



**CAYMAN ISLANDS  
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT  
ELECTRONIC VERSION**

**2012/13 SESSION**

**21 November 2012**

*Ninth Sitting of the Second Meeting*

*(pages 443–484)*

**Hon Mary J Lawrence, MBE, JP  
Speaker**

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PRESENT WERE:

**THE SPEAKER**

Hon Mary J Lawrence, MBE, JP.  
Speaker of the Legislative Assembly

**MINISTERS OF THE CABINET**

Hon W McKeever Bush, OBE, JP, MLA	<i>The Premier</i> , Minister of Finance, Tourism and Development
Hon Juliana Y O'Connor-Connolly, JP, MLA	<i>The Deputy Premier</i> , Minister of District Administration, Works, Lands and Agriculture
Hon Rolston M Anglin, JP, MLA	Minister of Education, Training and Employment
Hon Michael T Adam, MBE, JP, MLA	Minister of Community Affairs, Gender and Housing
Hon J Mark P Scotland, JP, MLA	Minister of Health, Environment, Youth, Sports and Culture

**OFFICIAL MEMBERS OF THE CABINET**

Hon Franz Manderson, Cert. Hon., JP	<i>Deputy Governor</i> , Member responsible for Internal and External Affairs and the Civil Service
Hon Samuel Bulgin, QC, JP	Attorney General, Member responsible for Legal Affairs

**ELECTED MEMBERS**

**GOVERNMENT BACKBENCHERS**

Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay
Mr Ellio A Solomon, MLA	Fourth Elected Member for George Town
Mr Dwayne S Seymour, MLA	Third Elected Member for Bodden Town

**OPPOSITION MEMBERS**

Hon Alden M McLaughlin, MBE, JP, MLA	<i>Leader of the Opposition</i> , Third Elected Member for George Town
Hon D Kurt Tibbetts, OBE, JP, MLA	First Elected Member for George Town
Mr Anthony S Eden, OBE, JP, MLA	Second Elected Member for Bodden Town
Mr Moses I Kirkconnell, JP, MLA	First Elected Member for Cayman Brac and Little Cayman
Mr V Arden McLean, JP, MLA	Elected Member for East End

**INDEPENDENT MEMBER**

Mr D Ezzard Miller, JP, MLA	Elected Member for North Side
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**ABSENT**

Hon Cline A Glidden, Jr, MLA	<i>Deputy Speaker</i> , Third Elected Member for West Bay
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**OFFICIAL HANSARD REPORT  
SECOND MEETING 2012/13 SESSION  
WEDNESDAY  
21 NOVEMBER 2012  
11.34 AM  
Ninth Sitting**

**The Speaker:** Good morning everyone.

I will call on the Second Elected Member for Bodden Town to say prayers this morning.

**PRAYERS**

**Mr. Anthony S. Eden, Second Elected Member for Bodden Town:** Let us pray.

*Almighty God, from whom all wisdom and power are derived: We beseech Thee so to direct and prosper the deliberations of the Legislative Assembly now assembled, that all things may be ordered upon the best and surest foundations for the glory of Thy Name and for the safety, honour and welfare of the people of these Islands.*

*Bless our Sovereign Lady, Queen Elizabeth II; Philip, Duke of Edinburgh; Charles, Prince of Wales; and all the Royal Family. Give grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and piety may be established among us. Especially we pray for the Governor of our Islands, the Speaker of the Legislative Assembly, Official Members and Ministers of Cabinet and Members of the Legislative Assembly, that we may be enabled faithfully to perform the responsible duties of our high office. All this we ask for Thy great Name's sake.*

*Let us say The Lord's Prayer together: Our Father, who art in Heaven, Hallowed be Thy Name. Thy Kingdom come, Thy will be done on earth as it is in Heaven. Give us this day our daily bread, and forgive us our trespasses, as we forgive those who trespass against us. Lead us not into temptation, but deliver us from evil. For Thine is the Kingdom, the power and the glory, forever and ever. Amen.*

*The Lord bless us and keep us. The Lord make His face shine upon us and be gracious unto us. The Lord lift up the light of His countenance upon us and give us peace, now and always. Amen.*

**The Speaker:** Please be seated. Proceedings are resumed.

**READING BY THE HONOURABLE  
SPEAKER OF MESSAGES  
AND ANNOUNCEMENTS**

**The Speaker:** I have no messages or announcements this morning.

**PRESENTATION OF PAPERS  
AND OF REPORTS**

**Special Report of the Auditor General on the Affordable Housing Initiative—August 2004 and Update January 2005**

**Special Forensic Audit Report of the Office of the Auditor General on the National Housing and Community Development Trust—17 June 2005**

**Special Forensic Audit Final Report of the Office of the Auditor General on the National Housing and Community Development Trust—30 August 2005**

**Reports of Standing Public Accounts Committee:**

- **Special Reports of Auditor General on the Affordable Housing Initiative – August 2004 and Update January 2005;**
- **Special Forensic Audit Report of Auditor General on National Housing and Community Development Trust – 17<sup>th</sup> June 2005; and**
- **Special Forensic Audit Final Report of Auditor General on National Housing and Community Development Trust – 30<sup>th</sup> August 2005**

**Performance Audit Report of Auditor General on the Fuel Card Usage and Management Follow-up**

**Report of Standing Public Accounts Committee on Performance Audit Report of Auditor General on Fuel Card Usage and Management Follow-up**

**Performance Audit Report of the Auditor General on Management of Overseas Medical Services**

**Report of Standing Public Accounts Committee on Performance Audit Report of Auditor General on Management of Overseas Medical Services**

**The Speaker:** First Elected Member for Cayman Brac and Little Cayman, Chairman of the Public Accounts Committee.

**Mr. Moses I. Kirkconnell:** Madam Speaker, I rise to lay upon the Table of this honourable House, the following Reports:

- Special Report of the Auditor General on the Affordable Housing Initiative—August 2004 and Up-date January 2005
- Special Forensic Audit Report of the Office of the Auditor General on the National Housing and Community Development Trust—17 June 2005
- Special Forensic Audit Final Report of the Office of the Auditor General on the National Housing and Community Development Trust—30 August 2005
- Report of the Standing Public Accounts Committee on the Special Reports of the Auditor General on the Affordable Housing Initiative—August 2004 and Update January 2005; together with the Special Forensic Audit Report of the Office of the Auditor General on the National Housing and Community Development Trust—17<sup>th</sup> June 2005; and Special Forensic Audit Final Report of the Office of the Auditor General on the National Housing and Community Development Trust—30<sup>th</sup> August 2005
- Performance Audit Report of the Auditor General on the Fuel Card Usage and Management Follow-up
- Report of the Standing Public Accounts Committee on the Performance Audit Report of the Auditor General on the Fuel Card Usage and Management Follow-up
- Performance Audit Report of the Office of the Auditor General on the Management of Overseas Medical Services
- Report of the Standing Public Accounts Committee on the Performance Audit Report of the Office of the Auditor General on the Management of Overseas Medical Services

**The Speaker:** So ordered.

Does the Member wish to speak thereto?

**Mr. Moses I. Kirkconnell:** Thank you, Madam Speaker.

Just a few comments to say that all of these items that I have now tabled were addressed last week in my general report on the Public Accounts Committee. But I would like to say that through the hard work of the Committee members and the Clerk that the work of the Public Accounts Committee is now current. And you can see by the reports that some of these went back to 2005.

Thank you, Madam Speaker.

**The Speaker:** Thank you Member for Cayman Brac and Little Cayman.

**Cayman Islands Constitution Order 2009, S.I. 2009 No. 1379 the Electoral District Boundaries Order, 2012**

**The Speaker:** Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Cayman Islands Constitution Order 2009, S.I. 2009 No. 1379 The Electoral District Boundaries Order, 2012.

**The Speaker:** So ordered.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, section 89(4) of the Constitution stipulates that where the draft order to be laid by the Premier contains modification, I am required to also lay before the Legislative Assembly a statement of the reasons for the modification.

Madam Speaker, the relevant part of the Constitution which deals with it, says . . . and as a matter of context, Madam Speaker, the operative section is 89(4). But I would beg leave to read 89(3) to give it proper context.

Section 89(3) says: “**As soon as may be after the Commission has submitted a report under subsection (1), the Premier shall lay before the Legislative Assembly for its approval the draft of an order by the Governor for giving effect, whether with or without modifications, to the recommendations contained in the report, and that draft may make provision for any matters which appear to the Premier to be incidental to or consequential upon the other provisions of the draft.**”

And the operative section is 89(4): “**(4) Where any draft order laid under this section would give effect to any such recommendations with modifications, the Premier shall lay before the Legislative Assembly together with the draft a statement of the reasons for the modifications.**”

Madam Speaker, I therefore wish to read the statement for the reasons, and I will also lay this on the Table to accompany the draft Order.

Madam Speaker, I have laid before the Legislative Assembly a draft of an Order by His Excellency the Governor for giving effect with modifications to the recommendations contained in the Electoral Boundary Commission Report 2010.

The Electoral Boundary Commission 2010 Report recommended that as a basis of the latest data in the Elections Office voters register, in allocating the 18 Members to the Legislative Assembly, there would be 6 Members in the George Town Electoral District; 4 Members in the West Bay Electoral District; 4 Members in the Bodden Town Electoral District; with 2 Members in Cayman Brac and Little Cayman, and 1 Member each in East End and North Side.

The extent of the proposed modification is that the recommendation by the Commission which contemplated altering the physical boundaries in order to give effect to the three additional seats will not be ac-

cepted. Accordingly, the portion of the recommendation for increasing the number of elected members by three seats, two in George Town and one in Bodden Town, will be accepted. However, we do not accept any recommended changes to the physical electoral boundaries in order to do so.

The reason for refusing to accept that portion of the recommendation is because the electoral district boundaries being proposed by the Commission in its report, if accepted, would, among other things, result in some persons who previously voted in George Town now being required to vote in Bodden Town. The Government can find no support for such a change.

Accordingly, the draft Order that is being proposed to this Legislative Assembly for approval seeks only approval for an additional three elected members, that is two for the electoral district of George Town, and one for the electoral district of Bodden Town, but no consequential changes to the physical electoral boundaries.

Madam Speaker, in regard to what else might have been said, this statement, supersedes any statement previously made by me to this Legislative Assembly on that issue.

I look forward to taking the motion to the House later on today.

**The Speaker:** Thank you, Honourable Premier.

Did you lay the statement as well as the report on the Table of the House?

**The Premier, Hon. W. McKeever Bush:** I thought I had. I didn't. I better do so now then.

The statement is hereby laid by the Serjeant-at-Arms.

**The Speaker:** So ordered.

Now, would the Honourable Minister wish to speak thereon?

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I have said what I needed to say at this time. Certainly, I will have more to say when I move the relevant motion before the House.

**The Speaker:** Thank you.

I have given permission for a statement by the Honourable Premier.

## STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

### Official Travel

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, the Deputy Premier and I have been criti-

cised for travelling by the Opposition. The Deputy Premier has a very large ministry and travel is required by some of her departments. And she, as Minister, is required to be there. Many times, civil servants travel without us, Madam Speaker.

For myself, as the Minister of Finance, Tourism and Development, unfortunately travel has become a necessity in the global markets that we conduct business with, and even more seek to do business with.

At the recent [Lord Mayor's Banquet](#), the British Prime Minister made a speech, which I beg to lay on the Table of this honourable House. I would ask Honourable Members to Google that speech, or at least get copies of it, but they should be paying attention to what the British Prime Minister is saying.

**The Speaker:** So ordered.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, Mr. Cameron discussed the need for he and his ministers to travel to represent Britain. I ask the simple question: If Britain with its vastness and diversity in economies now finds it necessary to travel, how much more the Cayman Islands, with its much smaller economy?

I quote Prime Minister Cameron: **"In the past two and a half years I have taken trade missions to Africa, Indonesia, the Gulf, China, India, Russia, Mexico, Brazil, Japan and Malaysia."**

The late Lord Mayor has been doing the same, visiting no fewer than 26 different countries during his year in office—26 in one year, during his year in office.

Madam Speaker, Mr. Cameron went on to say, and I further quote: **"When I became Prime Minister I said to our diplomats in the Foreign Office: I don't just want you to be political ambassadors for Britain, I want you to be economic ambassadors too. And I didn't just give them a talking to and let them get on with it. I got out there myself."**

He went on to say, **"Now, I know there are some people who say that's not real foreign policy or worse still, it's just globetrotting."** Madam Speaker, "globetrotting" is a word that you hear a lot from the Leader of the Opposition accusing me.

Cameron said, **"But I say there is a global race out there to win jobs for Britain and I believe in leading from the front."**

Madam Speaker, I have said the same thing to the people of this country, that when Cayman's name is called I believe we should be there to speak for ourselves, to seek business or to discuss Cayman's position with the European Union and their demands on us.

In Mr. Cameron's speech, he went on to say, **"Right now Britain is in a global race. It is a moment of reckoning for every country. Sink or swim. Do or decline. The critical question is this. How**

does Britain compete and win in a world where all around us new countries are on the rise? . . . I believe that Britain can make it in this global race.”

“That’s why we’re cutting corporation tax rates to the lowest in the G20, why we’ve introduced some of the most generous tax breaks for early stage investment in start-ups of any developed economy and why we’ve got a patent box so you only pay 10pc tax on the profits you make on intellectual property.”

“When I became Prime Minister, companies less than three years old weren’t even allowed to bid for most central government contracts while 70 per cent of government IT spending went to just seven multi-national companies.”

Madam Speaker, Mr. Cameron should have this message sent to the Foreign Office and the Opposition, and to the local press, although I am doing that myself, as he went on to say, and I quote: “**We are changing all that: tearing up the rules and opening up government procurement to start-ups, spending hundreds of millions to stimulate venture capital investment and getting behind technology clusters wherever they start to emerge. Be it Tech City in London, creative industries in Manchester or Marine technology in Bristol.**”

“Free trade is in our DNA.”

Madam Speaker, I have taken only a few statements from Prime Minister Cameron’s message, but with your permission, as I said, I wanted to lay this entire speech on the Table, as I have done.

Madam Speaker, I am further putting it in the *Caymanian Compass*, because there has been just too much criticism and people using this as a political beating stick, because that’s all it is nowadays. They talk about who is travelling and why we’re travelling and they talk about procurement. That’s the one I am going to make tomorrow! The further statement I am going to make tomorrow is what he said about procurement, what they are demanding of their people whereas something else opposite is being demanded of me here. Wait until you hear that one, Madam Speaker.

Thank you kindly.

**The Speaker:** Thank you, Honourable Premier.  
Are there any questions?

[pause]

**The Speaker:** The House will now resolve itself into committee to continue the committee stage and re-committed of clause 2 of the Health Insurance (Amendment) Bill, 2012.

## GOVERNMENT BUSINESS

### BILLS

House in Committee at 11.56 am

### COMMITTEE ON BILL

[Hon. Mary J. Lawrence, MBE, JP, Chairman]

**The Chairman:** Please be seated. The House is now in Committee.

[Inaudible interjections]

**The Speaker:** I need to repeat that; the House is now in Committee.

[Pause and inaudible interjections]

**The Speaker:** With the leave of the House, may I assume that, as usual, we should authorise the Honourable Attorney General to correct minor errors and such the like in these Bills?

Would the Clerk please state the Bill and read the clause.

#### Health Insurance (Amendment) Bill, 2012

*Re-committal of Clause 2*

**The Clerk:** [The Health Insurance \(Amendment\) Bill, 2012.](#)

Clause 2 Amendment of section 2 of the Health Insurance Law (2011 Revision)—definitions

**Hon. J. Mark P. Scotland, Minister of Health, Environment, Youth, Sports and Culture:** Madam Chair, I gave notice of a further amendment to be made.

**The Chairman:** The question is that clause 2 do stand part of the Bill.

All those in favour please say Aye. Those against, No.

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Clause 2 passed.**

**Hon. J. Mark P. Scotland:** Madam Chair.

**The Chairman:** Yes.

**Hon. J. Mark P. Scotland:** I have given notice of a further amendment.

#### New Clause 3

**The Clerk:** New clause 3.

**The Chairman:** Minister of Health.

**Hon. J. Mark P. Scotland:** In Accordance with the provisions of Standing Order 52 (1) and (2) I give notice to move the following amendment to The Health Insurance (Amendment) Bill, 2012. By inserting after clause 2 the following clause: "Clause 3 The Health Insurance Law (2011 Revision) is amended in section 5 by repealing subsection (15)(a) and substituting the following subsection: (15)(a) Except as permitted by regulations prescribed under section 25 no underwriting is permitted under the Standard Health Insurance Contract."

**The Clerk:** New clause 3—Amendment of section 5 of the Health Insurance Law (2011 Revision)—compulsory health insurance.

**The Chairman:** The clause has been read a first time. The question is that the clause be read a second time.

All those in favour please say Aye. Those against, No.

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Clause read a second time.**

**The Chairman:** The question now is that this clause be added to the Bill as clause 3, and that subsequent clauses be renumbered accordingly.

All those in favour please say Aye. Those against, No.

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: New clause 3 added.**

**The Clerk:** A Bill for a Law to amend the Health Insurance Law (2011 Revision) to improve the administration of the law; and for incidental and connected purposes.

**The Chairman:** The question is that the Title do stand part of the Bill.

All those in favour please say Aye. Those against, No.

**Ayes.**

**The Chairman:** The Ayes have it.

**Agreed: Title passed.**

**The Chairman:** The question now is that the Bill be reported to the House.

All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it.

**Agreed: Bill to be reported.**

**House resumed at noon**

**The Speaker:** Please be seated.  
Report on Bill.

## **REPORT ON BILL**

### **Health Insurance (Amendment) Bill, 2012**

**The Clerk:** The Health Insurance (Amendment) Bill, 2012.

**The Speaker:** Honourable Minister of Health.

**Hon. J. Mark P. Scotland:** I beg to report that a Bill entitled, The Health Insurance (Amendment) Bill, 2012, was considered by a Committee of the whole House and passed with amendments.

**The Speaker:** The Bill has been duly reported and is set down for a third reading.

## **THIRD READING**

### **Health Insurance (Amendment) Bill, 2012**

**The Clerk:** The Health Insurance (Amendment) Bill, 2012, Third Reading.

**The Speaker:** Honourable Minister of Health.

**Hon. J. Mark P. Scotland:** I beg to move the Third Reading of a Bill shortly entitled, The Health Insurance (Amendment) Bill, 2012.

**The Speaker:** The question is that a Bill shortly entitled The Health Insurance (Amendment) Bill, 2012, be given a third reading and passed.

I am sorry, you need to ask for it to be given a third reading and passed. Please say it again.

**Hon. J. Mark P. Scotland:** Madam Speaker, I beg to move that the Health Insurance (Amendment) Bill, 2012, be given a third reading and passed.

**The Speaker:** The question is that a Bill shortly entitled, The Health Insurance (Amendment) Bill, 2012, be given a third reading and passed.

All those in favour please say Aye. Those against, No.

**Ayes and one audible No** [*Member for North Side*]

**The Speaker:** The Ayes have it.

**Agreed: The Health Insurance (Amendment) Bill, 2012, been given a third reading and passed.**

**The Speaker:** Did you have something to say, Member for North Side?

[*No audible reply*]

## MOTIONS

### Government Motion No. 2/2012-13—Health Insurance (Amendment) Regulations, 2012

**The Speaker:** Honourable Minister of Health, Environment, Youth, Sports and Culture.

**Hon. J. Mark P. Scotland:** I beg to move Government Motion No. 2/2012-13 Health Insurance (Amendment) Regulations, 2012.

[*Pause*]

**The Speaker:** Honourable Minister, would you move the Motion Please?

**Hon. J. Mark P. Scotland:** Government Motion No. 2/2012-13— Health Insurance (Amendment) Regulations, 2012:

**WHEREAS section 25(1) of the Health Insurance Law (2011 Revision) provides that the Governor in Cabinet may make regulations;**

**AND WHEREAS section 25(2) of the said Law provides that [regulations](#) made under the said Law are subject to affirmative resolution by the Legislative Assembly;**

**AND WHEREAS the Health Insurance (Amendment) Regulations, 2012 were laid on the Table of this Honourable House;**

**BE IT THEREFORE RESOLVED THAT the Health Insurance (Amendment) Regulations, 2012 be affirmed by the Legislative Assembly pursuant to the provisions of section 25(2) of the Health Insurance Law (2011 Revision).**

**The Speaker:** The question is: BE IT THEREFORE RESOLVED THAT the Health Insurance (Amendment) Regulations, 2012 be affirmed by the Legislative Assembly pursuant to the provisions of section 25(2) of the Health Insurance Law (2011 Revision).

The Motion is open for debate. Does the Honourable Minister wish to speak thereto?

**Hon. J. Mark P. Scotland:** Thank you, Madam Speaker.

I rise this afternoon to speak to the tabling of the Health Insurance (Amendment) Regulations 2012. As everyone is aware by now, amendments to the Health Insurance Law were approved by Cabinet in August 2010 and passed here in this honourable House in September 2010. Since that time my Ministry, along with the Health Insurance Standards Committee, health care providers and other stakeholders have been working together to identify issues and gaps that exist in the current legislation and to address those areas.

Madam Speaker, in an effort to continue to improve access to healthcare, to continue to make it more affordable, reduce the number of uninsured and underinsured persons, Government realised that the legislation passed in 2005 required several improvements to meet the current needs of all of our stakeholders. So, the amendments to the Law in 2010 together with the amendments just passed . . . and I want to thank the honourable House for their support of the Health Insurance (Amendment) Bill which was just approved which will, indeed, be a significant improvement for health insurance and access to healthcare here in the Cayman Islands.

These proposed amendments which we are tabling now for the Health Insurance Regulations will also continue to improve that access to healthcare, especially for those persons with limited income and persons who may be considered as high risk.

Madam Speaker, we know health insurance legislation has been in effect for almost 15 years now, and that has allowed us the opportunity over this time to review the experience and to assess what has been working and what has not worked. Many persons, because of inadequate health insurance are unable to access healthcare when needed. Because of that we recognised that the legislation had to be more responsive to needs and experiences have shown that the current benefits under the current Law (the Law that has just been amended) and the minimum mandatory level of coverage under the Standard Health Insurance Contract, has become woefully inadequate.

Madam Speaker, time and time again we have seen these individuals who have the SHIC (the Standard Health Insurance Contract) and those persons who have those levels of benefits and those benefits become exhausted due to sometimes serious, catastrophic illness—sometimes it doesn't even have to be that, Madam Speaker, because the benefit plan there now is so small—it forces them into a situation whereby they become medically indigent and unable to meet the costs of that necessary care.

Too many times these unmet costs have to then be absorbed by Government, either directly in terms of paying for healthcare, or indirectly as uncollectable debt at HSA. And sometimes, Madam Speaker, it ends up with persons not accessing healthcare at all. And that's completely unacceptable.



It is also the case, Madam Speaker, that the current level of outpatient benefit under the SHIC plan means that some people chose to delay seeking healthcare until the situation become so serious that they have no choice. And then that results in high costs that could have been avoided had they sought healthcare at an earlier stage in their illness.

Madam Speaker, in addition, people with the Standard Health Insurance Contract often are not able to use preventative healthcare measures which results in chronic conditions that could have been prevented and managed if caught earlier by preventative healthcare measures. Their conditions often go undiagnosed and untreated until they reach a catastrophic condition.

Madam Speaker, the amendments to the Health Insurance Regulations contain many provisions which we know are going to help improve several aspects of health insurance here in the Cayman Islands. These amendments to the mandatory minimum level of benefits provided for under the SHIC plan are going to have a most positive impact on all the residents of the Cayman Islands.

Madam Speaker, I would now like to speak to some of the specific provisions of the Health Insurance Amendment Regulations:

Clause 1 provides for the citation and commencement of the Health Insurance Amendment Regulations 2012.

Clause 2 has the effect of certain sections of the regulations coming into force after sections of the Law pertaining to the Standard Health Insurance Contract have also come into effect. Clause 2 amends section 2 of the regulations by deleting the definition of the word "ambulant surgery" and replacing it with "ambulant service." This definition has often been misconstrued by insurance providers and in some cases the providers refuse to cover services such as radiation and chemotherapy required on an outpatient basis. Simply by redefining that term from "ambulant surgery" to "ambulant service" . . .

Other amendments include the deletion of the term "Standard Contract" and substituting the words "Standard Health Insurance Contract" to reflect the proposal to amend the regulations which deletes the four standard plans and replaces them with one standard plan.

Clause 3 amends section 3 by highlighting that prescribed healthcare benefits are to be covered under the Standard Health Insurance Contract. It further introduces a new sub-regulation (2A) **"An application for the issue of the standard health insurance contract shall be made to an approved insurer in the form set out in the Fourth Schedule and the approved insurer shall, within ten working days of receipt of the application, advise the applicant and his employer, if any, whether the standard health insurance contract will be issued."** This new form must be used by all health in-

surance providers and applicants for enrollment in the Standard Health Insurance Contract. Madam Speaker, the insurer must notify an applicant whether the contract will be issued within 10 working days after they receive a complete application.

Madam Speaker, because of this standard application being introduced, the ability for health insurance providers to underwrite will be very restricted, unless it is required under section 25 of the regulations for persons who are deemed high risk or uninsurable, but only in consultation with the Health Insurance Commission. These persons may then be required an increased premium, but they will then have access to health insurance, whereas at present insurers are able to just decline them without any reason at all.

Clause 4 repeals section 4, and substitutes a new regulation for the insurance of high risk persons. Under this regulation, when a person applies to an approved insurer to obtain insurance under the Standard Health Insurance Contract, the approved insurer can do one of three things: provide insurance cover for the SHIC at the standard premium; provide insurance cover at an increased premium that does not exceed 200 per cent of standard premium, advising the Health Insurance Commission within 15 days of making this decision; or apply to the Health Insurance Commission for approval to provide insurance cover at an increased premium that exceeds 200 per cent of the standard premium.

Madam Speaker, this new amendment prevents health insurance providers from denying cover to persons with pre-existing conditions. The new regulations also give the Health Insurance Commission the ability to vary a decision which it believes was unreasonable.

So, Madam Speaker, the decision to provide insurance at an increased premium requires the approval of the Health Insurance Commission, whereas before, this was not the case. In this way the regulations have been strengthened to support and protect persons who are considered high risk with pre-existing conditions.

Clause 5 seeks to insert a new regulation, insurance for persons who may be deemed uninsurable. We continue to hear the complaints that health insurance companies continue to deny persons and to cherry pick clients. This often leaves CINICO to insure those persons. Madam Speaker, it is not acceptable that CINICO would have to insure every person that any insurance company would arbitrarily opt to identify or classify as uninsurable. We understand that there are persons in our society that, because of their conditions, are not able to attain insurance through the traditional means. And we do accept that some of those persons would be covered by CINICO, but not to leave it to the whim and fancy of insurers to classify those persons on their own.

So, Madam Speaker, we have included a provision in the regulations that where a health insurance provider decides to deem a person unacceptable for cover, the approved insurer will be required to apply to the Health Insurance Commission for approval within 15 days of making the decision, and the insurer must provide the Commission with documents, such as an actuarial assessment, to support their decision to decline cover. This is a huge step to tighten up the whole way in which insurers were deeming persons uninsurable up until this point. They have to actually apply to the Health Insurance Commission for approval to do this and provide documents such as an actuarial assessment. In addition, the new standard application form also helps in that whole process.

Madam Speaker, the regulations will now allow the Commission to vary the decision of insurers if it considers that the decision was unreasonable. Fines have also been introduced under this section for persons who fail to provide information or documents. So the decisions that the insurance companies make must be based on accurate information being provided by their clients. To encourage that, and to prevent persons from not declaring information or declaring false information, we have also introduced fines under this section.

So it goes both ways, Madam Speaker. We are making it tougher for insurers to deem you uninsurable or high risk, but at the same time it also must rely on you, as a person seeking insurance, to provide accurate information on the application form when applying for coverage.

Clause 6 seeks to increase the contributions collected by the Health Insurance Commission from approved insurers for the segregated insurance fund. Funds collected from this assist to defray the cost of medical care for indigents. From the time health insurance was introduced, contributions have been at \$5 per month for individuals and \$10 per month for persons with dependents, or group policies. Those fees are now being increased from \$5 to \$10 and from the current level of \$10 per month to a fee of \$20 per month.

Clause 7 proposes to amend section 6 of the regulations by imposing a timeframe on the Health Insurance Commission of 15 working days in the event it believes an increase or proposed premium rate for the Standard Health Insurance Contract is excessive, unfairly discriminatory, inadequate or unreasonable.

Clause 8 seeks to clarify health insurance portability when an insured person changes his or her employer, or where the employer changes the approved insurance provider. As everyone would be aware, portability of health insurance and the whole issue of pre-existing conditions remains one of the most controversial areas of health insurance. With these proposed amendments an insured person will, at a minimum, be able to obtain the Standard Health

Insurance Contract and approved insurers will be required to offer a plan of benefits similar or comparable to the plan of benefits that an insured person had that was provided by the previous insurer before they changed employment or before the employer changed insurance companies.

In cases where that new insurer might not provide a plan that is comparable, the improved insurer will be required to offer a plan of benefits that is currently available. We know some employees are afraid to change jobs because they are afraid of losing their health insurance coverage. These provisions regarding portability will go a long way to address that issue.

Madam Speaker, under the current regulations an insured person was allowed a 60-day break in insurance coverage. With these amendments, that will be extended to 90 days and will allow persons longer time to transition between jobs. What this means is that if a person is changing jobs, either through termination or voluntarily, coverage from the previous insurer must be extended to them through their employer for up to 90 days. Of course, the person has to pay the premium. But at least the period that the insurance coverage is extended to you, has been changed from 60 days to 90 days.

Madam Speaker, we know that pre-existing conditions remains a sore point of discussion. It is no exaggeration for us to say that we receive numerous complaints constantly about this area. We cannot allow insurers to continue to refuse to insure persons because of a pre-existing condition. In order to address this we have strengthened the current definition of pre-existing condition and have also reduced the wait period from 24 months to 12 months.

What that means is that in assessing a pre-existing condition, previously insurers could look back as far as 24 months in your medical history and maybe pick up on a condition that you would have recovered from by now, and still deem that to be a pre-existing condition. Under the current amendment, that 24 months is reduced to 12 months, giving them a much shorter period in which to look back to find conditions they might deem to be pre-existing. Madam Speaker, this change will allow more persons who had exclusions before, or limitations, to have the coverage under the SHIC plan, especially the new SHIC plan that we are now implementing.

Clause 9 seeks to ensure that all the new ICD [International Statistical Classification of Diseases] and CPT [Current Procedural Terminology] codes, which have been introduced by the American Medical Association, will be current. This will go a long way to speed up claims processing and improve efficiencies. Where the code is recently published or introduced, the healthcare facility, or the registered practitioner, may file the new code with the Health Insurance Commission who will determine the fee for the new code within 60 days. This will reduce significantly the

number of claims being refused because of outdated codes and new procedure coding.

Under the enhanced Standard Health Insurance Contract, the episodic maximum has been removed. That was previously \$25,000. I would say that all Members of this honourable House, and everyone, agree and are very much aware that \$25,000 per episode of illness is now seriously inadequate in even minimal cases, let alone catastrophic illnesses. An increase to \$100,000 per calendar year will provide a much more adequate level of coverage for insured individuals.

Clause 11 effects some necessary clerical amendments to this section of the regulations. Clause 12 seeks to delete the word "Authority" and substitute the word "Commission" which reflects that it's referring to the Health Insurance Commission.

Clause 13 seeks to increase fines under the Law which act as a deterrent and assist with ensuring compliance. We often hear that increasing fines is unreasonable because businesses can't afford it. I am not sure of any businesses that budget to include fines in their annual operational budgets. Fines are deterrents to ensure people comply with the Law and to protect in this instance more often than not the consumer. It is to prevent employers from either not effecting insurance policies or from collecting monies from persons' pay-cheques and not paying for the insurance policies.

Clause 14 seeks to amend and identify relevant sections of the regulations and to delete the reference to "group employees" and officers serving in temporary offices for a period of three or more years.

Clause 17 has been amended to reflect the new terminology of "approved insurer."

Clause 18 is the new enhanced SHIC plan, also referred to as the prescribed healthcare benefits. As I indicated earlier, it's really a pleasure to bring this particular aspect of the amendments forward because the new SHIC plan is really the substance of these amendments.

Members of this honourable House know that the details of the new SHIC plan have been in the works for several years. In fact, when I took office as Minister of Health there had been some discussions already and we continued the discussions for the past few years with insurers, healthcare providers, as well as feedback from the public who are actually some of the insured persons on the current SHIC plan.

Madam Speaker, significant changes are proposed to this plan. And once approved, this new Standard Health Insurance Contract will become the minimum health insurance plan that can be offered to any legal resident in the Cayman Islands by an approved insurer. This plan represents improved access to care primarily for persons with limited income and will help to close the gap we have seen with the underinsured.

Madam Speaker, I again reiterate that when we talk about the Standard Health Insurance Contract we are talking about approximately 20 per cent of the population of the Cayman Islands that utilises the Standard Health Insurance Contract as their plan of benefits, as their health insurance contract. The other 80 per cent of persons opt to purchase supplemental plans or a plan of benefits that has no greater benefit plans than the Standard Health Insurance Contract. So, with these improvements, more people will have access to better health insurance coverage and the benefits provided, obviously, are much more responsive to the current circumstances that exist than with the Standard Health Insurance plan.

I will briefly highlight some of the significant changes that are proposed with the enhanced Standard Health Insurance plan, an inpatient-mental health benefit up to \$25,000 per lifetime. Previously, in the current plan of benefits, that benefit is zero. While that may not be a significant increase and \$25,000 for a lifetime may not seem to be an adequate amount, it certainly is a significant improvement over the current SHIC plan which has a benefit of zero for mental health inpatient.

A wellness benefit of \$200 per year for physicals, annual exams and other wellness services, dental exam; this helps for preventative care and to prevent illnesses before they occur. Again, this benefit has been increased. Previously, there was no wellness benefits included in the SHIC plan. So we have gone from nothing on wellness benefits to a wellness benefit now of \$200 per year.

An outpatient benefit, which was only \$100 per year, has now been improved to \$400 per year. This covers office visits, lab, radiology, physiotherapy with referral, prescription drugs which includes contraceptives. We now have a maternity benefit, which was not specifically offered under the SHIC plan before, of up to \$500 per pregnancy, which is, again, the outpatient part of it for the routine physicals and check-ups during the pregnancy.

As I said earlier, outpatient benefits have gone from \$100 up to \$600 per year when you put the \$400 outpatient with the wellness benefit. Air-ambulance benefit for a life threatening emergency is \$15,000. Previously there was a benefit of only \$4,000 for emergency which included in the emergency room and used to be applied to air ambulance as well. But we now have a specific benefit for air ambulance of up to \$15,000. That is a significant improvement. We know the cost of an air ambulance to come from Florida or elsewhere in life threatening situations can cost up to \$15,000 and the \$4,000 benefit did not cover it. That benefit was previously called "emergency medical services" and did not have a specific provision for air ambulance but sometimes would be applied to that.

Madam Speaker, as I said earlier, we have removed the \$25,000 episodic maximum. With this

removal an insured person will have access to up to \$100,000 per year and not more than \$1 million in their lifetime; again, significant improvement from \$25,000. Any hospitalisation nowadays can cost much more than \$25,000; \$100,000 is much more significant and covers a lot more healthcare. Within that benefit, chemotherapy and radiation, which were not covered previously (or not specifically covered), are now included in that \$100,000 per year. Chemotherapy and radiation as an outpatient benefit is covered in that as well.

Defined maternity benefits include pre and postnatal care. Postnatal care for a newly born dependent child will be provided under the mother's benefit now for a period of up to 30 days from the dependent child's birth. Sometimes it is not clear who is going to cover a child, whether it is the father . . . sometimes the mother's insurance will tell the mother that, no the father's insurance should cover it, and vice versa. We are now clearly defining that to say that they are required to cover a newborn dependent child for a period of up to 30 days from the dependent child's birth or until alternate coverage has been arranged. So, that definition has been tightened up.

We have also included a benefit . . . we know with the high immigrant population (persons here on work permits and so on), we have included a benefit that we hope will never have to be used, but a repatriation of remains benefit of up to \$2,000.

Dialysis is now covered, which was previously covered up to \$25,000 per calendar year is now being increased up to 100 per cent, which is the annual maximum of \$100,000. So dialysis has been significantly increased and we know a number of patients throughout the Islands requiring that service. So this is an improved benefit under the SHIC plan.

Madam Speaker, moving now to Part 4: The public has complained that often times they are called by the healthcare provider and told that they owe money as the patient's insurance provider did not pay the healthcare provider in full. The Health Insurance Commission establishes and publishes Standard Health Insurance Fees and these represent the minimum reimbursement amounts that health insurers must pay to their healthcare providers for services that they provide to patients. A practitioner may charge only that fee or they may also chose to charge more than the published fee, but they are only entitled to be reimbursed the standard fee from the health insurance providers.

The amendments in this section should help to clarify these matters for the public, and addresses the misunderstanding that they are only required to pay 20 per cent of the total fees charged by the healthcare provider. The fact is that for impatient or outpatient services, the insured person is required to pay 20 per cent of the published fee where applicable up to an annual maximum of \$1,000 per calendar

year, and, thereafter, the approved insurer is required to pay all the fees charged subject to the annual limit.

For some outpatient benefits, fees charged in excess of the published fee must be paid in full. So, if I visit a doctor and he charges \$200, but the published fee is \$150, then as a patient I would be required to pay the doctor \$80. Of course, these fees are also subject to a limit as prescribed by the Standard Health Insurance plan.

Clause 19 introduces the new Standard Health Insurance Contract application form. This form now has to be used by all approved insurers when offering the Standard Health Insurance Contract. This form eliminates the underwriting requirement for those persons who were considered high risk or uninsurable. And these insurers will now be required to notify the Health Insurance Commission in these cases, or provide details for approval if a person is considered uninsurable. This form is going to significantly reduce the number of denials and refusals of applicants by approved insurers. The practice of including limitations and exclusions on policies should certainly be minimised as approved insurers will be allowed to increase the premium over 200 percent of the standard premium for those persons deemed high risk.

Madam Speaker, I will now speak about the implementation. The new Standard Health Insurance Contract will be implemented starting 1 March 2013 over a one year period. What this means is that persons currently on the existing SHIC plan will migrate to the new SHIC plan on the anniversary date of their health insurance policy, meaning that as their policies come to an end and it's time to renew, then they will have to migrate over to the new policy. This starts on March 1<sup>st</sup> next year, which gives a one-year transition period and all of it doesn't happen at once. Between now and March we will have an intense public education process so that the insured persons, as well as the employers, will have time to understand the new changes and know when the transition period starts and then we look forward to 1<sup>st</sup> March when persons start to migrate over to the new Standard Health Insurance Contract.

Madam Speaker, these are comprehensive revisions to the Health Insurance Regulations. These amendments will go a long way to address issues faced by employers, employees, healthcare providers, as well as the health insurance providers. But perhaps more importantly for me, these amendments are going to be beneficial for the residents of the Cayman Islands, the residents whom we all represent. And if we want to improve the health and wellbeing of the residents, we have to ensure that they have access to affordable healthcare. And that's what these amendments are going to do, Madam Speaker. They improve access to care, primarily to those persons on the SHIC plan, ensuring that a minimum level of coverage given today's situation, the current situation that

exists, that that appropriate level of coverage is available to persons.

These amendments are the result of a very long review process which included extensive consultation with health insurance providers and other stakeholders, the healthcare providers as well as the insured individuals. It is certainly a culmination of a long tremendous effort by the Superintendent of Health Insurance and his team, Mr. Mervyn Conolly. I want to commend them and thank them for their efforts. The Health Insurance Commission headed by Ms. Theresa Pitcairn who chairs that commission, as well as all the members; my Ministry staff, including the Chief Officer, Jennifer Ahearn, and Janett Flynn, and the staff of Legal Drafting. I want to thank them all for their support and dedication to bring these amendments to be tabled today.

I believe that this proposal is going to significantly improve situations for insured persons, but not only that, they are practical, they are feasible and achievable. With those remarks, I look forward to receiving the support of all Members of this honourable House for these important amendments to be brought into effect.

**The Speaker:** Thank you, Minister of Health.

Does any other Member wish to speak?  
[pause]

Member for North Side.

**Mr. D. Ezzard Miller:** Thank you, Madam Speaker.

Madam Speaker, I rise to make a contribution to the introduction of these proposed regulations, that is, the Health Insurance (Amendment) Regulations 2012.

It appears that the Government itself is so unsure of the correctness or the appropriateness of these regulations that they are, in these very regulations in clause 2, giving themselves enough wiggle room to not bring these regulations into effect until after the election, or never!

*[Inaudible interjection]*

**Mr. D. Ezzard Miller:** In the regulations, [clause 1] (2) says, “**(2) These Regulations shall come into force as follows - (a) regulations 2(b), 3(b), 4, 5, 8, 9, 10, 18 and 19 shall come into force immediately after section 6 of the Health Insurance (Amendment) Law, 2010 comes into force.**” So we have a situation where not even the Law that was passed in 2010, under which these regulations are being proposed, is yet in force. And one wonders why.

[Clause 1(2)], “**(b) the other regulations shall come into force on the date on which these Regulations are published in the Gazette.**” And there is no timeframe related to that, Madam Speaker.

I would invite the Minister of Health, who is moving for the approval of these regulations, to with-

draw these regulations and send them to a Select Committee of the whole House under his chairmanship and set aside a week in January to hold meetings with all stakeholders and we work collectively to do our best to get these regulations right while trying to protect all parties as equally as possible, or, at the very least, giving the Caymanians the perception that we are attempting to represent them properly.

Madam Speaker, in my opinion these regulations represent another cave-in to the desires of the health insurance providers while offering appeasement to the healthcare providers and largely leaving those who are forced by law to purchase health insurance at the mercy of both the health insurance providers and the healthcare providers.

Now, Madam Speaker, to deal with my concerns as to the specific regulations being proposed in these amended regulations. I have already mentioned clause [1](2), but let me repeat that any regulation brought to this House for approval should be good enough and so well thought out as to come into effect immediately on approval, not be left to the whims and fancies of the Cabinet as to when these will become effective at some later date. We have a real life example of what happens when that is done. Sometime years ago the Government of the day spent a lot of money, time and effort to develop four standard plans, passed the regulations, never brought it into effect, now it's being scrapped today by the introduction of these regulations, which themselves may never be brought into force.

In clause 2(a)(ii) there is an attempt to redefine “ambulant surgery” to “ambulant service.” I have no difficulty with that change in nomenclature. What I have a difficulty with, and I would caution the Minister that we are going down the wrong path, is when it goes on to say, “**means service that is performed in a facility approved under the Health Practice Law (2005 Revision) on a patient who enters and leaves the facility after recovery, within twenty-four hours and includes outpatient radiation, chemotherapy and surgical services and procedures conducted in an ambulant facility.**”

Madam Speaker, the inherent risk in listing things that are covered is what may be left out. And any new procedures that may be developed will force an amendment to the regulation to get them covered. I would think it would have been sufficient to stop after “twenty-four hours” because that in itself makes any treatment ambulatory.

And, Madam Speaker, this is one of the tricks of the health insurance industry, the whole invention of CPT codes and all that other stuff, is just a trick by the insurance companies to do what they do—deny, deny, deny, deny! And when they can no longer deny, then they delay, delay, delay, delay! And when we don't list here a specific procedure, they simply say it's not covered because it's not in the regulation.

Madam Speaker, particularly when we place artificial limits on healthcare coverage by insurance companies of \$100,000 a year, it should not matter what treatment the person got, as long as it does not exceed the \$100,000, and the co-payment arrangement has already been . . . either the person has to pay the co-payment of that charge, or it has already been exceeded for the annual basis. All we are doing by complicating these regulations with listing these procedures is giving the insurance ways to deny, deny, deny. And it should not be allowed.

I have paid a premium that they have set based on their actuarial calculations that is supposed to cover my healthcare up to \$100,000 a year. I don't agree with that limit to start with, Madam Speaker, but since the Government is prepared to do that, no doubt under the assumption that that is somehow going to lower rates (but we'll get to that later on), then it should not matter whether I got an aspirin or I got chemotherapy, as long as it doesn't exceed that limit. And if it exceeds that limit, then it is not covered.

Madam Speaker, in clause 2(b) . . . I heard the Minister say awhile ago that he hopes that the Standard Health Insurance Contract (as it will now be called with this amendment) will become the minimum that can be ordered. Well, Madam Speaker, if that is his intention it should say "minimum healthcare coverage that can be offered," because "standard healthcare" does not say "minimum." Madam Speaker, I don't know what "standard healthcare" means, other than what is in there, because all the contracts are different, particularly when you add in additional benefits.

What the insurance company will not allow him to do is to say that it should be a minimum, because that is how they avoid the scrutiny of their better-than-the-standard health insurance plans. They themselves put out in the public this thing that none of the other plans (and we hear the Government now regurgitating the same thing), that the regulations and the law only apply to Standard Health Insurance Contracts. If we made this the minimum, which is as it should be, and it would then . . . I don't think it is possible that the law does not apply to other contracts, but they use it to get away from the scrutiny that they should be placed under. So, Madam Speaker, I believe it should be the minimum. And therein lies the crux of the matter.

The Minister referred to a standard premium. Madam Speaker, I have searched these regulations from cover to cover and I cannot find a standard premium that is prescribed for the standard contract. That is the problem that we have. I believe that if we are forcing everyone in the Cayman Islands to carry health insurance, the Government should be brave enough to say, *This is the minimum coverage of health insurance that can be sold to any client in the Cayman Islands. These are the benefits, this is the cost of the benefit* (which they already prescribed and

agreed with the health industry) . . . but they don't include the third party by prescribing what the insurance companies can sell the basic Standard Health Insurance plan for. And without that there is no level playing field.

Now, Madam Speaker, let's look at this whole area covered in regulation 4 and how the Government is addressing high risk insurance persons. Any insurance company in the Cayman Islands doing their actuarial calculations takes into consideration a certain amount of high risk patients within their clientele. They look at the demographics, the age groups of the people involved. And we know that the Cayman Islands have always maintained one of the highest preventative immunization levels of any country in the world. We are, to the best of my knowledge, above 96 per cent and may be even higher now. So we don't have the onset of those kinds of preventable diseases within our demographics.

A large percentage of the people are imported into the workforce, some 60 per cent of them, most of them are within the age group that the long-term chronic diseases have not yet started. You get the odd case, of course; the same thing with the Cayman population. Then they refer to the indices of diseases in the country and they calculate what the risks are. My premium is based on me paying a certain percentage of what I pay to cover the high risk people. If that is not the case, Madam Speaker, then I want to see the Government, while allowing them to go up 200 per cent or more on a high risk individual, then I want to see it put into the regulations that they must lower my premium because I haven't claimed anything.

So, if you can allow them to go up on the individual that makes a claim, why are we allowing them to go up on me, who hasn't made a claim, if part of my premium is not intended to offset the high risk people?

Madam Speaker, we understand that that's how insurance works. Some of us that are healthy . . . I have had insurance for longer than I would like to admit, and my claims have been very minimum (knock on wood). I don't take any medication for anything at this point, other than supplements that I chose to take myself. All of my indicators of health remain good. But none of that is reflected in my insurance premium. The company that I am insured with has increased my premium every year since I got insurance based on high risk people. And that is what we need to stop!

Madam Speaker, we keep saying that they can extricate individuals who have made a claim and identify them as high risk, pre-existing conditions, uninsurable, and we created this government company which pays for all of this stuff that the insurance companies refuse to cover. Most of the sub-clauses in [clause] 4 are an attempt by Government to, as the Minister said, tighten it up. Madam Speaker, there is no need to tighten it up, we need to take it out of the Law and take it out of the regulations because it is already accounted for in the actuarial calculations.

That is why people who have no claims, insurance goes up, not by 1 per cent or 2 per cent, Madam Speaker, but substantially!

I know people whose insurance has gone up by 30 per cent in the last year with no claim! That extra that we are paying is for the high risk people that the Government is coming here today saying they can identify as high risk and they can charge another 200 per cent on that individual when I am already contributing towards it. You want to balance it? As I said, do what we do with car insurance. If I have no claim on my car insurance my insurance goes down, not up!

So, Madam Speaker, I can safely say that the Insurance Commission of the Government does not have enough lawyers, research people, to beat the insurance companies on these claims and they are always going to be taking advantage of the people of this country as long as it stays in the Law! And we have to be brave enough to do what is right by our people and take it out of the Law, then they can't use it.

*[Inaudible interjection]*

**Mr. D. Ezzard Miller:** Madam Speaker, you know, the Minister of Health keeps trying to interrupt me.

I draw your attention to Standing Orders. I don't interrupt anybody in this House, Madam Speaker. But we have to stop trying to justify our own wrongdoing on somebody else's wrongdoing!

It is totally irrelevant. We are here today and we must address the problems and the issues that we, as Members of this House, were elected to do; not blame somebody else and say they should have done it 5 years ago, 20 years ago. That's totally irrelevant!

**Hon. D. Kurt Tibbetts, First Elected Member for George Town:** Hear, hear!

**Mr. D. Ezzard Miller:** Now, Madam Speaker, this is an ironic margin note for regulation 5, "**Insertion of regulation [4A]—insurance for uninsurable persons.**" Now, if ever there was an oxymoron, that's one!

Madam Speaker, in a country that mandates every citizen to have insurance there should be no individual that is uninsurable. And I am going to get to the standard prescription here and the Government's attempt to enforce its social policy on the insurance industry by what is excluded.

Now, Madam Speaker, the process to be identified as uninsurable is going to take about 40 to 50 days. How is the person going to comply with the Law during that period? Then regulation 6 talks about "indigent persons." Why am I being asked, as part of my insurance premium, to pay for indigent people? This is an introduction by the insurance people to try to massage their conscience of what they are doing to

high risk people. And it should not be in this Law, because it's a pass-through to the client, and the government must take care of the indigent people in a proper way as we do on the other provisions in the Law.

Madam Speaker, doubling it is not going to help, you know. Because according to information here last week during the debate on the Law that we just did the Third Reading of, the indication was that we would hope to collect some \$4 million by doubling the amounts. While in this year's Budget, the budget for indigent health insurance is \$12.6 million. Then, we are not only going to allow the insurance people to go up to 200 per cent and beyond under certain conditions of the premium, which is already included in the matrix to get to that premium, the Government provides relief for them in various forms in the Budget. We have \$1.2 million medical care for chronic ailments. We have uninsured and underinsured—\$1.96 million. Over 60, \$815,000-plus. The total in the Budget that the Government is spending on healthcare, including seamen and veterans and civil servants is somewhere in the region of very close to \$30 million.

Again, Madam Speaker, in clause 6(1)(a), the curious thing is: "**each approved insurer, ten dollars per month of each premium charged by the approved insurer under each standard health insurance contract effected by such insurer in respect of an insured person with no dependants; and (b) each approved insurer, twenty dollars per month of each premium charged by the approved insurer under each standard health insurance contract effected by such insurer in respect of an insured person with dependants.**"

Madam Speaker, if you have dependents, my recommendation is that you should have a contract on each one, and you pay the premium. But, again, the insurance company outsmarts the Government by offering individual insurance coverage, discounted on volume, by saying, *if you bring your family in, I'll give you this and I'll give you that.* It could get into some legal wrangling when it comes to that \$100,000 per year maximum. Is it \$100,000 per year on each individual insured under that contract? Or is it \$100,000 per year on the contract for the five people who might be on that one contract? It is not clearly identified here.

**The Speaker:** Is the Member for North Side going to be much longer?

**Mr. D. Ezzard Miller:** Probably another 15 to 20 minutes, Madam Speaker.

**The Speaker:** Do you want to take the break now?

**Mr. D. Ezzard Miller:** I would prefer not to, Madam Speaker, I have a very important commitment at 2.30

to pick up my daughter to take her to ballet. So I would prefer to finish now, because if you start back at 3.00 I won't be here.

**The Speaker:** You may proceed.

**Mr. D. Ezzard Miller:** Thank you, Madam Speaker.

The other thing that is curious in [clause] 8, is [regulation] 7(4), “**(4) Cover under a standard health insurance contract ceases on the first day of the month next following the date of the termination of employment except that, in accordance with section 15 of the Law . . .**” Madam Speaker, insurance contract termination should reference only to the payment of the premium. As long as the premium is paid, the contract should be in place.

The other problem we have with the contracts is the annual contract. And that is, again, how the insurance companies, by introducing this annual contract succeed in dumping people on the government. It should be a contract. It's a lifetime benefit; it should be lifetime contract as long as the premium is paid.

Madam Speaker, one of the things that we need to do in this Health Insurance Law is stop letting the insurance companies selectively force people into individual contracts with them and doubling up their premium. The long-term hope should be that health insurance would become a retirement benefit and you stay in the company and you pay your premium. So in order to keep the premium down and in order to keep a nice mix of people in the group . . . but when you get 60 and you have to go to an insurance company to purchase an annual contract, you have problems. Most of them won't offer it to you, and if they do offer it to you, it's probably only going to be this standard contract here and it's going to be at high rates. And if you have a claim, they will likely to tell you they are not renewing that contract. So, if it's a lifetime benefit, it should be a lifetime contract as long as the premium is paid.

Now, Madam Speaker, this pre-existing condition. Again, we have lots of “tightening up” the Minister said they're doing on it. Madam Speaker, when the insurance company comes in and offers insurance to a group of people, things such as pre-existing conditions is part of the risk that they accept. But we insist on allowing these people to artificially eliminate people. What is a pre-existing condition? As medical science develops they are now saying that your genes from the time you're born predict certain diseases. Is that a pre-existing condition? It is not properly defined here. It is defined the way the insurance companies want it defined, not a medical definition of it, because they use it to eliminate people and increase the premiums.

Madam Speaker, like the \$25,000, which I am happy to see they have eliminated because it had no place in the Law, I don't know what an episode of illness is, Madam Speaker. And I have been around

hospitals for a little while. But they have retained the \$100,000 per year. Now, Madam Speaker, I go back to myself. I have had health insurance for 15 or 20 years with no major claims. I am now 60, getting up to that age where I am likely to have those kinds of diseases in the next 10 years. So you are telling me, not having any major claims, and part of that is because I have the good sense to know where to get proper treatment, they come next year or the year after, something happens to me, and I need to spend more than \$100,000 for the year, I can't do it. I can't get covered.

Then, Madam Speaker, mind now, the premium that I am paying is based on a million dollars a year, a million dollars lifetime. That's what the actuaries use to calculate. Oh, they tell you that they put the \$100,000 in but they are not going to help lower the premium. Ask them, like I did when I was managing insurance coverage for a major company in town—‘show me the difference’. And if they show you a difference, they are so ashamed of it because it's so miniscule, they really don't want to tell you.

Madam Speaker, one of the things that the people who buy insurance need to do, is to keep track of their own claim records, particularly in companies—what was paid in in premiums by the company and what was paid out in claims. It is not what the insurance companies make you believe, that every year they lose money on it. The major company that I represented, there was not a single year in six years that claims exceeded what was paid in. But every year they wanted to go up on the premiums to cover those same high risk people out there in a society which we are not a part of that we are allowing them to increase by 200-plus per cent.

And when we sit down to negotiate, they say, *This is this, and that is that. And my information is that the medical charges have not gone up that substantially so we have to do this.* And then you start arguing and say, *Okay, well, I'll put my co-insurance up from \$1,000 to \$2,500, that should keep my premium down.* They don't like to hear those kinds of things, Madam Speaker, because it is true.

Madam Speaker, the Minister mentioned the fines. My concern about the fines is when people like me, who are self-employed or have one or two employees and you go to these insurance companies and you are refused insurance coverage because they tell you it's an individual plan, or their group starts at five or seven, depending on what they artificially determine it to be. And they go to CINICO, and CINICO has this curious almost laughable thing that they only take people in July and January. Now, Madam Speaker, if the Minister could explain the sense in that to me, I would really appreciate it, because I would think that if somebody turns up and wants to buy insurance from you at the premium that you advertise, you would take the business, and not tell them that they have to wait until January because the rules say



we can't take in people other than those who have been rejected by insurance companies, except, I think it's July and January. I know it's January, because they only told me last week about somebody and they couldn't take them until January.

*[Inaudible interjection]*

**Mr. D. Ezzard Miller:** So, Madam Speaker, while going to \$500 for one of the big financial industries here is miniscule. Increasing the fine for people like that in small businesses that have one or two employees and they can't get insurance, we have to be very careful.

Now, Madam Speaker, the Standard Health Insurance Contract of which the Minister is so proud because he has made some improvements to it . . . I am not sure they are improvements, Madam Speaker. But I will give him the benefit of the doubt. It is difficult to tell me that, having paid insurance all of these years, and I get in a state of depression next week, just because I am sick with a mental disease I am limited to \$25,000. Not per annum, Madam Speaker; lifetime! There is no medical justification for that clause in the contract. You are already limited to the \$100,000! Just because we happen to frown on people who have a mental disease, and we don't believe they should be treated equally in our society? Because that's what it says, Madam Speaker.

Madam Speaker, then we get another curious limit to the benefit of the insurance companies where, if you get sick and you are in hospital you can't stay more than 30 days unless the Chief Medical Officer and the Medical Director play God, and they sign something that says—mind, the attending physician can't do it, you know. This is the man that's treating you, the man that knows why you need it, but not him—**“The Chief Medical Officer/Medical Director and one other [registered] medical practitioner other than the attending medical practitioner . . .”** [Part 1, paragraph 11] It does not even say they have to consult your attending physician! And only with their approval can you be there more than 30 days.

Again, they have it limited—I don't agree with it—\$100,000 a year. What difference does it make why you are in the hospital? There are artificial things that are put in there by the health insurance lobby in this country so they can pull the wool over the Government's eyes and make the Government believe they are doing a great thing. Madam Speaker, I really would ask the Minister to submit these regulations to a Select Committee of this House. Let's sit down and talk to these people, because he needs some people who are not afraid of these insurance industries to argue with them. And I have plenty experience in arguing with them.

Madam Speaker, I can tell you, if you look in the regulations and the Law that I brought here in 1990 and 1991, this crap was not in it. And I told them it wasn't in it. And, Madam Speaker, we addressed

the high risk. It wasn't my genius; it was the genius of the consulting firm that we hired—Towers Perrin, the biggest actuarial firm in the world. When they wanted to bring in all this foolishness about high risk people and I wouldn't put it in and bail them out, they came up with the idea that the insurance companies themselves—not the country give something to government so government could take it and pay 10 per cent of the cost—but that the insurance companies themselves create a reinsurance fund in the local market where they would put 10 per cent of every premium that they sold into that fund and do one of two things: They could use that to buy additional supplemental insurance to cover catastrophic cases, or if they got hit by a case they could go to their peers and appeal to them to give them relief from that fund. They manage the fund themselves; government has nothing to do with it. But they must publish audited accounts every year.

That is much better than paying \$10 or \$20 to government for people they don't want to cover. They will not cover them for \$800 per month, but government must take \$20 and cover them. It doesn't make a whole lot of sense, Madam Speaker.

Many of the exclusions not covered by the standard plan, is an attempt by the insurance companies and the government to input social policy. Madam Speaker, if I haven't had any claims for the year and my premium is based on getting \$100,000, maximum, and I want to get treatment for obesity, why should I not be allowed to do it? As long as it doesn't exceed the \$100,000 per year, the insurance companies should have no business with it. But here we are, there are 21 things that we are excluding that we can get no benefit for within that \$100,000. And that doesn't make any sense to me, Madam Speaker. That is why I say we are caving into the health insurance industry.

Treatment for AIDS? What does it matter whether the person has AIDS or not? But because he has AIDS the person cannot be covered by insurance up to the \$100,000. And the Government is allowing the insurance companies to get away with that by putting it in here as an exclusion. And it is time to stop it.

Madam Speaker, they are going to run into a little problem here in definition [in Part 3, paragraph] under 21 “experimental” (a) and (b), when it comes to the Narayana Hospital. But they will have to sort that out when they get to it.

Now, Madam Speaker, again, if I am purchasing insurance and it says I can have \$400 (I think the Minister said of the new maximum) for outpatient, what does it matter whether it is in the Cayman Islands or Timbuktu? I have paid the premium. Now, we have this curious thing again where we have to get the Chief Medical Officer/Medical Director playing God and Virgin Mary, right? They decide whether I can go somewhere else and get the benefit. I have paid for

the benefit. And it shouldn't matter where I get it. But again, an artificial limitation on them.

Madam Speaker, getting to the application form; I'm not sure, but, you know, why do we have to identify a beneficiary for health insurance? The beneficiary must be the person that's insured, and say what their relationship is to you. I think that's a misprint. Again, curiously, why are we concerned of what a person's immigration status is on a form? Why? The person is applying for health insurance in the Cayman Islands, he is going to pay the premium in the Cayman Islands, why does it matter what his immigration status is? Are we allowing them now to deny certain immigrants who may want to buy health insurance from being able to buy it? Is this another rung of denial being introduced by the health insurance industry? Same thing with dependents; immigration status. Why is it there, Madam Speaker? I really don't know.

Madam Speaker, I really . . . paragraph 20 of the application form identifies it as an annual contract. **"A contract of health insurance that is in force immediately before the coming into force of regulation 17 shall, on the first annual renewal date of the contract of health insurance following the coming into force of regulation 17, be converted into a contract of health insurance similar to the Standard Health Insurance Contract . . ."** Madam Speaker, I maintain that . . . and I don't have a difficulty with Government giving the insurance companies a year to transition to the new plan, I just happen to disagree with the provisions of the new plan. But it should not be an annual contract, as long as the premium is paid, and they shouldn't be able to refuse to accept payment to eliminate people, because they will do that too.

Madam Speaker, I really would seriously recommend to the Minister of Health that he consider sending these regulations to a Select Committee of the whole House under his chairmanship, and since, from the way they are being brought into force there really is no urgency to getting it done, and that we more thoroughly examine the provisions of this Health Insurance (Amendment) Regulations, particularly with the Bill that was passed into Law this morning. There are serious ramifications on this for Caymanians trying to maintain adequate insurance at a reasonable price. And the most glaring thing missing from these regulations is that the Government will not prescribe the premium that the insurance companies can charge for this minimum plan, as the Minister hopes it becomes, because the way it's written as a standard health insurance contract, it is not a minimum. They try to cover it up in regulations to say you can't sell less than this and you can't sell less than that. But, Madam Speaker, with those few words, I will not be voting for the regulations to become Law.

Thanks for the extra time, Madam Speaker.

**The Speaker:** This is a good time to suspend. We are suspending at 1.30 and we are going to return at 3.00.

#### Proceedings suspended at 1.31 pm

#### Proceedings resumed at 3.32 pm

**The Speaker:** I hope that spirit maintains for the rest of the afternoon. You'll make my life very easy.

Proceedings are resumed, please be seated.

When we took the lunch break the Member for North Side had concluded his contribution to the debate. Does any other Member wish to speak? [pause] Does any other Member wish to speak?

The First Elected Member for George Town.

**Hon. D. Kurt Tibbetts, First Elected Member for George Town:** Thank you, Madam Speaker.

Madam Speaker, the regulations that have been put forth by the Government through the Minister of Health, the Health Insurance (Amendment) Regulations, 2012, the first comment from our side would be, yes we agree that these amendments certainly go a certain distance to, first of all, better protect that insured individuals here in the Cayman Islands, and secondly, to assist with a certain level of coverage which might not exist before these regulations come into force. So, it would be unfair to simply say that it makes no sense for us to look at these regulations because they do assist to a certain degree.

The Member for North Side pointed out, I think, the fitting terminology would be a slew of short-comings which, in his view, exist in what is proposed. And, Madam Speaker, I don't think that one could sensibly argue and say that there was not a measure of validity in the points that the Member for North Side brought out. It is certainly not the Opposition's job to address those perceived short-comings. Certainly, I would expect that in the Minister's response, he would be doing just that.

But, Madam Speaker, when the Leader of the Opposition and the rest of us discuss this matter, we find that we firmly believe that there is a fundamental issue which goes beyond these regulations. And we thought that it would perhaps be of interest to air that in this debate. I believe that we can say that we understand some of the rationale, why all of what we would like to see in these regulations, have not been put there. I think the Minister termed it that to go all the way would be a definite paradigm shift from what exists, and maybe so. But, Madam Speaker, if we spread the whole table out, first of all, in order to determine premiums, one has to know what the cost is of providing the service. And while we are not discussing today the cost of providing the service, the truth of the matter is that that is the main ingredient that determines from actuarial assessment what health insurance premiums are, and what charges are levied on the insured by the providers.

So, Madam Speaker, while the regulations do not speak to actual cost and the amendments refer to a formula or formulae (or if we are just talking our language, formulas) in order to determine these premiums . . . for instance, if we are speaking to the government and we are speaking to CINICO, the service provider is the HSA, locally, that is. I am not going overseas where it's a forever battle to try and get the best price. I am not talking about that. But the HSA, while it is an Authority, the chain of command, as far as I am concerned in practical terms, ends with the Ministry. Decisions may be made otherwise by a Board of Directors, but, certainly, the buck stops with the Ministry.

We raise the question, and we raise it very seriously, Madam Speaker: Are we satisfied as a Government that the operational cost for our hospital to provide the services which determines the cost of the health insurance premiums are not only fair but are costs which come about due to the best efficiency that could possibly be achieved?

Madam Speaker, one may wish to even question relevance on the topic, but it has to be relevant because it is those costs which determine the cost that we are talking about now, at least locally, for the insured who utilise CINICO. It may not be all across the board because there are private hospitals and there are private physicians and specialists. And then we go overseas too. But, Madam Speaker, I believe that we need to know exactly if there has been any type of assessment done. Has it been an ongoing affair? Are we looking at these things, or is it just left to how it is and how it has been?

We know that foremost in all of our minds in recent times, has been the question of operational costs in all areas of government. And I do not believe for a minute we should exclude what it costs to provide health services. And I do not know; we do not know, Madam Speaker, exactly what obtains or if there is any assessment that is recent. And perhaps the Minister can address that area.

Madam Speaker, to speak generally to these amendments, as I said before, it would be unfair, in my view, to simply pick them apart and say there is no value. But I want to reiterate that in an ideal world the various points the Member for North Side brought out in his debate (the various points) would be what we aspire for. I believe it is up to the Government in their response to be able to say if they agree that would be what the level of aspiration would be and if it can't be achieved, why it can't be achieved. And perhaps everybody might be a bit more satisfied.

Madam Speaker, if we remember when we were dealing with the Committee stage amendments to the amending Bill, the companion legislation to these regulations, there were several points which I raised (which I will not go over again) regarding what I thought to be certain changes that actually need to be made. So, I think that it is incumbent on the Minister in

his response to us, while I have pointed out that we understand to a certain degree why perfection can't be achieved, perhaps he being the Minister and being in the know, he could explain to us where we have come from and in general terms what these new regulations, or the level to which these new regulations will improve what obtains presently. And also, we certainly would wish to hear from him regarding the operational costs of which Government may have control in regard to providing the health services.

Madam Speaker, I believe that if we are able to hear on those various points satisfactory answers that we, while we know we are in the minority, could well consider the regulations before us in a positive light. But we wish to reserve that thought until we hear the Minister's response.

Thank you, Madam Speaker.

**The Speaker:** Thank you, First Elected Member for George Town.

Does any other Member wish to speak?

[pause] Does any other Member wish to speak?

[pause] Does any other Member wish to speak?

[pause]

The Fourth Elected Member for George Town.

**Mr. Ellio A. Solomon, Fourth Elected Member for George Town:** Madam Speaker, I rise to make a short contribution on the regulations before us on this amendment Bill. Let me start by saying that I definitely heard a lot of the comments that were raised by the Member for North Side, and again by the First Elected Member of George Town.

I will start by saying, similar to what the First Elected Member [for George Town] said, that as I listened to the Member for North Side, I think there were some areas there that, naturally, I don't think anyone would reasonably dismiss insofar as those comments. And I hope to touch on one or two of those as well.

But, Madam Speaker, I do want to say that I think a lot of times when we get into these discussions it may seem that all we do is perhaps highlight a lot of what persons may believe to be the negatives. I think there is some reasonableness to that. Oftentimes it is a matter of us trying to resolve the problems, rather than perhaps talking about some of the things that we have right. And there are quite a number of things that the Member for North Side raised specifically and I think perhaps two of those are areas that I think need to be definitely rebutted. I would offer one or two comments and leave the rest for the Minister.

Madam Speaker, as we talk about health insurance, I believe that many of us would agree that there are two areas that are very, very important. And there is always a battle in terms of which one is most important, but I believe those two are the issue of health and the other is about education. Not to seem like I am anticipating, but I do intend to bring a motion

and discuss that pretty soon, and that will be covering education. So today we can touch a little bit on health.

Madam Speaker, there is an adage that says "a healthy nation is a wealthy nation." I believe it is important to understand that adage, that a healthy nation is a wealthy nation, because, it is about understanding that when an individual is healthy, he or she is able to make a real contribution to the society they are in, part and parcel because of the fact that they are healthy. It is the reason why that when we talk about things like insurance policies that there is a literal payment that someone has to make when someone finds themselves in a position where they are unhealthy.

But, Madam Speaker, if I were for a moment even to remove the actual literal payment of funds as it relates to health insurance, we would still find that all of us pay a price for a lack of health. We would find a circumstance that if the individual is not healthy when we are out there trying to run our company, run our business, do the business of the House in the Parliament regardless, that the Parliament, the business, and in turn the very country suffer, Madam Speaker, because someone finds themselves, whether it is what we deem to be their fault or otherwise, because they are unhealthy everyone in one way shape or another pays a price.

And that is perhaps part of the reason why all of us have an obligation to one another to do what we can, even down to the prayers, I am pretty sure some would appreciate in here, to ensure that we can do what we can to keep a healthy society. Therefore, Madam Speaker, consequently we get the sayings, the quips and the adages, whatever it is we want to label it as, that a healthy nation is a wealthy nation. If we were to now take and put money on that and use those funds as a measurement in terms of what it's costing us, we would see that individuals who are healthy are arguably costing all of us in this capitalist society that we live in, Madam Speaker, . . . and I will stress, when I checked last, that's what we are in, a capitalist society. It means healthy persons are causing themselves and others to have to pay less. So, if we use the money as a form of measurement, again we see the adage stands true, that a healthy nation is a wealthy nation.

Madam Speaker, my understanding from having listened to the Minister and hearing a little bit of the debate, to which I would like to take this opportunity to highlight some of the things I heard him mention that I think, perhaps, could always use a little underscoring. We have in this country, as I understand it, what is referred to as the Standard Health Insurance Contract, or SHIC. As we understand it, initially there would have been four different kinds of SHIC programmes. So you had SHIC1, 2, 3, and 4. And that particular system was when, again, call it the regulators, were pretty much dictating the different types of

policies in terms of what you offer, what you don't offer, SHIC 1, 2, 3, and 4.

There is an issue with that, Madam Speaker, because, again, one of the things we look at in this capitalist society as being beneficial is when we can offer up the competition. In this ideology and this system that we have created, we believe that competition is extremely important and that when persons are allowed to compete what we get is better products and better services. That's the philosophy that I believe the majority of us continue to operate on. So, regulators offering up four different types of SHIC programmes (1, 2, 3, and 4) created a problem because it means that you are saying to all of these persons you are to provide the exact same things and, therefore, the only areas you are getting competition was in the area of how much it was going to cost to provide that particular product or service, and you can always compete there, and, perhaps arguably, the level of service.

So if you say to everyone that you must provide an apple, a banana, a pear, then all of them have to provide the exact same products, the same flavor, the only thing different was how you competed in terms of the price of that insurance, and in terms of the service. Did you get a bigger smile? Did they respond quicker? Those were the areas where they were competing. By regulators, the Government today, past and arguably in the future, removing at least three of those, Madam Speaker (and I will talk about SHIC 1 in a second), by removing 2, 3, and 4, they created a different environment. They created an environment where now all of the health insurance providers could now provide competition both in terms of finances, the level of service and the products they could offer in SHIC 2, 3 and 4.

And to add gravity to that, and make that abundantly clear, what the Government did and has done is to make it that SHIC 1, regardless of what the Member for North Side has to say on it, Madam Speaker, SHIC 1 is the baseline product. It is saying to you, *You can provide any products and services you want but here is the floor. Absolutely nothing less than this. Because we believe that a healthy nation is a wealthy nation and, therefore, we want to set a specific standard. A standard and a baseline that is minimum for what we believe is necessary to keep the Caymanians and persons living in this country healthy.* That is SHIC 1. SHIC 1, says baseline, absolutely do not provide anything less than that.

Onto that point, Madam Speaker, when we talk about that baseline, this is where you are seeing again additional things being offered that were not necessarily being offered before. The Minister made it very clear. So, with SHIC 1, that is this baseline, one of the things you would have heard is that before when an individual got sick it was what they were calling an episode. So this particular individual walks into a hospital. He or she is having a heart problem. The

SHIC 1 initial programme said that there was a baseline amount or in terms of that baseline it was a situation where \$25,000 maximum per episode. So even though you arguably had \$100,000 altogether there was \$25,000 per episode.

So, the person who twisted an ankle or broke a leg may very well find that that particular episode works for them, because it wasn't going to exceed \$25,000. But the person who may have been having heart complications found that when they visited the hospital they may have very well gone in excess of \$25,000. So, if it was some of those standard operations that you hear cost in the region of \$75,000 or \$100,000 plus, an individual very well may have found that they are sitting with only perhaps 30 per cent to 33 per cent of the cost being covered by the initial SHIC programme.

So when the Government now makes advancements to say they are removing the whole issue of episode, Madam Speaker, that is a good thing because they are saying no longer are we operating on this issue of episode. It is not \$25,000 per episode; it is \$100,000 in terms of the coverage, period. So, the person who ends up in that unfortunate position that has a heart complication tomorrow doesn't have to worry if their pay-as-you-go programme has just run out. If it is \$25, it's paid; if it's \$50, it's paid; if it is \$75, it is paid, up to at least that \$100,000, a million dollars over the lifetime.

That's a benefit that, unfortunately, I did not hear mentioned by the Member for North Side. And why is that good, Madam Speaker? It is good for every citizen in this country who is paying for health insurance. And let's make it clear. I am no big friend of any oligopolies market, where you are going to have five, six, seven eight or nine insurance companies. I am no big fan of those either. But I understand, regardless if there are some in this honourable House who chose not to, that it is a constant move in terms of business doing what they can. What is business? Some individual taking a risk with the hopes of making a profit. Do you know what that means? Let's be realistic; it means that if every insurance company out there today had their way it would be a case where they would only insure healthy people. Of course, because healthy people are where you can get premiums and they do not have to ever worry about having to pay out.

That is surely something that we recognise as legislators and therefore we are prepared to enter into this dance on behalf of the people of this country to constantly keep plugging holes to make sure that we are getting them to do as much as they can do to help the people of this country. So, as the Minister has quite rightly said, Madam Speaker, it is not perfect. There is no silver bullet to this scenario. But as one of those slogans says it's a persistent pursuit for perfection. It is constantly looking at ways and asking, How is this programme working? Where is it doing good?

Where is it falling short? And let us see if we can plug the holes.

When I checked last, as the Minister mentioned this morning, he didn't create this Bill, he came and found it. And there were policies and things being done before he got here. But he and his team have continued [to do] what we do as legislators to continue on behalf of the people that we are duly elected to represent to say, What can we do today to make it a little bit better? And just to give the example of the \$25,000 episode that has now been removed so that the heart patient doesn't have to worry about running out of quarters (for want of a better expression, Madam Speaker), doesn't have to worry if their child, their husband, their spouse, regardless of who it is, is going to run out when they needed 75. No. They can continue. The family doesn't have to find the extra 50 because of again another hole, another problem that has been resolved.

I believe, Madam Speaker, that that is just one example of things that should be mentioned, of how the people of this country will benefit as a result of this particular amendment and the regulations.

Let's talk about another one. There are Caymanians in this country who found themselves with children that 23, 19, 25, in college. But the child still needed to get health insurance. This was an issue before, Madam Speaker. But now, under these amendments and the regulations being brought by the Minister, that is arguably no longer a problem. Persons up to 30 years in terms of the financial dependency, Madam Speaker, once they are financially dependent on the individual are now able to go and secure health insurance for that person. Surely, Madam Speaker, we have to see that as a benefit.

So, once again we sat and we looked and we said, *Here is an area that can, could and should be fixed*. And, Madam Speaker, we have fixed it. Again, does it mean it's perfect? Absolutely not! But a persistent pursuit for perfection, we have to continue to see what we can do to plug those holes every day. So yet again another example of one more hole being plugged.

What about the persons of which I believe I can speak with some authority, those persons out there who find themselves—and there are many of them in this country. The Minister of Education can speak to that, so can the Premier as well, who has done a lot. Handicapped children—knowing that now today as a result of these amendments and the regulations, persons who find themselves in that unfortunate position can know, can have the comfort of knowing that that child, irrespective of their age, can have health insurance. Madam Speaker, did we overlook to mention that when we spoke? Did we overlook to mention that someone who has a child that is handicapped, can't walk, can't talk . . . Madam Speaker, has now, as a result of the actions of this Government, found a way to make sure that they have some

health insurance. Have we gotten that blinded, Madam Speaker, that we have missed that? Surely, this side has not missed it.

Another issue that seems to have been overlooked, particularly by the Member for North Side, is the issue of air ambulance. I have been there. I remember seeing one individual, years ago, Madam Speaker, I remember that. Horrific, burnt almost to char, half his body, laying there needing to get shipped overseas to save his life, and the running up and down and the begging and pleading to get an individual shipped off the Island to get medical care. So then, have we failed . . . has the Member for North Side . . . have we failed to mention that this minimum baseline programme, standard, whatever name we want to label it as, has a minimum requirement of \$15K that covers the air ambulance? I think it is very, very important to mention. Absolutely important!

So, when we talk about working for the little man, talking about working for the individual that finds himself wittingly or unwittingly in a position where they are unhealthy in an unfortunate circumstance, some parent listening to me, Madam Speaker, right now has the comfort of knowing that baseline programme, the absolute minimum that any company can offer you has to be able to give you enough money sufficient to send your child, your spouse, your loved one away to get medical care, fully covered. I don't know how that went unmentioned, Madam Speaker, but I think it is important to recognise.

I will give you something else. The little man, the hardworking individual in this country finds himself in a position where he has those medical issues, insurance issues, and there are legal challenges. Do you know what has happened before? It was a situation where it ended up that in the best case scenario the individual got up, went to the Health Insurance Commission (HIC), made a complaint, then the Health Insurance Commission did up all of their reports (goodness knows how long that takes), then they forwarded that on to the Legal Department (goodness knows how long that takes) so that they can do a proper review and decide whether they think it is worthy of taking to court. And, Madam Speaker, I smile only because I recognise that I don't want to give the wrong impression to my friend over there in the corner, but the fact of the matter is the Legal Department must decide whether they think it is in a position that they can actually take it to court and win a case.

As a result of that, what has happened? It is a situation right now where you can say even without the whole issue of the courts, because that will still remain, under the amendments it will still be in a position where you can make the complaints. The Health Insurance Commission can go ahead and send it on to the Legal Department and see if it's worthy to take these individuals to court and deal with the matter that way. But in addition to that, they have introduced the ability for them to give fines. And those fines are in the

Health Insurance Commission's remit to decide whether they think a fine should be given or not. And there are remedies, of course, to the insurance companies if they don't agree with decisions being made by the Health Insurance Commission. They can take the Health Insurance Commission to the Grand Court for appeal.

But those sorts of fines . . . the very simple fact that you have the potential to be fined hanging over your head is another reason, another check, another balance to help ensure that the chances are you are going to dot your i's and cross your t's and watch your p's and q's, because you know you can get a fine. I think that is a step in the right direction.

Constantly seeking, constantly looking at ways we can improve the system. And it is our hope and prayer that anyone in this House who can make a contribution to the Minister or to this side, then make those contributions so that if we can plug another hole, then let's do it. Persistent pursuit for perfection, Madam Speaker! Let's see if we can do it, but let us appreciate that if 12 holes were identified and we are able to plug 9, 10 or 11, we are walking in the right direction.

So again, the Minister is not saying, nor is the Government saying that this is a perfect programme. But what we are saying with all full good cognisance, with all good hard actions, Madam Speaker, and with sincere desire to help and to benefit our people in this country, we are doing what we can to provide a very good insurance. And I am talking again about the SHIC 1, baseline programme, the absolute minimum that the insurance companies must provide. Anything above that is additional potatoes and gravy.

The issue about high risk and uninsurable, I think was one of those things bandied around by some of the Members of the House. In a capitalist society, again I would stress, because I am no fan of health insurance companies or otherwise, that their ideal situation is that they only have to insure healthy people. Madam Speaker, let's check reality again. Do you realise that hospitals want sick people? Sick people, that's how they make money. Health insurance companies want healthy people. Those are just realities.

As legislators, surely we have to be aware of that and when we go to the Board knowing that that individual would ideally like to insure individuals who are paying premiums that are perfectly healthy, will live forever, then we have to do what we can on this other side to make sure that everyone gets insured, including those that someone would consider a high risk. When it comes to the issue of high risk, as I have had the information conveyed to me, the fact of the matter is that the high risk right now, where in the past someone high risk and uninsurable would have gone to the insurance company, check one or two persons . . . and this is the same legislation, Madam Speaker, that the Government or the Minister found that we are

making changes and modifications to, to improve. They went there and they pretty much determined on their own, these insurance companies, one or two of them, deciding that the person was too much of a high risk or that the person was uninsurable.

We are saying that today for an insurance company to determine if you are uninsurable, that you have to put all of your information together, including the financial side of it, give the facts and the figures, send it on to the Health Insurance Commission so that the Health Insurance Commission, on behalf of the people of this country, one individual at a time, can review it and determine for themselves whether medically and/or financially this person is truly what you deem to be uninsurable.

If the Health Insurance Commission determines that they did not agree with the particular insurance company, they send it back and they say, *No, this person is insurable*. And there are perhaps remedies for the insurance companies to take, but the Commission has that final say there. So this is not a position where they can just reject Caymanians anymore and say, *You are uninsurable, the risk is too high*.

The Minister also talked about the fact with the individual in the workplace who is perfectly healthy today maybe he or she develops something. They are transferring to another job or otherwise, Madam Speaker, and all of a sudden they find that someone wants to put them in the uninsurable list or say they are too high risk and you can't keep them. So even in the high risk we recognised that at the end of the day the insurance company says we believe this person is high risk. The Government has allowed where the person can make an increase in their payment but still be able to maintain their insurance. Madam Speaker, again, I believe we are not perfect. I believe it is a step in the right direction that at least yesterday when I, the proverbial I or you, would not have been able to receive insurance coverage because someone deemed it to be high risk, even though you were paying \$200 per month, they can now say to you it may cost you \$300 instead of \$200 but health insurance, and that minimum baseline health insurance is now available to you. Madam Speaker, I believe that is a step in the right direction.

That is good persistent pursuit for perfection; working every day to fix the problems on behalf of the people of this country. So we see that insofar as high risk the amendment says as much, if necessary, as a 200 per cent increase can occur assuming . . . and you can't just increase it, Madam Speaker. Again, on behalf of the people of the country the Government puts the check and balance in place to make sure you have to go to the Commission to get permission. The Commission has to be able to determine after reviewing all the documentation, medical and financial, that indeed the person is high risk and still be able to give authorisation before the insurance company can label

you as high risk and charge you additional funds. So even if it is that \$50 extra, or \$100 extra, HIC, Health Insurance Commission, must give the permission before it can happen.

So persons who have been rejected before as high risk now have an opportunity in the same private sector insurance scheme to be able to get insurance where yesterday, just before the passing of this legislation, it would have been denied. Step in the right direction. And those persons who would have been deemed uninsurable before, rejected, laid on the side based on policies and the legislation from past administrations, will no longer find themselves on the side, rejected as uninsurable. They have to go through the Commission, and the Commission has to give permission. And if the Commission does happen by chance to agree with the insurance company that they are what we would deem categorised uninsurable, which arguably means uninsurable as it relates to the private sector, then that person is allowed to get health insurance with CINICO. So, again, the person doesn't go uninsured. The uninsurable relates specifically to the private sector. The uninsurable are still covered by CINICO.

Madam Speaker, that reminds me. I heard something that I think also needs to be addressed. I had a lady say to me just a few weeks ago, *You know, I'm going off to Canada. I am going to work in Canada*. And she talked about the free healthcare. Madam Speaker, I keep saying that there is no such thing as a free lunch. There are Canadians who will tell you that the tax policy . . . some of them jovially, perhaps, suggest that, yes, you probably are not far off, that the tax policy is take your salary, put it in an envelope and hand it to the Government.

But, Madam Speaker, if you are taking practically half of your salary and handing it to the Government, I think you should get something at least labeled "free." But the bottom line is, it doesn't matter whether you are paying that tax or that fee in the private sector, or if you are paying it to the Government; you are going to pay in one way shape or another. And I can tell you that a good position that we normally take in the capitalist society that we live in, is try not to give Government too much hands into it. Try not to get Government too involved in it. Have Government keep checks and balances on the private sector, but let the private sector, as much as possible, do what they have to do.

So, Madam Speaker, the uninsurable are directly related primarily to persons who are in the private sector. And if they are rejected in that sense after the Commission has reviewed it and agreed with that position, then they come and they get insurance with CINICO. Does that mean that when they come to CINICO it's free? No, Madam Speaker. You still make a payment. So again, it's not a free ride. You are still making payments. But CINICO guarantees the insurance because this Government, and Governments of

the past, and arguably Governments of the future understand that a healthy nation is a wealthy nation and therefore we must do everything within our power to ensure that healthcare for the individual is sustained.

That is why, again, the Minister talked about additional programmes when he talked about increasing one on the outpatient outputs from 100 to 400; a 400 per cent increase that I didn't hear anybody labour on. And one increased from 100 to 200. Why? So that a person can spend a little bit more money on preventative care. So, again, what we hear there, Madam Speaker, as the old adage says, an ounce of prevention is better than a pound of cure.

So, Madam Speaker, if we are able to give a little bit of preventative medicine to the individual, give them a little prevention, we can hopefully avoid the situation of the crossroads of having to deal with a cure. And for those who want to lambast the medical industry, you will find there is, arguably, no cure there either. It's the management of the disease that they make money from, not curing. But an ounce of prevention is worth a pound of cure. So, the remedies and the action taken by the Government, again, Madam Speaker, is it perfect? No. But they what? [Are in] constant pursuit, Madam Speaker, for perfection. Looking to see what we can do to make it a little bit better. And a 100 per cent and a 400 per cent increase in terms of the opportunities for our people to have some preventative medicine, take some preventative measures, I believe persons will agree is a step in the right direction.

Again, there were persons throwing around the whole issue of insurance companies paying. I want to comment about this. Not just about insurance companies, but in a very general way. I think it is very easy, it is destructive politics, but it is very easy politics, Madam Speaker, to get up and talk about how much so-and-so makes. I hear it on the radio every day. And someone who may even perceive to be making a dollar is a bad guy. Madam Speaker, again, I come to the defence of no insurance company, or not anyone who's making a dollar. But it is very important that we are truthful in what we say.

I talked about health being important, and I talked about education being important. There are persons listening and hearing what we have to say and many of them, some of them, will conduct themselves perhaps, arguably, accordingly. And the situation is that when you throw around information, make them pay, they are making tons of money. How much do they make? Did anyone stand in this honourable House and say how much the insurance companies make?

So I went searching to try to find out to provide a little bit of information. And, again, I only say this to show you that in terms of looking at this information there is a situation right now where a company has eight private sector insurance companies and there are nine, including CINICO. When you dice up

the numbers, and I believe the Minister may touch on this, so I am not going to belabour the point, that it translates in short that you are going to get profits somewhere in the region of \$4 million. I did a quick division of that math, \$4 million divided by nine, and it comes out to this magical number of \$444,444.44. And I am not going to fight with you, Madam Speaker, over 44 cents, or the \$444,000. But my point is that that is not necessarily a whole heap of money, if you were to divide up equally \$444,444.44.

In fact, Madam Speaker, the argument goes that a prenatal case of a child's birth between six and six and a half months could even run over that same amount of money in cost of insurance. So just one prenatal case could take away all of those profits.

So, Madam Speaker, I believe that all of us, in one way shape or another, understand the business world. And those who do not own a business is working for a business and trying to help someone out there fulfill their vision. But understand it, Madam Speaker. When we are constantly tearing down on every business in this country because when it's convenient, it seems that is what we do to just about every business. There are hardworking mom and pop shops in this country, the same way that are providing services for the people of this country and I can assure you, Madam Speaker, that when they are finished paying their water, electricity, rent and giving salaries to some individual that they can take home and in turn feed their family, a lot of them are not walking away with buckets of money. They are not. And many of them call me every day. They are not.

So, Madam Speaker, produce the facts and find me the person who has the money to pay and I guarantee you I will stand here and say make them pay. We can get up and say the Government has lots of money, five hundred-and-something-million dollars of revenue every year; Government can pay! Sounds so easy to say. But when you start dicing it up in terms of what Government has to pay out in terms of this service and that service that you are providing for the people of this country, \$6 million to Social Services, another \$13 million here; \$20 million there, five gone there and a couple of requests from the same people on the other side of the aisle who criticise. There is no money left, Madam Speaker.

All I am saying is that we have a system in this capitalist world right now where, yes, there are those persons who are entering into business, loosely defined business, as a person entering into a business taking a risk with the hopes of making a profit. And, yes, the only things I liked about what the Member for North Side said was the issue of saying what happens to the person who is healthy, but at the end of the day what's happening with my premium? I am healthy, I don't smoke, I don't drink, I go running. Why should I have to pay more?

And, Madam Speaker, a sad reality of that is whether I was doing it in the private sector or whether



I was paying the government, I recognise, when I put all of this political grandstanding aside, that whether I am paying it in the private sector or to the government, I have to pay. We pay taxes right now. And when we pay taxes right now and all of our fees that go to the government, some of those funds go to help someone who is on a list in Social Services. And it's not because I need the home, Madam Speaker. It's not because I need the food assistance. But someone needs it. And that is why I pay my taxes; that is why I pay my fees, as a proud contributing citizen of this country.

In fact, the Bible encourages that. It says pay your tithes, make your contribution. Arguably that little 10 per cent is what all of us have to give back to society. If you don't go to church, then take a little 10 per cent and give to someone who needs a little assistance. So, Madam Speaker, many of us, when we pay the fees in this honourable House, or many of the hardworking citizens out there who are working, are not necessarily in need of shelter. They are not necessarily in need of the home assistance that may be offered by the Minister here from George Town, the Minister responsible for Community Affairs. But we do so. We pay the taxes, we pay the fees, because we recognise that there is that need and in the good Christian community that we have, at the minimum, that is our contribution to help our fellow man. That is why we pay fees. That is why we pay taxes.

So it's easy, Madam Speaker, it's easy to talk about that and say that So-and-so should pay. And what happens when it comes . . . because let's not even try to make it sound like it's just companies that we criticise up in here. I have even heard people in here call names of individuals. I sat in this honourable House one time and heard them call a lady's name that I know doesn't own any business. All I have ever known that woman to do is give of her time free to this country, arguably, Madam Speaker, to try and help the country. But they will still talk about the person.

Whether we agree or disagree, that's a different matter. But I am saying where and when does that stop? So I am saying that we all have a contribution to make, and we can make that proudly knowing that when we pay our fees to the government, when we pay our garbage fee, when we pay our other fees, all of those taxes are collected together and the elected Government will hopefully distribute those with the best of intention and in the best way on our behalf to the people of this country who need it, including ourselves.

Madam Speaker, I cannot tell you the last time I was really sick and had to go to the hospital. Oh, but my God, Madam Speaker, I sure pray that my taxes continue to keep the HSA alive, that if my wife needs it a 4 o'clock in the morning, or my daughters, that my taxes have kept them running so that they can get that service, Madam Speaker, or myself.

So, I don't argue about the Government spending money, because when I checked last, Government wasn't sitting here making profits, Madam Speaker, they were out here distributing on behalf of the people of this country. CINICO is a matter that we still try to collect from those individuals and say there's no free lunch, there's no free ride, you have to pay. But Government in this particular case, the taxpayers of this country have taken now the collective policy decision that everybody in this country will get health insurance because a healthy nation is a wealthy nation. So we therefore want to encourage it.

Madam Speaker, I know that we are about three minutes away and I can allow you to suspend or try to wrap it up in three minutes.

**The Speaker:** Honourable Premier?

### **Suspension of Standing Order 10(2)**

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, we are going to try to finish this matter before the House and at least deal with the elections matter. Then we should hopefully get finished before 6.00, but at least we plan to adjourn at 6.00. So, Madam Speaker, with your permission I would like to move to allow the House to go beyond 4.00 under Standing Order 10(2), beyond 4.30, that is.

**The Speaker:** The question is that Standing Order 10(2) be suspended in order to allow the business of the House to be conducted after the hour of 4.30.

All those in favour please say Aye. Those against, No.

**Ayes and one audible No.**

**The Speaker:** The Ayes have it.

**Agreed: Standing Order 10(2) suspended.**

**The Speaker:** The House will continue after the hour of 4.30.

**The Premier, Hon. W. McKeever Bush:** Yes!  
Aye.

**The Speaker:** The House will continue its business after the hour of 4.30. Yes. Fourth Elected Member for George Town please continue.

**Mr. Ello A. Solomon:** Thank you, Madam Speaker.

So, Madam Speaker, the situation right now is, as I touched on in the very beginning, the SHIC programme would be a situation where the baseline that an insurance company has to provide in this country, S-H-I-C 1, Standard Health Insurance Contract number 1, Madam Speaker, is the baseline. I leave it to the Minister to mention all of the benefits. I

have given you a few. And I think that when you look at that, Madam Speaker, we will see that there has been a tremendous improvement in the programme. And we have to also recognise that that is the baseline, it is the floor, and it is the absolute minimum that any insurance company can offer to the citizens of this country.

So, whether it is the person, Madam Speaker, the moms out there, the dads out there, with the children who are handicapped, covered, Madam Speaker. The ones who have children away at college, or a child who is just simply for one reason or another financially dependent, covered, Madam Speaker, as a result of this programme. The person who has an individual who finds himself in the unfortunate position that needs to be flown off, Madam Speaker, no longer has to scramble around and look for sponsorship from companies to pay the final \$5,000. Under this SHIC 1 programme the air ambulance is covered.

So how all of that gets missing, Madam Speaker, I don't understand. Again, the Health Insurance Commission is there to make sure and keep a check and balance. It cannot be like it was, Madam Speaker! It cannot be, and no longer is, as it was just a few years ago when the previous administration was here. It is no longer that way. I hear the saying how things change in a day. It's no longer the case where the Health Insurance Commission does not get involved. It doesn't do a check and balance and say, *Hold on, hold on, hold on, you can't just determine who you think should be insured and who can't be insured.* That's the way it was; it is no longer that way.

So, Madam Speaker, they need to rise to their feet and just get out a little bit of truth to the people of this country and let us tell them it is no longer that way. The Health Insurance Commission standing there, put in place by this Government, stands there on the people's behalf saying, *No, before you can do that, we are going to check the paperwork, check the medical stuff, check the financial stuff to see if we agree with you. If we don't agree with you, we shoot that down and you do what you have to do. If we agree with you, then fine. If they are uninsurable, Government will take the cover.*

I hear them argue about mandatory. And one of the things that the Member for North Side started when he gave his contribution . . . Madam Speaker, I hear them laughing over there. I am not really concerned about it. It's not too distracting.

But the situation is that he talked about this situation of mandatory insurance, Madam Speaker. This is another thing, you know. It's like some of us in this country say we have to wait until somebody else does it to feel like it's good to do. It can only be done here, should only be done here, if somebody else is doing it. It reminds me of when you were a teenager and you were trying to be original, but you get your car lowered, sound system, everything like your

friends, and like all your other friends, but you think you are trying to be original.

Madam Speaker, I say the same thing about our tax system. Yes, the Cayman Islands have a different type of tax system. That's what makes the Cayman Islands the Cayman Islands. And there are a lot of things that we do here that is unique which, when I checked last, added up, that makes us the Cayman Islands. And trying to be like every other island and every other country, we will no longer be the Cayman Islands. Yes, we have a system that says mandatory insurance because we truly live to the adage that a healthy nation is a wealthy nation. And yet, the Member for North Side talks about Obama system. Madam Speaker, what is going to be the Obama system? Mandatory!

But you see now, he goes far with that and then we introduce it and it's perfectly fine. Now we are copying somebody else so I guess we are now validated. We can feel good as natives and applaud ourselves. But goodness gracious, if you were innovative and came up with that idea on our own, how dare you as a native do something like that.

So, Madam Speaker, yes, mandatory because we believe a healthy nation is a wealthy nation, benefits that speak way beyond what they were before. And, as I stated earlier on and to reiterate before closing, when the Government put the baseline programme in place for SHIC 1 and set that baseline and removed two, three and four, it now freed up those companies to not only compete on costs and services, but to be able to compete on costs, products, and on services. I believe the people of this country would rather know that they have companies competing on product, services and costs than just on two out of the three.

So, Madam Speaker, again, I will end by saying this is not a perfect programme. It is about a persistent pursuit for perfection, constantly looking and seeing what holes we can plug, what problems we can resolve, and I believe that there has been a giant step in the right direction towards doing that. Not perfect, but a step in the right direction. The saying goes, 'a journey of 1,000 miles starts with the first step'. And, Madam Speaker, we have taken a giant step in the right direction; much better than it was when we found it.

And, Madam Speaker, I will stress that there are a lot of persons, hardworking individuals; two of which are here today that stand behind the scenes talking with these insurance companies, battling on behalf of Caymanians as well to make sure that they can do what I just spoke about. Seeing if you can sit and say, No, we don't think that's right; we think this is a system that needs to be in place. And again, I will say publicly, and I am pretty sure the Minister will perhaps say it as well, but the Opposition, backbench here on the Government, doesn't matter, or just private citizens, if there is something that you see that is

wrong in the health insurance system, or any system in the government, Madam Speaker, if you want to send it to me, send it to me. I will argue with them. Send it, Madam Speaker, if you believe there is anything that you believe can be done to improve that so that this Government or some other Government can do what they can on behalf of the people of this country to correct it.

So, Madam Speaker, I just wanted to rise to my feet today because if anyone listening heard only one side of this debate, they would swear that this country was the worst country in the world to live in, particularly as it relates to health insurance. And it is simply not the case, Madam Speaker. Not perfect, but working our way to get there.

I just want to mention, Madam Speaker, the names of two ladies that are here who have put in a tremendous amount of work, and I want to give them kudos. I know there are other persons that have played a part as well, but you have Mrs. Jennifer Ahearn, who is the Chief Officer in the Ministry of Health, and Mrs. Janett Flynn, Senior Policy Advisor for Health. I just again wish to take my hat off to them. Those ladies have done, I believe, a sterling job in the right direction. I thank them for a lot of information that they have shared with me and other members of the Government. And kudos to them, and of course, kudos goes to the Minister as well in terms of his leadership in this whole issue as well. And for that matter, Madam Speaker, the entire Government which all plays a role in one way shape or another in making sure this amendment can come here, face the people and that those points can be delivered properly to them as well.

So, Madam Speaker, in closing, there are tremendous benefits in this particular amendment. Tremendous benefits in the regulations. Is it perfect? Absolutely not! But a persistent pursuit for perfect, Madam Speaker; that is what we are aiming for and I think we are making a tremendous degree of progress. I only hope that the people of this country can get a little bit more of the truth from these hallowed halls so they can continue to see the sort of efforts that are being made on their behalf. And I encourage them, as members of the public, if they see anything at all that perhaps this Government or perhaps any Government has missed, for that fact, then write it in to me or any other member of the Government so that we can do what we can to bring a motion and an amendment to help make this country a better place for all of us to live in.

Madam Speaker, thank you very much. God bless the Caymanian people and God bless the Cayman Islands.

**The Speaker:** Thank you the Fourth Elected Member for George Town.

Does any other Member wish to speak?  
[pause] Does any other Member wish to speak?

[pause] Does any other Member wish to speak?  
[pause]

Third Elected Member for Bodden Town.

**Mr. Dwayne S. Seymour, Third Elected Member for Bodden Town:** Thank you, Madam Speaker.

I rise to give my contribution, in short, to the Health Insurance Regulations (Amendment), 2012.

Just a few days ago when we were in committee stage, I mentioned that what we have, what the Minister of Health presented to us, was far better than what we had. So, I was perfectly satisfied with what I had heard from the Minister and his team. I could sit down after saying that, but I won't.

In short, Madam Speaker, I would like to thank the Minister of Health and his team for all of the hard work that they put in. It's a lot of work. This work started many years ago when I was on the Health Insurance Commission Board. And I can tell you, Mr. Mervyn Conolly (if I might call his name), was adamant that something had to be done. And they worked tirelessly on this for many years now.

Madam Speaker, I happen to know a young lady who didn't have health insurance and found herself with child. As she found out she went and told the truth that she was with child and it was unfortunate that when she went to the insurance company they told her that she couldn't be covered (very early in the stages). Madam Speaker, I say that to say that the difference in being covered even by the basic SHIC plan is a vast difference in cost. And I will share some numbers that I was given by this young lady who shared some information with me.

She told me that it was going to cost her between \$5,000 and \$6,000 just to have a normal delivery for pregnancy. We're not even talking about a C-section or a problematic pregnancy. Just straight off the bat, if you don't have insurance, \$5,000 or \$6,000 for a person who is probably on the lower end of the scale or unemployed, unfortunately. The insurance company told her that if she had had insurance one week sooner it would only have cost her \$1,500. Some \$4,000 in savings, Madam Speaker. And that's a lot of money.

Health insurance is very, very important. And one of the real times when we know how important it is to have health insurance is when we don't have it, or when we don't have the correct coverage. Madam Speaker, I am so happy that people are not now forced to purchase the premier plans and can be much more comfortable with the plan that the Minister of Health and his team have presented to us. Again, I commend them.

Madam Speaker, we can just talk about a few points in terms of why I commend this regulation. When the Minister spoke about mental health, the coverage was zero. And now we have, although some may say it's not much, but it's more than we had, \$25,000 coverage for mental health. We have a situa-

tion where the coverage of the whole plan was only \$25,000. Now it's up to \$100,000—quadrupled.

So, Madam Speaker, I believe just like in the same manner that we handled our development in Bodden Town and our projects in Bodden Town, the Minister and I, we understood that with these austere times here, that we couldn't get everything all in one bite. I don't think moving forward in this world today with the climate we have experienced for so many years now in terms of economic downturn, that anyone will ever want to take a whole bite out of anything, and will move in a calculated modular fashion to ensure that their goal is still achieved rather than pondering until they get all the monies. We will never get all the monies again, Madam Speaker. Never! We have to think in this manner of moving step by step, small steps, Madam Speaker.

Yes, I agree with some of the things some of the other Members were speaking about, of where they think we should be, but we have to look at the whole situation. How deep will we get, Madam Speaker, into the business models of these companies? Will we run them out of business? These are some of the things that we have to consider.

I am sure that today health insurance in this country is reaching far many more people than it did 15 years ago. And it's because so many companies saw the confidence and the opportunity to invest in Cayman and came forward, produced their plan and people purchased the plan that they saw of their choice. So, I am happy with the direction we are moving in.

Previous Ministers must also answer why they were not able to achieve it. That's the reason why I applaud this Minister and his team for working at it so hard. I can tell you, Madam Speaker, I have never been a Minister, but I have seen how Ministers work and the way our ministries are divided up [where] some Ministers are left with some very big ministries. And some ministries consume all of their time and some of the things that are important become less important because other ministries take precedence. I say that to say that the Minister of Health has a good team and paid a lot of attention to this healthcare issue, and has brought a solution forward that was better than what we had.

Madam Speaker, a lot has been said today. A lot has been said by other Members, including the Minister. One of the other points I mentioned is that I get a lot of representation from parents whose children are just back from college and can't find a job and can't get insurance. They weren't covered under their parents. Under this plan, they will be. We have a situation where children were mentally challenged. Once they passed the age of 18, if they weren't going to school and if they didn't get that letter written from the college or university to say they are still attending and every year they had to write that, they are now covered. So, we have made a lot of strides forward.

And it's not perfect. And I applaud all the Members for getting up and giving their contribution. But we have to admit that we are leaps and bounds further ahead than where we were. And we are trying to address the problem step, by step.

So, Madam Speaker, I again thank the Minister of Health and his chief officers, Mr. Mervyn Conolly. And I agree with my colleague, the Fourth Elected Member for George Town, that not only because we get a new and improved basic SHIC plan that we need to live our lives in a "don't care" fashion in terms of our health. But we do good service to this country when we try to remain healthy, try to eat healthy, try to exercise, try to avoid some of the things, not be glutens. And we need to promote and continue to promote . . . and that's one of the things that I would like to ask the Minister to try to invest in more programmes. Let it be seen island-wide, Cayman Brac and Little Cayman, programmes on TV, programmes for kids. I know there's a lot going on right now, but I want to see us with a greater effort with great rewards for parents for achieving some goal. There has to be some reward in there.

Madam Speaker, I applaud the Minister of Health. I thank them for moving in this direction. This SHIC plan, I admit is not perfect, but it is way better than what we had. And the citizens of this country are going to be well pleased with what the ministry has presented here today. I hope that all Members of the House think about it and give it kind support. No, it's not perfect; but it's perfectly the best way forward.

I thank you and I am proud that the people of the Cayman Islands will be able to benefit in vast amounts from this basic SHIC plan. Thank you and God bless.

**The Speaker:** Thank you, Third Elected Member for Bodden Town.

Does any other Member wish to speak?  
[pause] Does any other Member wish to speak?  
[pause] Does any other Member wish to speak?  
[pause]

If not, I call on the Minister of Health to conclude his [reply] debate.

**Hon. J. Mark P. Scotland:** Thank you, Madam Speaker.

I want to start by thanking all those Members . . . I sincerely mean that, Madam Speaker, all of those Members who rose to contribute to the debate on this Motion. As Members have said, these amendments, or any amendments or law brought here, were not intended to be perfect, and are always a work in progress. So, to have debate on it where questions are asked and issues are raised to be addressed in the debate, I think is, for me, what debate is all about.

I certainly appreciate all the contributions to the debate on both sides. I want to especially thank the Fourth Elected Member for George Town and the

Third Elected Member for Bodden Town for their contributions. And I want to say that in the closing part of the debate, which the Fourth Elected Member for George Town mentioned as well, but in the closing part of the debate the Third Elected Member for Bodden Town spoke about healthy lifestyles and having good diet, preventive care and so on.

Madam Speaker, we talk about healthcare and health insurance. The only way, ultimately, to lower healthcare costs and health insurance costs as well, is ultimately going to be about a healthier population. So, programmes and otherwise in terms of these leading to healthy lifestyles, yes the Ministry, Public Health and other agencies within the Ministry are working on these programmes and we readily admit that we need to enhance those programmes because we need to go even to our children in the schools and throughout the communities and promote these healthy lifestyles. As I said, ultimately, that is what is going to reduce healthcare costs in the long run. These measures that we are putting in here, the improvements we are making are to increase access and in some ways make it affordable for residents of the Islands to be able to access healthcare.

Madam Speaker, in his contribution the Member for North Side spoke about some of the concerns he had. He spoke in particular about clause 2, with there being “wobble room” so that we didn’t have to bring the amendments into effect until after the election. Madam Speaker, I readily said that if I had the opportunity to put something in there and I knew that I would be the Minister of Health after the election to implement, I would do that as well. I don’t have any plans not to be the Minister of Health, but everyone knows—and these Members in here know way better than me, as longer serving Members—that nothing is guaranteed after an election.

Madam Speaker, the intention was not to put anything in there so we could bring it into effect after the election. In fact, it was simply because we did the amendments in 2010, but we did not do the regulations simultaneously. Had the regulations been done simultaneously, as the amendments in 2010, the clause about commencement would certainly be different. So much more of the law will commence at the same time as the regulations. The law has now been passed, some of those other provisions will commence, and then the regulations will commence on the 1<sup>st</sup> of March, with a one year transition period.

Madam Speaker, there was a discussion about whether or not this Standard Health Insurance Contract is the minimum or not. It’s clear that the Standard Health Insurance Contract is the minimum plan mandated by law. Any other plan over and above that is a supplementary plan which persons have the option to purchase. But what is the minimum plan in law is the Standard Health Insurance Contract, which is the one that we have that I discussed in my presentation which has now been taken down from the op-

tion of having four of those to one Standard Health Insurance Contract and the Standard Health Insurance Contract as we know it has been tremendously enhanced. And I spoke to those benefits, a number of significantly improved benefits, in this new Standard Health Insurance Contract. This is a standard plan required by law and also required by law that this plan be included in any other supplemental plan that insurers offer.

Madam Speaker, the question as to whether or not premium rates are regulated. The premium rates are regulated by the Health Insurance Commission. Those premium rates are . . . in order for an insurer to increase their premium rate for the Standard Health Insurance Contract, they first have to apply to the Health Insurance Commission. I know of instances when insurers have increased the premiums for the Standard Health Insurance Contract without first getting that approval and have had to revert to the original rate they had before because the Health Insurance Commission had ordered that to happen since it was not approved.

Any increase in the rate . . . and there is already a range of established rates for the Standard Health Insurance Contract that is determined on a periodic basis by the actuarial review carried out by the Health Insurance Commission. Once those rates are established, then approved insurers have to apply first to the Health Insurance Commission before they are able to increase those standard premiums.

Madam Speaker, the whole discussion about insurers taking into account high risk persons so that they should be able to cover high risk or what we are calling uninsurable persons already, because those risks are already included, is not entirely accurate. As the law currently allows, insurers do not have to cover them, so there would be no reason for them to calculate their current premium base on those high risks or uninsurable persons. There is some element of risk, I am sure, included in their calculation of their premiums and the whole actuarial review which leads to them determining the premiums, but the whole idea of them already including all the high risk persons is not entirely accurate.

In fact, if you look at the reasons why premiums increase quite frequently it is based a lot on the actual claims history. A lot of the companies and persons I speak to, when they say their premiums have increased significantly and I ask them what their claim history was the past couple of years, they say they have had such-and-such number of persons with catastrophic illnesses, a million dollars a case or a million and a half dollars a case. Then you understand exactly why premium rates have increased for that specific company.

Another reason—and the First Elected Member for George Town articulated that well, Madam Speaker—is the cost of the actual healthcare services here. And I will speak to that some more as I go on.

But that's another reason. It's the costs of the services as well as the claims history of various groups or the companies that lead to premiums increasing so much.

Madam Speaker, the whole idea of uninsurable persons, and while we understand that the way it is described and you see the terms "insurance for uninsurable persons," again, it may not read as smoothly as it should, but the whole idea is a very rigid process which allows companies to assess a person's risk, and if it is deemed that the person has such a catastrophic condition or illness, or serious condition, that they be deemed uninsurable. As the Fourth Elected Member for George Town said, that person is then insured through the Cayman Islands National Insurance Company. What these amendments have done is narrow down the ability of these insurers to categorise you in that way.

Madam Speaker, there was a question about exclusions. I mentioned that when you talk about exclusions and it says there should not be exclusions, well, if you read what many of the exclusions are, there are obviously things that are completely reasonable to exclude. Things like consultations in connection with and treatment for sexual dysfunction or sex change procedures. Madam Speaker, is it reasonable to expect that procedures like that should be covered by health insurance? I don't think so, Madam Speaker. Sterilisation; is it reasonable for that to be treated by health insurance? Again, I don't think so, Madam Speaker. Those would obviously drive up the cost of health insurance for all of us.

Madam Speaker, there is one other exclusion I want to mention, cosmetic surgery—unless it is deemed medically necessary by two independent registered medical practitioners. So, elective cosmetic surgery . . . should that be covered by your health insurance, Madam Speaker? Again, I don't think so.

We talked about obesity. Again, there was a discussion between us and the health insurers as to whether or not that should be excluded. Initially, we had included it in the coverage. But again, when we look at the numbers of procedures that have been carried out over the years here in recent years to put that procedure in everybody's health insurance plan would have impacted the premium rates for the entire population in order for a small number, probably in the lower hundreds, maybe less than 200 procedures in the last three years.

The way Government intends to address that is with the increase in the segregated insurance fund, which is now \$10 and \$20. That increase puts the fund at between \$5.5 million and \$6 million for the year. The Government proposes now to cover bariatric procedures which have been deemed necessary by the Chief Medical Officer for medical reasons, which are people who are morbidly obese or in serious condition due to being obese. And those procedures will be covered by the Standard Health Insurance Fund. That is what we are proposing to do, and

that way we can treat those persons who need that procedure but yet not affect everybody's health insurance premium.

Madam Speaker, the First Elected Member for George Town commented and agreed that the amendments go a certain distance to better protect the insured individuals, and that they also assist with a certain level of coverage that might not have existed before these amendments. So, he acknowledged the improvements of the coming SHIC plan and said that they would obviously provide an improved level of coverage that was not there before. And he said it would be unfair to say that it doesn't make sense. He then said that the Member for North Side pointed out its dual shortcomings which in his view existed. I went through some of those before, Madam Speaker, and I hope I addressed the concerns he raised.

But the First Elected Member for George Town said that the fundamental issue goes beyond the regulations, and they wanted to discuss it in this debate. He agreed that to go all the way to reach the ideal situation would be a fundamental paradigm shift in the way that we deal with health insurance and healthcare. And that's what I said earlier. So, again, he mentioned that in order to determine the premiums, one has to know the cost of providing a service. And he said that that was the main ingredient that determined the premiums levied by insurance. And, Madam Speaker, I agree, again, that the cost of the service goes a long, long way in determining the premium. And regulations don't speak to the cost of the service that's provided. While they do talk to formulas, and so on, to determine premiums, they don't speak to that cost.

As I said earlier, it's the cost of the service, claims history and the high risk and uninsurable not necessarily included in all that assessment. But the law now does tighten up on how persons are deemed to be uninsurable or high risk.

He asked the question if we were satisfied as a Government that the operational cost (and he was speaking in particular at the hospital) . . . are we satisfied that the costs are fair and come about due to the best efficiency, and how relevant that was. Madam Speaker, he is correct. That is entirely relevant, the cost of the service to the premiums that people have to pay, and especially if that is the case with government, because as the costs go up, those costs are passed directly on to HSA, right through to CINICO and the Ministry of Health who pay those premiums. And he was asking whether or not there had been any assessment done to know these costs and so on at HSA. And, Madam Speaker, I can say yes, that right now there is an ongoing exercise efficiency review in which they are going to be developing what they are going to term a quality and productivity and efficiency programme at HSA which is going to be looking at costs, compare the quality and efficiency to see exactly how those are all tagged together and how we can

continue to drag those costs down but keep the quality.

Obviously, Madam Speaker, we say that in the perspective or in the context that at HSA, given the nature and the range of services that are provided as it is the only public hospital we have here in the Islands, efficiency is going to be inherently high to begin with because there are going to be a number of services that we provide that are going to be inefficient because of the low number, the small demand for those services. Madam Speaker, it's no different than Cayman Airways. We opt to keep providing that service for the Islands, the air service between the Sister Islands and other air links. So, we know that we have to subsidise that service. There is no difference with the HSA, where there are some services there that we might opt not to provide, but because of the country . . . we need to provide that service, and even though the demand for it, the need for that service is very small in terms of the numbers, then the cost for providing is going to be inherently higher.

The First Elected Member for George Town also asked how can we reach the level of aspiration that we would like to achieve in terms of healthcare and can it be achieved, and if not why not. Madam Speaker, in terms of the level of perfection and I think we talked about that, we probably go back to . . . well, the level of perfection that we may be speaking about would be healthcare where everyone has access to all range of healthcare and may be all paying the same premium or contributing the same amount and how can we achieve that. Madam Speaker, that would be, as I said, a paradigm shift in terms of how we deal with health insurance now.

Our current health insurance regime says, and it was based on the law that was passed in 1997, or 1998, and at that time it said all employees in the Cayman Islands are required to have health insurance. We have amended it to now say all residents in the Cayman Islands are required to have health insurance. If we use that as the model for healthcare and health insurance then that's where we are at now, and the amendments we are making are bringing about improvements to that.

The paradigm shift would be that we would say that everyone go back to where we were before, where everyone could access healthcare for . . . not for free, but everyone could access healthcare and have access to the same level of benefits everyone across the country. But we would then have to understand how we would pay for that. That discussion could be what we call national health insurance, national healthcare. And we hear that discussion sometimes on the radio shows and otherwise.

In order to pay for that, Madam Speaker, we would be talking about the key word, and that would be "tax"; it would have to be everyone contributing what would be some level of tax to pay for that service. As it stands right now, everyone has mandatory

health insurance, paying a premium for that, and if they want higher benefits they pay a bit more and they access those benefits. Otherwise, we can all contribute but we would be looking at a paradigm shift in how we deal with health insurance, if you wanted to have what would be the ideal situation.

Madam Speaker, there has been considerable discussion over the past few days, both on the amendments to the law and the regulations . . . the committee stage on the legislation as well as the regulations. And much discussion even on the airwaves and the radio stations, Madam Speaker. As I said, while some of the discussion has been obviously in objection to what we are doing and raising issues, I think it's been healthy discussion. As I said, the only concern I have with it is that sometimes in those discussions it appears to have been some misinformation that has been perpetrated. And it has resulted in some confusion, Madam Speaker, on what we are actually doing.

Madam Speaker, the issue of health insurance is one of national importance and certainly deserves our utmost attention as it affects each and every one of us. It is very unfortunate that some of the discussion has been confusing to the public and, as a result, has created the need for me to try again to bring some facts and clarity so people can be reminded of what we are actually doing. As I said earlier, health insurance was first introduced in 1997. In 2010 (I think there were some amendments prior to that), we brought about changes to what was then the 2005 Health Insurance Law. And I spoke briefly about that before. The amendments were approved in 2010 and these amendments have been identified for a long, long time, Madam Speaker, and have been the broadest set of amendments approved to the '97 law since its inception.

Madam Speaker, those amendments represented changes that had been identified through experience and through a lot of consultation and discussions over the years to bring the law in line with the current realities, the current situation that existed. Those changes addressed areas that needed attention and then, following those amendments in 2010, we brought about the Health Insurance Regulations. And since we have addressed some of the concerns in the law, obviously the next thing to do was the regulations. And the main point of the regulations was the Standard Health Insurance Contract, which there has been a lot of discussion over in the past and this afternoon as well. The regulations govern the implementation of the provisions of the law and contain all the details of the SHIC plan and so on.

Madam Speaker, in the regulations we see where we bring about improvements to benefits, where the single episode has been eliminated and we have the \$100,000 a year maximum. We have seen instances where individuals do not seek preventative care due to very low levels of outpatient benefits.

Those outpatient benefits have been improved. We mentioned those earlier. And so, Madam Speaker, the amendments to the law in 2010 put us on the road to address many issues, but the task was far from complete. So we did the regulations, picked up on previous research. We had dialogue with the insurance providers, visited the past proposals; many, many discussions, Madam Speaker. The amendments are now here and we are looking forward to the vote on those very shortly, Madam Speaker.

We are not putting in place—and we need to make this very clear—a system where the new SHIC plan will be the only plan available (I said that a while ago as well), with the result that no plan with supplemental benefits will be permitted. Madam Speaker, as I said, we are removing the four plans only having the new SHIC plan as the baseline, but that baseline must be included in all other supplemental plans as well. Approved insurers will still have the ability to offer those plans with benefits beyond those offered by the enhanced SHIC and the insured individual will still be able to purchase those enhanced plans. In fact, Madam Speaker, the proposed amendments to the regulations include a provision to provide for portability of the supplemental benefits when an insured person changes providers.

Madam Speaker, it has also been suggested, and we had a discussion as to whether or not . . . you know this is the only country in the world (and I heard that on the radio the other morning) that they can't find anywhere else in the world where health insurance is mandatory. Well, we need not look any further than the USA to the north where Obamacare, which has been very controversial and debated for many years, where the Supreme Court upheld the decision that mandatory health insurance is indeed constitutional, and mandatory health insurance comes into place in the US in 2014.

Madam Speaker, there has been discussion regarding the contradiction of including a definition of "uninsurable" in the law that mandates everyone legally resident must have at least the SHIC level of health insurance benefits. How is it we can say on the one hand that everyone must be insured, and yet in the next breath you can turn around and define those persons as uninsurable? Madam Speaker, unfortunately, while it appears to be a paradox, it is unfortunate that it is unavoidable at this point. We make a provision in there that those persons who are deemed uninsurable can still get coverage through CINICO. We cannot deny that there will be individuals who, due to their impaired health, are simply too great a risk for an insurance company to be expected to assume. We would not expect to be able to obtain property insurance, Madam Speaker, if your house was burning, nor, will insurance companies issue property insurance policies a few days or two days before a hurricane is approaching. So why would it be different in the case of health?

And yes, Madam Speaker, the law does require that everyone legally resident in the Cayman Islands have health insurance. And that includes those individuals that would be deemed uninsurable. And I would offer that we need to define this group so that they can be carved out and provisions put specifically to address the need to insure this group. The proposed amendments do include a process regarding how insurers can deem someone to be uninsurable, and the proposed amendments will require that the insurer has to apply to the Health Insurance Commission for approval prior to designating that person uninsurable.

Madam Speaker, we will continue to look at how we can maybe tidy the definition up so that it does not seem to be such a paradox as it is. But it is safe to say that the residents of the Islands have the protection of being able to access health insurance if they need it, or as needed under the law. The Health Insurance Commission [HIC] has also been given the authority to make orders to vary the decisions that these insurers make and the approved insurers do have the ability to appeal the HIC's decision to the Grand Court if aggrieved.

We spoke about the issues of individuals being designated as high risk, and we spoke about what the regulations outline for those provisions as well, where the high risk person has options, the insurer has options where they can insure them at the standard premium, insure them at a premium that does not exceed 200 per cent, or insure them at a premium which exceeds 200 per cent. Again, this is much different from what exists now because the regulations allow the insurers to either increase the premium or to exclude them or not insure them without any discussion at all with the Health Insurance Commission. Madam Speaker, these processes help to ensure that insurers carefully consider the options prior to deeming individuals high risk or uninsurable. They will need to be able to support their decisions with evidence and will be required to involve the Health Insurance Commission in that process.

Madam Speaker, the Health Insurance Commission will be empowered to vary the decisions by the approved insurers and that should help to ensure that the decisions are being made in a much more defensible manner. These processes will definitely result in fewer people being refused and more people being able to obtain insurance from the private insurance providers.

Madam Speaker, the whole discussion over the last few days about the private insurance companies covering persons whether high risk or uninsurable, and that they keep doing it at the same premium rates, and the whole discussion about them making so much money, I took the opportunity to look at the reports from CIMA. These reports indicate that over the past seven years the loss ratio experienced by insurers in the area of health insurance has ranged from a



low of 85 per cent in 2010, to as high as 99 per cent in 2006. In fact, the loss ratio on health insurance is the highest loss ratio in all of the books of business that the insurance providers have in the Cayman Islands. Let me repeat that: The loss ratio on health insurance is the highest loss ratio in all of the books of business that the insurance providers offer in the Cayman Islands. Obviously, the highest loss ratio in the area of property would have been in 2005. And we know that was Hurricane Ivan. I think there was probably 1,000 per cent or something in that area, that they paid out.

We know how much it was after Hurricane Ivan, but this loss ratio of 85 per cent and last year of 90 per cent translates to reported profits of around \$4 million between nine health insurance providers. As the Fourth Elected Member for George Town said, that profit could be wiped out by one or two or three catastrophic cases across all those companies. And even if the Government were to collect these profits, in its entirety, it would only cover a small portion of our costs for indigents', seafarers' and veterans' healthcare.

Madam Speaker, I want to be clear that I do not believe that these amendments are the perfect solution. I think we are making steps. We have moved from what was there when the law was implemented, and there were amendments in 2005, we made the amendments in 2010, and now some minor amendments as well as these regulations. It will be a continuing process. The very nature of healthcare is such that it is impossible to find a solution whereby all of the stakeholders are going to be completely satisfied. And it holds true for the health insurance aspect of it.

Madam Speaker, insurers are always going to want to make greater profits. And I am not sympathising with any health insurance provider. I don't want anyone to make the mistake to think that. And, of course, the insured individuals are always going to demand more and need more benefits at more affordable premiums. Healthcare providers will want to have a system where they are paid for their services without delay and, of course, all 15 of us in here—not just the Government, but all 15 of us in this House—want to see a system where all of our residents are adequately covered and have access to high quality healthcare at a reduced cost and an affordable cost.

It is all about trying to achieve the best balance of the interest of all the stakeholders by putting in place a legislative framework and a regulatory system that allows approved insurers to continue to function as commercial entities while insuring patients' interests are protected and they are provided with an adequate level of benefits. I believe that these amendments offer that solution. And I look forward to the support of all Members of the House, even the Member for North Side, to the amendments I am proposing to the Health Insurance Law and the Health Insurance Regulations, to help us achieve that bal-

ance and result in a much improved health insurance regime for the Cayman Islands.

Madam Speaker, again I want to thank the Chief Officer, Jennifer Ahearn, and I want to thank Janett Flynn, the Senior Policy Advisor, here in the Chamber today; Mr. Mervyn Conolly (who is off island on a medical situation with a member of his family); all of my colleagues in this honourable House, particularly on the Government side for their support, and all of the caucus discussions on these proposed amendments. I indeed look forward to the support of all Members of this honourable House on these very, very important amendments which are going to bring about tremendous benefits as we move forward for all the people, all the residents of these Islands. Thank you, Madam Speaker.

**The Speaker:** The question is: BE IT THEREFORE RESOLVED THAT the Health Insurance (Amendment) Regulations, 2012 . . . I would like the attention of the House please.

BE IT THEREFORE RESOLVED THAT the Health Insurance (Amendment) Regulations, 2012, be affirmed by the Legislative Assembly pursuant to the provisions of section 25(2) of the Health Insurance Law (2011 Revision).

All those in favour please say Aye. Those against, No.

**Ayes and one audible No** [*Member for North Side*]

**The Speaker:** The Ayes have it.

**Agreed: Government Motion No. 2/2012-13 passed.**

**Government Motion No. 3/2012-13—Draft Order to Effect Recommendations of the Electoral Boundaries Commission**

**The Premier, Hon. W. McKeever Bush:** Thank you, Madam Speaker.

I beg to move Government Motion No. 3/2012-13, standing in my name, which is entitled, Draft Order to Effect Recommendations of the Electoral Boundaries Commission, and reads as follows:

**WHEREAS in accordance with the 2009 Constitution an Electoral Boundaries Commission (EBC) was duly appointed;**

**AND WHEREAS the EBC has reviewed the Electoral District Boundaries of the Cayman Islands and submitted its findings thereon to the Governor and the Legislative Assembly in June of 2010;**

**AND WHEREAS the EBC has recommended in its Report that the number of Members of Legislative Assembly be increased to 18, broken down by Electoral District as follows:**

**West Bay—4 Elected Members**  
**George Town—6 Elected Members**  
**Cayman Brac and Little Cayman—2 Elected Members**  
**Bodden Town—4 Elected Members**  
**North Side—1 Elected Member**  
**East End—1 Elected Member**

**AND WHEREAS His Excellency the Governor has now drafted an Order to give effect to these recommendations;**

**AND WHEREAS the Premier as required have laid the draft Order upon the Table of the Legislative Assembly for its approval;**

**BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby approves the draft Order of His Excellency the Governor, and that an Order then be subsequently made in terms of the draft, so that the changes in representation of Members in the Legislative Assembly, and determination of the boundaries of the Electoral Districts as provided therein, will come into effect upon the next dissolution of this House.**

**The Speaker:** The question is: BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby approves the draft Order of His Excellency the Governor, and that an Order then be subsequently made in terms of the draft, so that the changes in representation of Members in the Legislative Assembly, and determination of the boundaries of the Electoral Districts as provided therein, will come into effect upon the next dissolution of this House.

The Motion is open for debate. Does the Honourable Minister wish to speak thereto?

**The Premier, Hon. W. McKeever Bush:** Thank you, Madam Speaker.

This Motion was first presented to this House in April of last year<sup>1</sup> and deferred for later consideration. The Motion itself is quite straightforward. It seeks the approval of this honourable House of the draft order made by His Excellency the Governor in order that the order being so made, and I quote, **“The changes in representation in the Legislative Assembly and determination of the boundaries of the electoral districts as provided therein will come into effect upon the next dissolution of this House.”**

These actions follow from the recommendations of the Electoral Boundaries Commission which, in turn, was appointed pursuant to section 8 of the Constitution Order 2009. The principal recommendation of the Electoral Boundaries Commission was that the required increase in the number of Members of this House be raised to a total of 18 from 15, should be allocated between George Town (2) and Bodden

Town (1). The Electoral Boundaries Commission’s recommendation was based on trends in population with George Town having the greatest concentration of voters and Bodden Town showing the fastest growth.

Madam Speaker, concerns have been expressed that on this approach any party or coalition of interests between George Town district and either of Bodden Town or West Bay could effectively command a majority of this honourable House. It has been argued that such an arrangement is likely to be unstable and that this concern would fall away. But I have another concern about the numbers. I recall the discussions at Lancaster House over prospective changes of representatives. I expressed concerns then over the proposed change to 18 instead of the present 15. Nineteen was noted, which I didn’t support as I thought that perhaps to be too much. Seventeen was not an attractive number for most Members in attendance for whatever reason.

Other places (I know of examples from New York to Trinidad) have experienced deadlock as a result of even numbers in the legislatures there. As far as I am concerned, Madam Speaker, where a legislature has an even number of representatives, the possibility of becoming staled, for want of a clear majority, is greatly enhanced. I truly worry that this could result in setting up future legislatures to fail.

This Motion seeks to carry through the requirements of the Constitution, as I have said. The Constitution allows for an Electoral Boundaries Commission to be set up from time to time to review these matters, and it is conceivable that a future Electoral Boundaries Commission may be faced with such results from operating with the even numbered Legislative Assembly, that the question could propel a constitutional amendment to restore an odd number of representatives. Madam Speaker, that is for the future. I raise this possible scenario on the premise that it is sound advice to hope for the best but be prepared for the worst.

Members will note that the draft order does nothing to change the existing definition of Electoral District Boundaries. It has set out full details of the boundaries of the polling divisions within each district. Three additional seats between the two constituencies is a significant change for the electorate to get accustomed to. I trust that honourable Members will be prepared, having given their support to the Motion, to properly educate the electorate.

Passage of the Motion will enable us to have the order made in a timely basis in keeping with the prescribed timetable under the Elections Law to enable smooth implementation of this change. Therefore, Madam Speaker, change to the Elections Law will be dealt with in the next couple of weeks.

I want to thank Members for their patience, and trust that my prayers and concerns will not ever come to reality. But I do worry about it as it is our chil-

<sup>1</sup> *Official Hansard Report* [8 April 2011](#), page 984; and *Official Hansard Report* [11 April 2011](#), page 999

dren's future, the future of this country that I worry with an even number. I thank the honourable House.

**The Speaker:** Does any other Member wish to speak? [pause]

Honourable Leader of the Opposition.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Thank you, Madam Speaker.

May I ask the Serjeant if I can have the lectern please?

Madam Speaker, there is before the House this evening finally a draft order to effect recommendations of the Electoral Boundaries Commission with respect to a report that was delivered to this honourable House more than two years ago.

This has been a long and storied process and all sorts of ideas have been floated, all kinds of proposals have been made, all sorts of attempts have been made by the Premier and his Government, really, to find some means, quite frankly, to improve the situation in terms of numbers for the district of West Bay. Indeed, we have had the intervention of the one man, one vote referendum by which an effort was made by Members on this side of the House and a substantial and hardworking committee to obtain single member constituencies and the adoption of one person, one vote, in time for the upcoming elections.

Although the referendum saw the motion succeed in numerical terms, because of the extremely high bar that had been fixed by the Government for the passage of the referendum question which required 50 per cent plus 1 of registered voters to vote in favour of a move to single member constituencies, technically the referendum failed. And so, Madam Speaker, now some six months or so before the next general elections we are faced with a prospect of simply adding two additional seats to George Town and one additional seat to Bodden Town.

Madam Speaker, I have said more than once, and I will say again this evening, that many of the arguments that have been put forward in favour of single member constituencies can be debated one way or the other. But there is one cardinal principle that I do not believe can ever be negated in any of these discussions. And that is the principle of equity. It is simply wrong in principle for the voter in East End and the voter in North Side to have one vote, and the voter in George Town to have six. It gives the voter in George Town six times the opportunity, six times the possibility of influencing the makeup of the legislature and, indeed, the makeup of the Government.

Madam Speaker, we have always had in Cayman, certainly since the adoption of the 1972 Constitution, this situation of multi-member constituencies. And arguably, we have never had equity in this system, because in 1972 we got for the first time 12 representatives, one each in North Side and East End, two in Bodden Town, three in George Town and

three in West Bay, and two in Cayman Brac and Little Cayman. So, it has never been actually equality. But what has happened as the numbers of elected Members in the House has been increased over time, in 1992 we went to 15 seats, the inequity has just grown. And this proposal today simply increases that inequity.

It is a situation that I do not believe should be allowed to continue very much longer. But because the Government has left this to the very last moment, there really is little choice—six months out from a general election—to do anything else but simply give the largest districts in terms of voter population the additional Members, and George Town with 6,000-plus voters is obviously the district that would get the additional two. And Bodden Town, which now has almost exactly the same number of registered voters as West Bay, will move to four as West Bay has had for some significant time. So, Madam Speaker, although this is far from an ideal situation, I do not believe that we have much choice but to agree with the terms of the draft order.

The Premier has spoken. Today he spoke, and on Monday he also dealt with it in a committee room meeting with all elected Members. He has raised this issue or the possibility or the specter of a deadlock because of even numbers in the House. I believe that that concern is not well founded. There are many parliaments around the world that have even numbers. In fact, this parliament had even numbers for 20 years from 1972 to 1992. I do not ever recall there being a situation that resulted in the work of the House being paralysed as a result of a deadlock. There is a provision in the Standing Orders which is always there to deal with such a situation. When and if there is a deadlock . . . and deadlocks can happen even if you have uneven numbers in the House because as is the case this evening, not everybody is here. So, you never quite know at any given time, whether or not you are going to have even or uneven numbers.

What a Government has to be careful to do is make sure they have sufficient numbers to pass whatever motion it is, whatever bill it is they have before the House. And in the unlikely event that there is a deadlock, an impasse, the Standing Orders provide for that impasse to be broken by the Speaker who will cast his or her vote to preserve the status quo. In other words, whatever motion it is that the Government has, whatever Bill it is that the Government has, if we wind up with an impasse, it means that that motion or Bill will fail and not pass. But that is quite different from saying that what will be created is an impasse that the Government will be paralysed or the business of the House will be paralysed. It will mean that the Government will have to rewind and come again at some other point, or seek to persuade some on the other side, assuming that there was full attendance on the day in question, that they ought to vote with the Government on this particular issue.

Madam Speaker, I don't see the challenges in the way that the Premier does. Now, when it comes to the forming of a Government, obviously if no side has the majority, some degree of compromise will have to be reached or the Governor will have to call new elections. But that is not the same thing as saying that the business of the House or the business of the country will be paralysed. It is just one of those functions of democracy.

Madam Speaker, this issue, just in case anyone thinks otherwise, was raised, considered, contemplated, debated, argued about extensively during the course of the constitutional talks over the years leading up to the passage or the success of the referendum on the Constitution in May 2009. The reason why we have gotten to 18 is important. It has long been felt by Members in this House, and not just current Members in this House, and I believe even the upper echelons of the public service who are acquainted with the workload of Ministers, that five Ministers is not sufficient to carry out effectively the significant business and workload of Cabinet. That is made even more so because of the UK's insistence during the Constitutional Modernization process that we had to have a Minister of Finance.

It has been felt for a long time that we needed two additional members of Cabinet, not necessarily additional Members of the House, but two additional Members of Cabinet. The UK, in my view correctly, has taken the position that there has to be appropriate balance between the numbers in the executive, and that is in the Cabinet, and the membership of the House, and that at no point should the membership of Cabinet exceed two-fifths of the number of elected Members of the House because it is felt by them, and I agree, that the House needs to have the ability to provide a check and balance on the operations of the executive.

Many students of constitutional law and practice believe that one of the weaknesses of the Westminster system of government is insufficient checks and balances on the operations of the executive. And one of those few checks really is parliament itself. Ultimately, if the executive is behaving so badly, the House can, if it has the will to do so, essentially bring the Government down and either create a situation where a new Government has to be formed from the elected Members or, if that can't be done, that the Governor will then have to call for new elections. That's constitutionally how our system is supposed to work.

The UK insisted during the constitutional talks, the said, *We really don't mind how many people you want in Cabinet. That's a matter for you. But a formula has to be adopted whereby the number of members in Cabinet never exceeds two-fifths of the membership of the House.* And that is how we have gotten to the point where the UK has insisted that the minimum number of Members of this House to allow a seven

member Cabinet has to be 18. We debated at some length this issue. And the UK said why not 19? Why not 20, even? Our concern on both sides, in fairness . . . I, as essentially the leader of the then Government delegation and the now Premier, who was the Leader of the Opposition, both had concerns about the costs. We knew already that there was significant pushback from the general public about increasing the cost of Government. And with each additional MLA, obviously costs are going to go up in terms of salary, in terms of pensions, in terms of healthcare. All of those things are going to be impacted.

We wanted to keep the number as small as we possibly could, but at the same time achieve the ends we sought, which were two new Ministers in Cabinet and sufficient numbers in the House to ensure what I call the two-fifths rule was applied. So that number turned out to be 18, which is an even number. That's how we have gotten to where we are.

As I said, we were all very much aware—including the Premier—of the inherent risks (if I may call them that) with even numbers, which the Premier has gone through from his perspective, and which I have attempted to go through from our perspective. But, Madam Speaker, one of the things that was done when the new Constitution was drafted, was to put in a provision which allows this House at any point by ordinary legislation to increase the membership of the House, increase the membership of Cabinet, but the formula must remain. That is, that no more than two-fifths of the membership can be in Cabinet.

*[Inaudible interjection]*

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** And so it is open to this House in the future, if it feels that the 18 is a problem, if it proves that the 18 is creating paralysis in the operation of the House and preventing the business of the country from getting through, it will be open to the House to pass legislation increasing the number of elected Members.

But I do not believe that we, who are now in the twilight of this term, six months before a general election, have any mandate to do any such thing. The Constitution under which we are operating and under which this election will be conducted was passed by the country in a referendum in May 2009. The country voted for 18 Members of the House and 7 Ministers in Cabinet. That's what the country voted for in May of [2009]. Therefore, I do not believe it is open for us, although obviously constitutionally we have that ability, but I do not believe it is open to us and would amount to a breach of trust of the electorate who voted in 2009, for us to change that number at this stage. As I said, following the general elections, if it transpired in practice that 18 is creating a problem, it will be open to whoever makes up that next House to make the necessary changes.

This is not going to affect us during this term. The 18 number only applies in relation to the upcoming elections. So it is not going to affect the business of the House now. And my view is, Madam Speaker, let the next House which is going to be comprised of that 18, determine for itself, whether or not they need more Members to make sure the House is able to operate in an efficacious manner.

Madam Speaker, I don't believe we need to worry too much, or to make a federal case about this. This is a fate accompli. The country voted and adopted a Constitution with 18 Members in May 2009 to come into effect of May this year. Those are the rules. All of us will just have to play by them. The only bit that was outstanding, and has been outstanding for all these years since this Government took office, was the allocation of these seats. And the allocation of these seats is not done by the Constitution but by the Elections Law.

Following the adoption of this draft order, Madam Speaker, we will have to move swiftly to amend the Elections Law to ensure that the additional seats are added to the districts of George Town and Bodden Town. And with us being fully aware that the writs of election will be issued by the Governor on 12 December, there isn't much time to spare. I haven't yet seen any amending Bill in relation to the Elections Law. And I do hope that when the Premier rises to respond, or wind up on the debate on this Motion, that he will explain to us when it is that we can expect that amending legislation to come so that this can all be sorted, put to bed, and we can get on with the business of the country and the preparations for the upcoming elections.

Madam Speaker, I do hope that I have been able to make clear both what has transpired in the process, but also what the position of the Opposition is in relation to this most important matter. Thank you.

**The Speaker:** Thank you, Honourable Leader of the Opposition.

Does any other Member wish to speak?  
[pause] Does any other Member wish to speak?  
[pause]

The Elected Member for North Side.

*[Inaudible interjections]*

**Mr. D. Ezzard Miller:** Thank you, Madam Speaker.

I am pleased that the Government has finally gotten this Motion to the stage of debate, because it has been a long, long, long, long, long time in coming! The Electoral Boundaries Commission was tabled in July 2010, and it contained a number of recommendations as to how the increase from 15 Members to 18 Members could be handled. Therein lies my disappointment in the Electoral Boundaries Commission because I believe they should have made one rec-

ommendation, and that recommendation should have been the one that they believe best suited the country.

What has now happened, Madam Speaker, is that the Government has selected, in my view, the worst of the three options that availed us since July 2010 to implement. And, Madam Speaker, the Electoral Boundaries Commission on page 19, [paragraph 21] entitled "The 2010 EBC's Recommendations". This report that I am quoting from, Madam Speaker, is the Cayman Islands [Electoral Boundaries Commission Report 2010](#), which was laid on the Table on 24 June 2010. They offered three recommendations. The recommendation in 2010 is the recommendation the Government has chosen to accept and I cannot support that choice, Madam Speaker. In [paragraph] 21, the Commissioners say, and I quote: "**On the basis of the latest data in the Elections Office's voters' register and taking account of the Constitution and estimated numbers of qualified persons not registered, in allocating the 18 members to the Legislative Assembly mandated in the terms of reference of this [Electoral Boundaries Commission,] there would 6 members in the George Town electoral district, 4 members in West Bay electoral district, 4 members in the Bodden Town electoral district, with 2 members in Cayman Brac & Little Cayman, and 1 member each in East End and North Side.**"

Madam Speaker, the other two recommendations that the Electoral Boundaries Commission made was the possibility of creating seven electoral districts between Savannah, Newlands, Prospect/Red Bay area, to which the three seats, the increase from 15 to 18, could be allocated. And the third option, of which they gave two possible scenarios, was (1) 18 single-member constituencies or 17 single-member constituencies, taking into consideration a peculiar position taken by Cayman Brac and Little Cayman and not wanting to divide them into single-member constituencies, which the 18 will do.

Madam Speaker, it is rather curious (and, from where I sit and the people that I represent, unfortunate) that the Government selected the recommendation to which the Electoral Boundaries Commission themselves, even having made the recommendation, argued against and suggested that it would be the unequal, inappropriate and wrong thing to do. In [paragraph] 22 they said, "**In the context of the present voting system, it is clear that the multimember district of George Town is increasing the number of potential votes cast by each voter, as well as returning a high proportion of the members of the Legislative Assembly. In the case of the high number of potential votes that may be cast by each voter, it highlights the unevenness of the power of a George Town voter to influence the government of the day whereby that voter would have six times the opportunity of a voter in East End or North Side.**"

Madam Speaker, I have tried in several ways to encourage the Government and give the Government the opportunity to implement single-member constituencies, one man, one vote. I moved a motion in this Legislative Assembly which asked for the appropriate amendments, and recommended the necessary amendment to the Election Law, which would have introduced one man, one vote and 18 electoral districts in the Cayman Islands. I was part of a group that went out and started a people's initiated referendum as is provided for in the 2009 Cayman Islands Constitution Order which was, as we know, hijacked by the Government as soon as they discovered that we were, in fact, going to get 25 per cent of the registered voters needed to trigger the referendum.

The referendum was held in July. Sixty-five per cent of the people who voted in that referendum voted for single-member constituencies, one man, one vote. In my district the vote was six to one. The only district that was close in terms of those voting for and those voting against was West Bay, where I believe (if my memory serves me correct), the margin was less than 50 votes of those who voted for above those who voted against. I think it might have been 30, but I don't want to be specific and somebody gets up . . . but I know it was less than 50.

Every other district voted largely in favour of single-member constituencies, one man, one vote. However, that was not enough to cross the threshold of 50 per cent of all registered voters. Madam Speaker, we accept that that was the criteria required and that the referendum was won by those who advocated against one man, one vote.

But, Madam Speaker, that does not change, in my view, the other conflicts that this Motion has with the current Constitution. And there are several. Two in particular I would like to bring to your attention at this time, Madam Speaker, and that is, first of all, section 92 of the [Cayman Islands Constitution](#), and I quote (and the section is entitled "Right to vote at elections." Section 92 (1): "**Any person who is registered as an elector in an electoral district shall, while so registered, be entitled to vote at any election in that district for an elected member of the Legislative Assembly, unless he or she is prohibited from so voting by any law in force in the Cayman Islands.**"

Madam Speaker, I am no constitutional lawyer, but English is English. And I have been unable to find any definition of "an" in any dictionary that is plural. If the first two "an"s were single, my view is that the third one is single as well. What that means, in my view, is that in the election of 2013, while you may have six representatives in George Town, four in West Bay, four in Bodden Town, two in Cayman Brac and Little Cayman, one in North Side and one in East End, each elector is only entitled to vote for "an"—singular, one—elector in each of those districts. And since our democracy is based on first-past-the-post, in situations where there is more than one elected Member of

the Legislative Assembly in George Town, the six that get the most votes would win. But each voter would only be allowed to vote for one elected Member of the Legislative Assembly. In West Bay and Bodden Town, the four with the top votes would win; in Cayman Brac the two with the top votes would win; in North Side and East End, you only have one vote, and the person that gets the most votes wins.

Madam Speaker, I am not sure how the Government is going to get around that. I have been told by sitting Members who support this Motion that the Government is bringing and who want the multiple choice voting because it increases their chance of getting elected . . . which is what, Madam Speaker, nothing new. Every Government that has increased the membership of this Legislative Assembly has taken the same view. We did it in 1992, when I was here. I disagreed with it then because sitting members took the view that they were more likely to get re-elected if there are more seats in their district. And that's what we did. We put four in West Bay and four in George Town, and we put one in Bodden Town. And that was the majority of the people here. But every one of those from those three districts, as we are doing today in Bodden Town and George Town . . . we are taking the view and we are depriving the people of their proper rights and equality by simply viewing it that in George Town, *Well, I mightn't become number four, but I have a good chance of being number six.* In Bodden Town, *I mightn't be number three, but maybe I can be number four, therefore I'll keep my seat.* There is no other justification for doing what we are doing here today, because the Electoral Boundary Commission themselves guard and warn against that recommendation being unequal.

Then, Madam Speaker, in my view we have an even more serious conflict with the Bill of Rights. In section 16 of the Bill of Rights, entitled "Non-discrimination" (and I am quoting from the Cayman Islands Constitution Order 2009), "**16. (1) Subject to subsections (3), (4), (5) and (6), government shall not treat any person in a discriminatory manner in respect of the rights under this Part of the Constitution.**

**"(2) In this section, 'discriminatory' means affording different and unjustifiable treatment to different persons on any ground such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, age, mental or physical disability, property, birth or other status."**

Now, Madam Speaker, by this Motion the Government in giving George Town voters six votes and increasing the number of votes in Bodden Town from three to four, George Town from four to six, is deliberately making a discriminatory act against the people whom I represent who only have one vote. It is going to make a very interesting class action suit in the Grand Court of this country.

We have had the time, we still have time, because up until today the Election Office assured me that even if the Government decided today to go to single-member constituencies they are ready to implement it for the 2013 election in May because all of the registration work and everything else, and the division and polling stations are all identified and established.

So, Madam Speaker, this Motion which places six representatives in the district of George Town, four in West Bay, four in George Town, two in Cayman Brac, one in North Side and one in East End, in my opinion is the most possible unequal way we could have implemented this. It would have been bad enough in my view to take the second option of creating a seventh electoral district and putting three seats there. It would have still been wrong in my view, but it would have been less onerous, in that you would not have people on one side of the street having only four opportunities to influence Government, and people on the other side of the same street having six opportunities simply because of their geographical address. And we have had the time, we still have the time, to do this right, because it is not a situation of where if we pass single-member constituencies, one man, one vote today, the Elections Office will not be able to hold the election in that format in May 2013. They can do so. You don't have to look at the voters list and you will see where it is. The Electoral Boundaries Commission has laid out the constituencies. In my view they did a very credible job in dividing the constituencies as equally as possible. In some places we even have the exact number of voters. Now, that may change with the registration process going on now. But what they did when they had the opportunity to do it was fair and equal.

Madam Speaker, I cannot support this Bill. And I can serve notice now that whenever the Government brings the Elections Law I will be filing an amendment to change section 44 (which now says that no person shall vote for the election of more candidates than there are seats to be filled) to make it in concert with [section] 92 of the Constitution which says that no person shall cast more than one vote for an elected representative in the elections. In fact, the Constitution already provides that in the absence of that amendment having been made to the Elections Law, the Elections Law shall be read as if that amendment has already been made, because it says that any law that is not in compliance with the Constitution and yet has not been amended after the date the Constitution came into effect, shall be read as if that amendment had been made.

And if section 92 says you can only vote for an elected representative, then section 44, which purports to allow a person in George Town to vote six times, is in direct contravention of [section 92] of the Constitution and should be read as if it had already been amended.

Madam Speaker, unfortunately, I cannot support the Motion before the House because I do not agree with the choice the Government has made in selecting the one recommendation by the Electoral Boundaries Commission which the Electoral Boundaries Commission themselves argued against. And the way the Motion is worded, one would believe that that was the only recommendation that the Electoral Boundaries Commission made. But that is not so, Madam Speaker, because the Motion reads: "**AND WHEREAS the EBC has recommended in its Report that the number of Members of Legislative Assembly be increased to 18, broken down by Electoral District as follows: West Bay-4 Elected Members; George Town-6 Elected Members; Cayman Brac and Little Cayman-2 Elected Members; Bodden Town-4 Elected Members; North Side-1 Elected Member; East End-1 Elected Member . . .**" The Electoral Boundaries Commission also recommended two other scenarios that could be put in place. Once was the introduction of a seventh electoral district, and the recommendation for 18 single-member constituencies, one man, one vote, with a consideration of having only 17 in order to take care of the desire of the people of Cayman Brac to not divide themselves into two constituencies. So, they also recommended 17. They prepared all of the boundary locations, they prepared all of the maps, all of the people are registered accordingly, so it's easy to implement.

Madam Speaker, I cannot support the Motion the Government has brought to deal with the Electoral Boundaries Commission.

Thank you, Madam Speaker.

**The Speaker:** Thank you Member for North Side.

Does any other Member wish to speak?

[pause] Does any other Member wish to speak?

[pause] Does any other Member wish to speak?

[pause]

Does any other Member wish to speak? No? I will call on the Honourable Premier.

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I have listened to the Leader of the Opposition and the Member for North Side and I must say that it's too late in the day for those two to come here and try to start a fight.

This Motion is the result of the recommendation by the Electoral Boundaries Commission of these Islands. The Electoral Boundaries Commission is duly appointed and has done its work according to the Constitution of these Islands. So, if they don't like that, well then, they will have to do the next best. Go to the public and ask the public to give them a majority and they make the necessary changes. But until such time as that, the Government of these Islands, the duly elected Government of these Islands, has taken up one of the recommendations. That recommendation was that we could appoint or put in place another

Member for the electoral district of Bodden Town. We could put in place two more for George Town. We could have gone one man, one vote, then we could have had made another district for the three Members. But having done that, Bodden Town is still the fastest growing district. And then you would not have done anything for the fastest growing district in the Islands.

Madam Speaker, what were we to do?

Now, Madam Speaker, I heard the Leader of the Opposition there struggling to criticise me because he says we haven't brought this in time. This is surely enough time to get a Bill passed. And I have said, Madam Speaker, that we are going to have a Bill hopefully by Friday. It is a simple amendment; this is not any huge raft of amendments. This is a simple amendment. Madam Speaker, we will get that Bill by Friday.

He says that I tried every means to get a seat for West Bay. Madam Speaker, if we thought that we should have gone that way in the face of what we were presented with, then what would have stopped us? We have nine . . . we are the Government. We would simply have said George Town one, and West Bay one and Bodden Town one. Maybe that's what I should have done because I do have my concerns, as I have always said that George Town, having two more Members, and Bodden Town having four, or West Bay having four, it gives either of those districts an opportunity to make up the Government by themselves. George Town only needs four more Members to make up the district.

Of course . . . yes. He always does that.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeever Bush:** The Member for East End says he talks out of both sides of his mouth. And I agree with him!

*[Inaudible interjections and laughter]*

**The Premier, Hon. W. McKeever Bush:** I agree with him, Madam Speaker, that the Leader of the Opposition is constantly talking out of both sides of his mouth. And here of late his mouth is very twisted because of the independents.

Anyway, Madam Speaker, we did not choose to go that way. We chose to take one of the options laid out by the Electoral Boundaries Commission.

Madam Speaker, let me move to this matter of one man, one vote. We have put that to rest. If they can't see what the people were saying in that referendum, then I am sorry. But the people have said, *Look, we don't . . . we are not coming out to vote.* The people didn't come out to vote. What I did—just to reiterate and put it in these records—was to do exactly what I was being asked to do for the referendum that they were running around with in a petition. I didn't do

any different, Madam Speaker. But you see, those who play games get caught out sometimes, you know. Those that do what the Bible tells you, "He that diggeth a pit shall fall in it." And that's what happened to them! They thought they were going to continue to put pressure on me and that I would have nowhere to turn. Ha, ha, ha!

I have been around a little bit, Madam Speaker. So I just pulled the rug out from under them. *You want to vote, go vote. I am doing the same thing you asked though. Go and vote.*

Now, the truth about the Leader of the Opposition, about his hard work, and the hard work of his group for the one man, one vote: The truth is that he let down the committee for one man, one vote. He did nothing and he hung them out to dry. That's what happened to him, the Leader of the Opposition. He let that group down—that poor group that was hanging onto his shirttail thinking that they would swing it. Now the fact is that people went out and voted and more or less the same amount of votes that the PPM got in 2009, they got for the referendum.

The Member for North Side swung his people towards them and gave them a little bit more. But they did not have that in the general election. So, I tell you what, if they ever wanted a sign that the people are not happy, well, let's just take that. I have been telling them there are signs. They should take that.

Madam Speaker, let me turn to the point about my concern about a deadlock. I have never said, Madam Speaker . . . he doesn't need to try to come in here and give me any lesson about the workings of this House. I am the longest serving Member here. I quite well know how the workings of this House go. I know that if we have a tie in here during the House that the Speaker has the casting vote, or a tie-breaking vote, in some instances. Madam Speaker, I don't need him to tell me that.

But that's not my concern. I have never said anything about that. My concern was and is, and the problem is, and the problem will come when we have a deadlock before we get to the House where we have a Speaker, because if you can't form a Government you don't get a Speaker. And he's talking about compromise, the functions of democracy. Simple as that! I am sure, Madam Speaker, that the erudite people in the Caribbean in Trinidad must have thought about afterwards too, the compromise that should have come. But it didn't come, though. The mess was there when they had a deadlock.

I am sure that the legislators in New York must have thought about the same thing. But it came. And look how long the country and the State were held up and the damage it did. All I am saying here, Madam Speaker, is that if there is a nine/nine; nine elected that join together, and nine elected that join against, how do you form the Government?

Oh, he says simple. If you do not get a compromise well, simply it is a function of democracy he



says, so you go back to the vote. Madam Speaker, we do not need to foist that on the people of these Islands. I would have rather gone down to two Members, one for George Town and one for Bodden Town, and left it at that.

Now, Madam Speaker, he does not come here to tell us anything and, as I said, start this fight late this afternoon. No! My point has been, and I repeat it, if we get nine/nine, what happens? And if the compromise that he talks about can't be worked out, and if he can't agree with me today, how is he going to agree later on? That's what we need to look at. He can't even sit here, Madam Speaker! Look! Seat is empty; gone! He wants to have his say. That's how he operates. Do you get compromise like that? No! You don't get compromise like that. You do what the Member for North Side did. You stand up and debate.

Madam Speaker, the fact is that the Member for George Town and the Leader of the Opposition will say anything, anyhow, anytime, anywhere, as long as he believes he can get somebody to listen to him, and he might convince someone. Never looks at the reality. And that's the truth, because the fact is that if the Member wanted to have a referendum he would have had one man, one vote. That's the question that I want to say overall about the one man, one vote. We were all there in Lancaster House. He had a majority, and he was the Government. He went through this whole Island telling everybody what a good thing the Constitution was, and what a good thing one man, one vote was. And when he got up there and sat in front of those Members he did not do his work.

Do you know what he said to me? What do you want to do about it? I said: *I'm against it*. Don't come here and talk to me about what I want to do about it. I am against one man, one vote, and you ask me what I want to do with it. He didn't want it, Madam Speaker. He didn't want it then, he was only kissing up (if I should put it that way colloquially) to certain people. And then when the crowd got here and they started to push for it, what did he do? He let them down. He let them down. Hung them out to dry, because he knew he couldn't win it. And he doesn't want it! He can't get elected in votes by single member. He cannot get elected in the single member district, so he would not push for it. He would not accept it in London and he would not do anything when it came here, because he's not smart enough, he knows—

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker, on a point of order.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker, I have no point of orders unless he tells me what it is, or tells you what it is.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Yes, the Premier is telling an untruth, and that's a point of order.

**The Premier, Hon. W. McKeever Bush:** No, no, no, no. No untruth. I am telling the truth.

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** Madam Speaker.

**The Speaker:** What—

**Hon. Alden M. McLaughlin, Jr., Leader of the Opposition:** There is . . . I am dead serious about this. There is a record of the Constitutional talks. The Premier knows about them, he used extracts of them in the committee meeting we had. I made no such statements. I made no such concessions, or no such representations, as the Premier has indicated I did.

He cannot get in this House, Madam Speaker, and continue to do what he does best—tell the country untruths. He is not allowed to do it. So I am asking you, Madam Speaker, to ask him to refer to the records of the Constitutional talks which back up what he has just said. Or he may withdraw it.

**The Premier, Hon. W. McKeever Bush:** Madam Speaker . . . you listen to me, Madam Speaker. I have nothing to withdraw. I know what that Member said to me, looking across to me, and I am not going to withdraw because not everything that was said at those meetings was carried in those records.

He did not want it or he would have put it through! He had the Members to do it. So why is it not there? What is it not there?

He wants me to withdraw? Withdraw what?

**The Speaker:** Can we continue and get the debate, the issue before the House? The issue before the House is the Motion.

**The Premier, Hon. W. McKeever Bush:** Yeah, but Madam Speaker . . . you see, Madam Speaker, this is why I get where I am, you know, because you allow these Members to go through with all these things, and now I have to refer to it. That is debate! That is why I have to repeat. I have to repeat and reply to what the Member, the Leader of the Opposition said. And I am saying, Madam Speaker, that he had the Government in his hand. What he just said earlier, that he led the delegation and he had the Members there, and why didn't he put one man, one vote in place? I am saying that he [asked] me across the way, what I wanted to do about it and I said you [inaudible] I'm against it. And whether it's carried in the records, I know what he said to me. And if he wanted it since, he could have asked for it since also.

And if they were so much for it, why didn't he put that as part of the referendum? Don't come blaming McKeever for it. I am against one man, one vote. Do you want one man, one vote? Yes or no. That would have been carried also. So when you went to London you would have said to the Foreign and

Commonwealth Office, here it is, the people have voted against it.

Mind you, Madam Speaker, I don't believe that they carried that referendum; *them* votes were burnt up too quick. I never believed it. But anyway they said they did.

Anyway, Madam Speaker, my opinion is (and opinions are perfectly constitutional) that he cannot get elected and he knew it, in separation from the First Elected Member for George Town. And therefore he would not support the one man, one vote the way he should have. He left them out to try and now he wants to blame McKeeva Bush. I am against it!

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** I am not afraid of it. If they cut West Bay up in a thousand pieces, I want to get one seat, I'll get it! I will get it. I will take the Government too! But not you! Not that Member, Madam Speaker.

If he can't drag on the coattails of the First [Elected] Member [for George Town] he can't get elected and he knew that!

Anyway, Madam Speaker . . . Madam Speaker, as I said, my concern . . . he talks about equity? My concern is that George Town having six Members and two districts, either another district could control the Government, could form the Government.

And, Madam Speaker, his argument . . . see if I am wrong in this: If two-fifths is the balance that he talks about, then certainly the House would be out of kilter as far as the number of Cabinet and backbench, seven-member Cabinet and 11. Wouldn't it be? Yes, your Constitution, the one you got the MBE for. The one that I am saying is not right, Madam Speaker, because here he is talking about that it must be a two-fifths balance. Well, how are you going to get that?

You cannot get two-fifths out of those numbers.

*[Inaudible interjection]*

**The Premier, Hon. W. McKeeva Bush:** Well, the arithmetic that Ms. Iris taught me I know you're not going to get two-fifths out of it. Not like that.

Anyway, Madam Speaker, as I said, it's a pity after a pretty calm day, two days, that the Member would come here and pick a fight this late in the evening. And so, Madam Speaker, I could not allow them to bring these things back to the forefront when they should not have brought them up in this debate in the first instance.

Nevertheless, I am doing, the Government is doing what the Electoral Boundaries Commission has asked us to do. That's what the Electoral Boundaries Commission said, that's what we're doing. I am sorry that the Leader of the Opposition has lost all his opportunities, but . . . I wouldn't say he lost his opportu-

nities. I think that it went exactly the way he planned. He didn't want the one man, one vote. I am telling you, Madam Speaker.

So, Madam Speaker, I think the Government has done the right thing. We have brought it. Yes, it has taken us some while because there were extenuating circumstances that could not get us here now. So, it is here. The Bill will come. And they will have two more Members. I believe he's sorry about that too, but he doesn't want to get out there publicly and say that. I believe he's sorry about that too. Anyway . . .

Madam Speaker, it is left up to the Members of this House. I have my concerns. It's down in the record. Watch out ten years, five years, twenty years from now it mightn't be different. Watch out. We don't know the future. We do not have a crystal ball. And the compromise that the Member says is possible, might not be, if they have people of his mentality, Madam Speaker, where he cannot agree with anything that this Government does. So don't say much about compromise.

Thank you kindly, Madam Speaker.

**The Speaker:** The question is: BE IT NOW THEREFORE RESOLVED that the Legislative Assembly hereby approves the draft Order of His Excellency the Governor, and that an Order then be subsequently made in terms of the draft, so that the changes in representation of Members in the Legislative Assembly, and determination of the boundaries of the Electoral Districts as provided therein, will come into effect upon the next dissolution of this House.

All those in favour please say Aye. Those against, No.

**Ayes and Noes.**

**Mr. D. Ezzard Miller:** Madam Speaker, can I have a division please?

**The Premier, Hon. W. McKeeva Bush:** Oh, come on. Why you didn't put an alternative then?

**The Speaker:** Madam Clerk.

**The Clerk:**

**Division No. 8**

**Ayes: 9**

Hon. W. McKeeva Bush  
Hon. Rolston M. Anglin  
Hon. Michael T. Adam  
Hon. J. Mark P. Scotland  
Capt. A. Eugene Ebanks  
Mr. Ellio A. Solomon  
Mr. Dwayne S. Seymour  
Hon. Alden M. McLaughlin, Jr.  
Mr. Moses I. Kirkconnell

**Noes: 2**

Mr. V. Arden McLean  
Mr. D. Ezzard Miller

**Absent: 4**

Hon. Juliana Y. O'Connor-Connolly  
Hon. Cline A. Glidden, Jr.  
Hon. D. Kurt Tibbetts  
Mr. Anthony S. Eden

**The Speaker:** The result of the division is 9 Ayes; 2 Noes; 4 absent.

Government Motion No. 3/2012-13 is duly passed.

**Agreed by majority on division: Government Motion No. 3/2012-13 passed.**

#### **Suspension of Standing Order 24(5)**

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I move the suspension of Standing Order 24(5) in order to have a Government Motion which will deal with the SPS [Strategic Policy Statement].

**The Speaker:** The question is that Standing Order 24(5) be suspended in order to have a Government Motion which will deal with the SPS at the current Meeting.

All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it.

**Agreed: Standing Order 24(5) suspended.**

**The Speaker:** May I have a motion for the adjournment now, please?

**Mr. V. Arden McLean:** Madam Speaker, if I may, can we find out where the SPS is at?

**The Speaker:** Honourable Premier?

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, as usual, the SPS will come down and Members will get it the same day. Ever since we've been doing the SPS that's how it's been laid in the House. It's been laid and we've dealt with it. And therefore, I intend, Madam Speaker, in fact, to give Members a day if they want. But normally the SPS is laid, the motion is moved and it is debated at the same time.

I am hoping that I can lay it tomorrow, and Friday we debate it.

**The Speaker:** Can we have the motion for adjournment now please?

**The Premier, Hon. W. McKeeva Bush:** Madam Speaker, I want to thank you and thank the staff of the House for their indulgence and their assistance in going beyond the hour of 4.30.

Accordingly, Madam Speaker, I move the adjournment of this honourable House until 10.00 tomorrow morning.

**The Speaker:** The question is that this honourable House adjourn until 10.00 tomorrow morning.

All those in favour please say Aye. Those against, No.

**Ayes.**

**The Speaker:** The Ayes have it.

**At 6.45 pm the House stood adjourned until 10.00 am, Thursday, 22 November 2012.**

## **ADJOURNMENT**

