme as it exists is unaffordable, unsustainable and is barely functioning.*

*Therefore this government shall be implementing a number of strategies to address this fact.*

- 1. There shall be a rational and significant reduction in the number of patients and escorts sent overseas, to a level that government can afford, yet still allowing those urgent and critical cases to go immediately when needed.*
- 2. Reimbursement for private medical treatment overseas will be guided by similar rational and strict policies. (The details of these strategies are provided for in the policy which will be circulated to Members.)*
- 3. Greater use will be made of visiting specialists to Nauru to undertake more*

*treatment on Nauru.*

4. *Government shall enter into contractual agreements with Health Service providers in Australia, and possibly Fiji, to ensure that we obtain quality services at a fair price, and with conditions that suit our needs.*

5. *Through funds released by the reduction in cost of overseas referrals, and with the generous assistance of friends such as Australia and the People's Republic of China, your government shall make ongoing improvements to the local health service to improve our local capacity and further reduce the need to send our people overseas.*

*This new policy changes government's approach to overseas referrals.*

*It has long been seen as a right for all Nauruans to have treatment overseas. This may have been a reasonable notion in the heydays of our economy, but we must now be realistic and accept that like most of other countries, where they have no option of overseas referrals, we too must place the focus of medical treatment here on Nauru, nor overseas. We must be investing in the Nauruan health system, not the Australian health system.*

*The new approach is that overseas referrals are to be seen as government assistance in extreme cases and that people will be expected to contribute to the cost in small ways. It is no longer a free ride or an "all expenses paid" holiday. It is assistance from government to help our people in times of need.*

*We are asking all Nauruans to take more responsibility for their health and wellbeing.*

*We are asking Nauruans to acknowledge and accept the realities of the current economic state of our beloved island home.*

*We are asking Honourable Members for your support in your government's efforts to regain control of our ailing finances by cutting unreasonable costs.*

*And I humbly seek Honourable Members assistance in explaining the details of the new policy to our people which shall be distributed to all Members for public information.*

## **POLICY ON GOVERNMENT SPONSORED OVERSEAS REFERRALS**

**- The following shall replace and revoke all existing government policies relating to government sponsored overseas medical referrals, and is effective from 13 June 2003.**

**- The following will apply to all Nauru government sponsored patients and escorts referred for overseas medical treatment by the Nauru Health Department.**

**- Patients' currently undergoing treatment overseas shall complete their treatment under their existing conditions.**

**- All new and pending referrals will be required to comply with the new policy.**

1. A patient will be deemed a government sponsored patient if -

1.1 A referral has been submitted by a Senior Medical Officer in the employ of the Health Department, or a visiting specialist, using the "Overseas Medical Referral" form, which has been correctly completed and countersigned by the Director of Medical

Services (or other Senior Medical Officer designated to provide concurrence on overseas medical referrals), with approving signatures from the Secretary for Health and the Minister for Health.

2. To qualify to be a government sponsored patient, a person must -
  - 2.1 Be a Nauruan citizen, or entitled to Nauruan citizenship in accordance with the Nauruan Community Act.
  - 2.2 Have a condition that cannot be treated on Nauru, either by the Health Department or through the visiting specialist scheme;
  - 2.3 and comply with all relevant sections of this policy statement.

3. Government sponsored medical treatment overseas will only be considered in extreme cases, and solely on medical grounds, but also, only where a good prognosis is expected following treatment overseas.

3.1 Extreme cases are defined as “life threatening or seriously debilitating conditions”;

3.2 Treatment must not be available in Nauru;

3.3 When considering whether a good prognosis exists, the following factors must be taken into serious consideration -

3.3.1 the patient’s age and physical condition;

3.3.2 the medical condition the patient is suffering from;

3.3.3 the effect other, pre-existing medical conditions will have;

3.3.4 patient compliance and acceptance of medical treatment;

3.3.5 the presence of a terminal illness;

3.3.6 conditions which will incur large ongoing costs.

3.4 Patients who have repeatedly demonstrated poor compliance with medical treatment and advice locally or overseas, or who repeatedly fail to present for medical review when scheduled on Nauru or overseas, shall not be entitled to government sponsored overseas medical treatment.

4. Review cases will only be considered for approval -

4.1 on the recommendation of a visiting specialist;

4.2 or in accordance with the same criteria as in section 3;

4.3 and with a referral in accordance with section 1;

4.4 “Review” cases are those persons who have previously received medical treatment overseas, either privately or as a government-sponsored patients, and who return overseas for the same condition.

5. Reimbursement of private patient’s overseas medical treatment will only be considered for approval -

5.1 on the recommendation of a visiting specialist;

5.2 if overseas, on the recommendation of a specialist medical practitioner;

5.3 or in accordance with the same criteria as in section 3;

5.4 and with a written request for reimbursement with relevant invoices or receipts attached;

5.5 and with a referral in accordance with section 1, after submitting to an interview, and examination as required by a Senior Medical Officer of the Health Department, if the patient is on Nauru;

5.6 Reimbursement claims shall only be considered for hospital charges, doctor's fees, diagnostic services, and other medical expenses, family escort expenses as detailed herein and for accommodation expenses;

5.7 Reimbursement of the cost of drugs and medicines prescribed as an outpatient shall not be considered. Non-prescription medications shall not be considered for reimbursement.

5.8 Reimbursement of the costs associated with a family escort shall only be considered if the family escort meets the criteria set out in section 7.

5.9 Reimbursement of airfares shall not be considered.

5.10 Reimbursement of accommodation shall only be considered for expenses incurred at the "Islanders Place", or other accommodation provided for by the co-ordinating hospital or the Nauruan Welfare Officers, and the reimbursement shall only apply for the period where the patient was undergoing active medical treatment.

5.11 A claim for "living allowance" shall not be entertained.

5.12 Invoices and/or receipts must accompany all reimbursement claims.

5.13 Nauruans travelling overseas on government or government instrumentality business must be covered by travel insurance.

5.14 Nauruans travelling overseas on private reasons will be encouraged to have travel insurance, as if they require medical treatment whilst travelling overseas, it shall only be reimbursed in accordance with the criteria set out in this policy.

6. Nauruans wishing to travel overseas for the purpose of seeking medical treatment at their own expense will be provided assistance by the Health Department with the preparation of relevant travel documents, visas, accommodation bookings, and the organisation of doctors and health service appointments.

6.1 All costs involved shall be borne by the person and not the department.

6.2 A request for reimbursement shall comply with section 5.

6.3 All private patients seeking the assistance of the department with organisation of their overseas medical treatment will be required to sign a statement that they undertake to meet all the costs associated with their intended treatment, and that they understood that they will not be entitled to government assistance for any treatment that falls outside of the criteria as set out in this policy.

7. Government sponsored patient's entitlements -

7.1 A person approved to be a government sponsored overseas medical patient shall be entitled to return economy class travel to/from Nauru and place of accommodation in the city of treatment, departure taxes, visa fees, accommodation, a daily living allowance, all associated necessary administrative arrangements and the payment of all medical expenses for the condition for which the patient was referred.

7.2 Expenses related to a medical condition other than what the patient was referred shall be the responsibility of the patient, but shall be open to a claim for reimbursement in accordance with the criteria set out in section 5.

7.3 Any other expenses not detailed in this policy statement shall be the responsibility of the patient.

**7.4 Medical Escort.**

7.4.1 A medical escort, who shall be an employee of the Health department, shall be provided and sponsored by the department upon the request of the referring Senior Medical officer, only if required for extreme medical reasons, with the concurrence of the Director of Medical Services, and with the approval of the Secretary for Health and the Minister for Health.

7.4.2 The medical escort shall have economy class return travel expenses to/from Nauru and place of accommodation in the city of treatment, departure fees, visa fees, accommodation up until the next available return flight to Nauru, a daily living allowance and all associated necessary administrative arrangements provided for by the department.

7.4.3 Any other expenses not detailed in this policy statement shall be the responsibility of the medical escort.

**7.5 Family Escort**

7.5.1 Government shall only sponsor one family escort to accompany a patient overseas in extreme circumstances, where the government sponsored patient has mobility issues, intellectual or communication barriers or due to extremes of age.

7.5.2 All government-sponsored patients under the age of 16 shall be entitled to a family escort.

7.5.3 The severity of the medical condition is not a criterion for a government sponsored family escort.

7.5.4 It is the responsibility of the government funded family escort to satisfy the department that there exists an appropriate familial relationship between patient and escort.

7.5.5 All government funded family escorts shall be over the age of 20 years, must be in good health, if female must not be pregnant, and if over the age of 55 years must be certified by the Director of Medical Services to be medically fit;

7.5.6 A person approved to be a government sponsored family escort shall be entitled to return economy class travel to/from Nauru and place of accommodation in the city of treatment, departure taxes, visa fees, accommodation, a daily living allowance and all associated necessary administrative arrangements.

7.5.7 All family escorts must have travel insurance.

7.5.8 A family escort's funding shall be revoked, if at any time, they are found not to be performing the duties expected as a responsible relative caring and assisting the patient.

7.5.9 If at any time, the patient or escort wishes for a change in family escort, the costs of additional airfares and any related travel expense shall not be borne by the department, and government funding of accommodation and living allowance shall pertain to only one escort at a time.

7.5.10 Any other relatives or friends accompanying the patient shall bear all the costs of travel, accommodation, and other living expenses themselves.

## **7.6 Allowances**

7.6.1 The current daily “living allowances” for patients and their escorts shall continue, pending a review of the scale and appropriateness of such allowances.

7.6.2 There shall be no clothing allowance.

7.6.3 There shall be no allowance or reimbursement paid for the costs of travel within the city the patient is receiving treatment.

## **7.7 Accommodation**

7.7.1 Accommodation shall be funded by government for government sponsored patients and sponsored escorts, up until the next available flight returning to Nauru after the treating doctor states that the patient is fit to return to Nauru.

7.7.2 Accommodation shall be provided at such premises as provided by the coordinating hospital or the Nauruan Welfare Officer, whichever is applicable.

7.7.3 Patients and escorts wishing to reside at premises other than those provided for above, shall do so at their own expense, and no reimbursement for such accommodation will be considered.

7.7.4 Government sponsored patients and escorts shall be responsible for payment of damages to accommodation facilities, telephone accounts and other expenses of daily living, which may be incurred by them.

## **7.8 Travel Costs**

7.8.1 The department shall only fund economy class return travel to/from Nauru and the place of accommodation in the city of treatment.

7.8.2 There will be no provision for privately arranged transport other than transport provided for by the Nauru Welfare Officer.

Mr. Detenamo (Buada) moved that the statement made by the Minister for Health be noted.

## **7. Motion Seeking Leave**

The Hon. D. Adeang (Minister for Finance) sought leave of the House to move a motion. Leave was not granted.

## **8. Motion**

The Hon. D. Adeang (Minister for Finance) moved the following resolution -

*“Pursuant to Article 59(4) of the Constitution, Parliament does hereby determine that the Cabinet may cause to be prepared and laid before Parliament estimates of Revenue and Expenditure of Nauru for the financial year 2003-2004 before the 30th day of September 2003.”*

His Excellency the President seconded.

Question put and passed.



9. **Motion - Supply Bill 2003**

The Hon. D. Adeang (Minister for Finance), pursuant to Standing Order 189, moved to present the Supply Bill 2003.

**First Reading**

The Bill was presented and read a first time.

10. **Motion - Second Reading**

The Hon. D. Adeang (Minister for Finance) moved that the Bill be now read a second time.

The Hon. Dr. K. Keke (Minister for Health) seconded.

Second reading speech ensued.

Under Standing Order 159 debate on the Supply Bill 2003 was adjourned to the next sitting.

11. **Motion**

The Hon. D. Adeang (Minister for Finance) moved that Standing Order 159 be suspended to enable the second reading debate to ensue forthwith.

The Hon. Dr. K. Keke (Minister for Health) seconded.

Question put and passed.

1.2 **Division of the House Called for**

Mr. Gioura (Ubenide) and Mr. Ekwona (Yaren) called for division.

**The House divided.**

<b>AYES</b>		<b>NOES</b>	
Mr. Scotty	Mr. Adeang	Mr. Gioura	Mr. Ekwona
Mr. Kun	Mr. Jeremiah	Mr. Stpehn	Mr. Botelanga
Mr. Waqa	Dr. Keke	Mr. Adam	Mr. Detenamo
Mr. Akua	Mr. Thoma		

**Total - 8**

**Total - 6**

Question put and negatived. (S.O. 234 - Absolute majority needed for suspension of Standing Orders.)

13. **Motion Fixing the Date for the Next Sitting**

His Excellency the President moved that Parliament at its rising do adjourn until next Monday morning, 16th June 2003, at 10 a.m.

The Hon. D. Adeang (Minister for Finance) seconded.  
Question put and passed.

#### 14. **Adjournment**

His Excellency the President moved that the House do now adjourn.  
Debate ensued.

Question put and passed.

And then the House at thirty-five minutes past seven o'clock p.m. adjourned until next Monday morning at 10 a.m.

#### **Members Present**

All Members were present at some time during the sitting, except

Mr. Harris

Mr. Clodumar

Mr. Namaduk

Frederick Cain  
**Clerk of Parliament**