# GHANA HEALTH SERVICE AND TEACHING HOSPITALS (AMENDMENT) BILL, 2019

#### **MEMORANDUM**

The object of the Bill is to amend the Ghana Health Service and Teaching Hospitals Act, 1996 (Act 525) to provide for a new membership for the governing boards of Teaching Hospitals.

The Ghana Health Service and Teaching Hospitals Act, 1996 (Act 525) was enacted in December, 1996 to provide the legislative framework for the governance of operations of the Ghana Health Service and Teaching Hospitals in the country.

The implementation of Act 525 has brought to the fore challenges which require amendment. This specifically relates to subsection (1) of section 37 of Act 525, which provides for the membership of the governing board of a Teaching Hospital.

Currently, the membership of the governing board of a Teaching Hospital as provided in subsection (1) of section 37 comprises of a Chairman who is not an employee of the hospital, the Chief Administrator of the hospital, the Dean of the relevant Medical School, the Medical Director of the hospital, the Director of Administration of the hospital, the Director of Finance of the hospital, the Director of Pharmacy of the hospital, the Dean of the Dental School, where applicable and three other persons who by their qualifications and experiences can contribute to the work of the Board at least one of whom is a woman. The current composition does not promote good corporate governance.

Under subsection (1) of section 37, eight out of the twelve members of the governing body are also members of the Management Team of the Teaching Hospital. This arrangement is at variance with the key principles of corporate governance. Good corporate governance requires among others the need for a clear distinction of the functions of "governance" from "management". It also requires a well-structured governance architecture which will provide policy guidance and

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direction for implementation by the Management Team of the Teaching Hospital. It is therefore imperative that the membership of the Teaching Hospital be separate from the Management Team of the Teaching Hospital.

The amendment thus seeks to achieve good corporate governance within a Teaching Hospital. This will invariably ensure efficiency in the use of the resources available, without compromising the quality of healthcare delivery. The amendment will also ensure a clear separation of the membership of the governing board, from the Management Team and afford a more structured and informed decision-making process, which is vital in ensuring the delivery of quality healthcare in a Teaching Hospital. This will eventually lead to improved healthcare outcomes for the general public through the efficient utilisation of scarce resources and efficient management of Teaching Hospitals.

The Bill amends subsection (1) of section 37 of Act 525 and provides for a new membership of the governing board of a reaching Hospital. The new membership comprises of a Chairperson with considerable experience in management and administration who is not a Minister or Deputy Minister of State, one person with considerable experience in finance and risk management, a legal practitioner of not less than ten years standing at the Bar, a medical practitioner of not less than ten years standing as a Clinician who is not a staff of the Teaching Hospital and a registered pharmacist of not less than ten years standing as a pharmacist who is not a staff of the Teaching Hospital. The other members are a registered nurse or midwife of not less than ten years standing as a nurse or midwife who is not a staff of a Teaching Hospital, two representatives with considerable experience in medical education and research nominated by the University Council who are not members of staff of a Teaching Hospital, a private business person with considerable experience in private sector entrepreneurship, one representative of civil society organisations with considerable experience in community resource

# BILL

### **ENTITLED**

### GHANA HEALTH SERVICE AND TEACHING HOSPITALS (AMENDMENT) ACT, 2019

AN ACT to amend the Ghana Health Service and Teaching Hospitals Act, 1996 (Act 525) to provide for a new membership for the governing boards of Teaching Hospitals and for related matters.

PASSED by Parliament and assented to by the President:

### Section 37 of Act 525 amended

- 1. The Ghana Health Service and Teaching Hospitals Act, 1996 (Act 525) referred to in this Act as the principal amendment is amended in section 37 by the substitution for subsection (1) of the following:
  - "(1) The governing body of a Teaching Hospital is a Board consisting of
    - (a) a Chairperson, who is not a Minister or Deputy Minister of State, with considerable experience in management and administration;