



## VELFERÐARRÁÐUNEYTIÐ

*Ministry of Welfare*

### **Health Service Act, No. 40/2007, as amended by Act No. 160/2007, No. 12/2008, No. 112/2008, No. 59/2010, No. 162/2010, No. 126/2011, No. 28/2012 and No. 106/2014.**

#### **SECTION I**

#### **Scope, policymaking and definitions.**

##### Article 1

##### *Scope and objectives.*

This Act applies to the organisation of health care. Its objective is that all people of Iceland shall have access to the optimum health service which it is possible to provide at any time in order to safeguard mental, physical and social health in accord with the provisions of this Act, [the Health Insurance Act],<sup>1)</sup> the Patients' Rights Act and other legislation as applicable.

<sup>1)</sup> Act No. 112/2008, Article 59.

##### Article 2

##### *Authority.*

Health affairs are under the authority of [the Minister].<sup>1)</sup>

<sup>1)</sup> Act No. 126/2011, Article 451.

##### Article 3

##### *Policymaking.*

The Minister formulates policy on health services within the framework of this Act. The Minister may apply necessary measures in order to implement such policy, with respect to organisation of health services, prioritisation of tasks within the service, the efficiency, quality and security of the service, and access to it.

In organisation of health service, the aim shall invariably be to provide the service at the appropriate level of the service, and that the primary healthcare level shall normally be the patient's starting-point.

##### Article 4

##### *Definitions.*

In this Act the following terms shall have the following meanings:

1. *Health service*: All forms of primary healthcare, medical care, nursing, general and specialised hospital service, transport of patients, medical-aids service, and service from health personnel within and outside healthcare facilities, provided in order to promote health, to prevent, diagnose or treat illness, and to rehabilitate patients.
2. *General health service*: Primary healthcare, service and nursing at nursing homes and nursing facilities of institutions, and general hospital service.
3. *Specialised health service*: Health service other than general health service under item 2.

4. *Primary healthcare*: General medical care, nursing, health protection and preventive medicine, emergency and casualty treatment and other health services provided by primary healthcare centres.
5. *General hospital service*: General internal medicine, nursing, casualty care, rehabilitation and necessary support services.
6. *Specialised hospital service*: Hospital service other than general hospital service under item 5.
7. *Healthcare practitioner*: Person working in health services, licensed by the [Medical Director of Health]<sup>1)</sup> to use the professional title of an authorised health profession.
8. *Healthcare facility*: An institution where health service is provided.
9. *Nursing facility*: Facilities at a nursing home or hospital where nursing is provided for those who require care and treatment which can be provided outside a hospital.
10. *University hospital*: A hospital which provides services in almost all recognised fields of medicine and nursing, with emphasis on research, development and teaching. The hospital is in close collaboration with a university which carries out teaching and research in medicine and most other fields of health sciences, and as applicable with secondary schools. Hospital personnel who meet the university's standards of competence are employed both at the hospital and at the university, or have other professional ties with the university. Treatment of patients, tuition and research are combined in the daily work of the hospital.
11. *Teaching hospital*: A hospital which provides services in the principal specialist fields of medicine and nursing and has ties with a university which carries out tuition and research in medicine and other fields of health sciences, and with secondary schools as applicable. Hospital personnel involved in tuition and research work closely with the university faculties connected with the hospital.
12. *Premises of self-employed healthcare practitioner*: Facilities of self-employed healthcare practitioner, where health services are provided with or without State contribution to costs.

<sup>1)</sup> Act No. 12/2008, Article 12.

## **SECTION II**

### **Organisation of health services.**

#### Article 5

##### *Health regions.*

The country shall be divided into health regions, and the division shall be determined in regulations.<sup>1)</sup> Healthcare facilities which provide general health service in each region shall collaborate on the organisation of health services in the region. The Minister can, after consultation with the relevant local authorities and the Association of Local Authorities in Iceland, decide to merge healthcare facilities within the health region, by regulations.<sup>2)</sup>

Notwithstanding the division of the country into health regions, patients shall normally have the right to attend the primary healthcare centre or healthcare facility most accessible to them at any time.

<sup>1)</sup> Regulation No. 1084/2008. <sup>2)</sup> Regulations No. 764/2008. cf. No. 1083/2008, No. 448/2009 and No. 562/2009. Regulation No. 76/2011. Regulation No. 674/2014.

#### Article 6

##### *General health services.*

In each health region a healthcare facility or healthcare facilities shall operate which provide general health services in the region.

The Minister can by regulations<sup>1)</sup> make further provision for the activities of healthcare facilities in each region, and the health services provided there.

<sup>1)</sup> Regulations No. 1084/2008.

#### Article 7

##### *Specialised health services.*

Specialised hospital services shall be provided at Landspítali University Hospital and Akureyri Hospital and other hospitals and healthcare facilities as determined by the Minister or by contracts made in accord with the provisions of Section VII [and the Health Insurance Act].<sup>1)</sup>

Other specialised health services shall be provided at specialised healthcare facilities and other healthcare facilities as determined by the Minister or on the basis of contracts under Section VII [and the Health Insurance Act].<sup>1)</sup>

At premises of self-employed healthcare practitioners, specialised health services are provided as applicable in accord with contracts made under the provisions of Section VII [and the Health Insurance Act].<sup>1)</sup>

<sup>1)</sup> Act No. 112/2008, Article 59.

### **SECTION III**

#### **Management of healthcare facilities.**

#### Article 8

##### *Scope.*

The provisions of this section apply to healthcare facilities run by the State. The provisions of Articles 10 and 12, however, apply also to healthcare facilities operated on the basis of an agreement under Section VII [and the Health Insurance Act],<sup>1)</sup> as may be applicable.

<sup>1)</sup> Act No. 112/2008, Article 59.

#### Article 9

##### *Chief executives of healthcare facilities.*

Chief executives of healthcare facilities are appointed by the Minister for a period of five years at a time. A chief executive shall have a university qualification and/or experience of management and administration which is useful in his/her work.

The Minister shall appoint a committee of three persons for a term of four years to evaluate the qualifications of applicants for posts of chief executive of a healthcare facility. The members of the committee shall have knowledge of management, human resources, administration and health services. No person may be appointed to such a post unless deemed qualified by the committee.

The Minister issues a document of appointment to chief executives of healthcare facilities, which shall state the principal objectives in the services and operations of the facility, and its short-term and long-term tasks.

The chief executive is responsible for the facility he/she manages operating in accord with law, government directives, and the letter of appointment under paragraph 3. The chief executive is responsible for the service provided by the facility, for the operating expenditure and performance of the facility being in accord with the Budget, and for effective use of funding.

Chief executives of healthcare facilities appoint staff to the facility. Staff in management positions may be appointed temporarily for up to five years.

#### Article 10

##### *Professional management.*

Healthcare facilities shall have a medical director, a nursing director, and as applicable other directors of professional fields, who are answerable in their respective professional fields to the chief executive for the services provided at the facility.

Heads of specialist medical fields or of specialist departments within a healthcare facility are answerable in their professional field for medical services under their authority, to the medical director or to their immediate superior according to the facility's organisation chart.

Departmental heads of nursing at healthcare facilities are answerable in their professional field for the nursing services under their authority to the director of nursing or to their immediate superior according to the healthcare facility's organisation chart.

Other administrators in professional fields within a healthcare facility are responsible in their professional field for the services they provide, and under their authority, in accord with their position in the facility's organisation chart.

#### Article 11

##### *Organisation charts of healthcare facilities.*

The chief executive of the healthcare facility shall in consultation with the executive board make a proposal for the facility's organisation chart, which shall be submitted to the Minister for approval.

#### Article 12

##### *Executive boards of healthcare facilities.*

A three-person executive board shall operate at a healthcare facility, under the direction of the chief executive. The director of medicine and director of nursing, and as applicable other directors of professional fields, shall appoint the members of the executive board, together with the chief executive. An executive board may comprise more than three people if the facility's organisation chart so provides.

Before the chief executive makes important decisions regarding the facility's services and operations, he/she shall discuss the matter in the forum of the executive board, and elicit the advice and views of the board members.

The executive board shall call information and consultation meetings with the staff of the facility as necessary, and at least once a year.

Executive boards of healthcare facilities in health regions and those of Primary Health Care of the Capital Area shall seek to keep local government and users of services in the region informed of the activities of their facilities, and consult with them as necessary.

#### Article 13

##### *Professional boards.*

In university hospitals and teaching hospitals, a medical board and nursing board shall operate, and as appropriate other professional boards. Such boards may operate in other healthcare facilities.

Physicians, nurses and other healthcare practitioners employed at a healthcare facility may establish a single combined professional board.

Professional boards, including medical and nursing boards where they exist, shall advise the chief executive and the executive board on matters in their professional fields in the operation of the healthcare facility. The views of professional boards must be elicited with respect to important decisions concerning the health service provided at the facility, including, as applicable, the opinion of the medical board on medical services, and that of the nursing board on nursing services.

Professional boards shall formulate their rules of procedure, which shall be confirmed by the chief executive.

### **SECTION IV**

#### **General health services.**

#### Article 14

##### *Healthcare facilities in health regions.*

In each health region one or more healthcare facility shall operate, which shall operate primary healthcare centres and regional hospitals which provide general health services in the region.

Healthcare facilities as provided in paragraph 1 may undertake tuition of healthcare professionals on the basis of agreements with educational institutions, teaching hospitals or university hospitals.

## Article 15

### *Primary Health Care of the Capital Area.*

Primary Health Care of the Capital Area provides primary healthcare in the health region of the capital area.

Primary Health Care of the Capital Area shall undertake tuition of healthcare professionals on the basis of agreements with universities and other educational institutions, university hospitals or teaching hospitals, and shall carry out scientific research in the field of primary healthcare.

## Article 16

### *Nursing homes and nursing facilities.*

[In nursing facilities of regional hospitals, nursing homes and old people's homes, nursing services shall be provided for health-insured persons who have been assessed to be in need of a nursing placement. [No person can reside for a long term in a nursing facility unless previous evaluation of a skill- and health-evaluation committee for the need of a residence according to the Act on the Affairs of the Elderly.]<sup>1)</sup><sup>2)</sup>

...<sup>1)</sup>  
...<sup>1)</sup>  
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<sup>1)</sup> Act No. 28/2012, Article 7. <sup>2)</sup> Act No. 112/2008, Article 59.

## Article 17

### *Primary healthcare centres.*

Primary healthcare centres provide primary healthcare.

[Chief executives and executive boards of healthcare facilities shall consult with the professional heads of a primary healthcare centre when matters specifically concerning the centre are to be decided.]<sup>1)</sup>

The Minister shall make further provision in regulations<sup>2)</sup> for the operation of primary healthcare centres and the services they are to provide.

<sup>1)</sup> Act No. 59/2010, Article 1. <sup>2)</sup> Regulation No. 787/2007, cf. No. 215/2015.

## Article 18

### *Regional hospitals.*

Regional hospitals shall provide general hospital care, inter alia in outpatient departments as appropriate. In connection with these, nursing facilities shall also normally be provided. Regional hospitals shall normally provide obstetric care, provided that professional standards are met, and other health services which the hospital has been assigned to provide, or which have been agreed under the provisions of Section VII [and the Health Insurance Act],<sup>1)</sup> provided that the hospital meets professional standards for providing that service.

At healthcare facilities which provide both general hospital service and primary healthcare, both activities shall be combined, and staff shall be appointed to work in both fields as applicable.

The Minister may make further provision in regulations on the activities and services of regional hospitals.

<sup>1)</sup> Act No. 112/2008, Article 59.

## SECTION V

### **Specialised health services.**

## Article 19

### *Providers of specialised health services.*

Specialised health service is provided at Landspítali University Hospital, Akureyri Hospital, specialised healthcare facilities, other healthcare facilities and at the premises of self-employed healthcare practitioners, cf. Article 7.

## Article 20

### *Landspítali University Hospital.*

Landspítali University Hospital is Iceland's main hospital and a university hospital. It provides specialised hospital services, inter alia in outpatient departments, for all the people of Iceland, and general hospital care for the residents of the health region of the capital area. Its role is to:

1. provide health service which is consistent at any time with the obligations of such a hospital, inter alia specialist service in almost all recognised fields of medicine, nursing and, as applicable, other fields of health sciences practised in Iceland, with access to support departments and research departments,
2. carry out clinical training of university students, and of secondary-school students in healthcare studies, in undergraduate and postgraduate study,
3. carry out scientific research in the field of health,
4. provide university-educated staff with specialist training in health fields,
5. enable professionals to pursue scholarly work at the University of Iceland or other universities, and provide university staff with facilities to pursue research and other work at the Hospital,
6. operate a Blood Bank, which provides blood-bank services on a nationwide basis.

The Minister shall appoint nine people, and an equal number of alternates, to the Landspítali University Hospital's Advisory Board for a term of four years. The Board shall provide the chief executive and executive board with advice and opinions on the Hospital's services, activities and operations. The Board shall inter alia consider the Hospital's annual working plan and budget, and its long-term policy. The Board shall comprise inter alia representatives of the users of the hospital's services. The chair shall, in consultation with the chief executive, call information and consultation meetings as deemed necessary, and not less than twice a year.

Landspítali University Hospital and the University of Iceland shall conclude an agreement on collaboration, which is to make provision for the right of University representatives to attend meetings of the executive board. Landspítali University Hospital and the University of Iceland shall formulate rules of procedure with respect to staff who have professional obligations to both bodies. These rules shall be confirmed by the Minister, and made public.

Landspítali University Hospital may, with the Minister's consent, be a party in research and development companies which are corporations, non-profit institutions or limited-liability companies, which carry out production and sales with the objective of utilising and developing the findings of research performed by the Hospital at any time. Landspítali University Hospital's assets in such companies are managed by the chief executive of the Hospital.

The Minister may make further provision in regulations for the activities of Landspítali University Hospital and the services it must provide.

## Article 21

### *Akureyri Hospital.*

Akureyri Hospital is a teaching hospital. It provides specialised hospital services, inter alia at outpatient departments, for the people of Iceland and general hospital services for its health region. Its role is to:

1. provide health service which is consistent at any time with the obligations of such a hospital, inter alia specialist service in the principal fields of medicine, nursing and, as applicable, other fields of health sciences practised in Iceland, with access to support departments and research departments,
2. carry out clinical training of university students in the health sciences at the University of Akureyri,
3. participate in clinical training of other university students and secondary-school students in undergraduate and postgraduate studies, in collaboration with Landspítali University Hospital, the University of Iceland and other healthcare facilities and educational institutions,
4. carry out scientific research in the field of health,

5. enable professionals to pursue scholarly work at the University of Akureyri or as applicable other universities,
6. be a back-up hospital for Landspítali University Hospital.

Akureyri Hospital may, with the consent of the Minister, be a party in research and development companies which are corporations, non-profit institutions or limited-liability companies, which carry out production and sales with the objective of utilising and developing the findings of research performed by the Hospital at any time. The Hospital's assets in such companies are managed by the chief executive of the Hospital.

The Minister may make further provision in regulations for the activities of Akureyri Hospital and the services it must provide.

#### Article 22

##### *Specialised healthcare facilities.*

Specialised healthcare facilities are those healthcare facilities which provide specialised health services and operate under the provisions of special legislation, according to a decision of the Minister, or under an agreement as provided in Section VII [and the Health Insurance Act].<sup>1)</sup>

The Minister can make further provision in regulations for the activities of specialised healthcare facilities operated by the State or under an agreement as provided in Section VII [and the Health Insurance Act].<sup>1)</sup>

The Minister may grant hospitals and other specialised healthcare facilities operated by the State the authority to organise health service on a private basis for individuals not covered by health insurance, who come to Iceland specifically to undergo a certain procedure or treatment, provided that this does not impair the mandated services provided by the facility. Fees charged for health service to those not covered by health insurance under this provision are subject to [the provisions of the Health Insurance Act].<sup>1)</sup>

<sup>1)</sup> Act No. 112/2008, Article 59.

### **SECTION VI**

#### **Quality of health service.**

#### Article 23

##### *Scope.*

The provisions of this Section on professional standards for health services, and monitoring of such services, apply to health services provided in Iceland, regardless of whether the service is provided by the State or other parties, with or without State contribution to costs. Monitoring of health services by the Medical Director of Health is also subject to the Act on the Directorate of Health.

#### Article 24

##### *Professional standards for operation of health services.*

The Minister shall, having received proposals from the Medical Director of Health and after consultation with the relevant health professions, make provision in regulations<sup>1)</sup> for the minimum professional standards to apply to operation of health services in individual fields. The regulations shall be based upon knowledge and circumstances at any time, and shall be regularly revised. The regulations shall specify inter alia minimum standards of manning, premises, accommodation, facilities and equipment for operation of a health service.

<sup>1)</sup> Regulation No. 786/2007.

## Article 25

### *Monitoring of professional standards of health services.*

The Medical Director of Health monitors health services' compliance with professional standards for operation of a health service and with health legislation at any time. Should the Medical Director of Health be of the view that a health service does not meet the professional standards under Article 24 or other requirements of health legislation, he/she shall instruct the operator of the service to make improvements. Should the operator not comply with such instructions, the Medical Director of Health must report on the matter to the Minister, and submit proposals on measures. The Minister may then decide to halt the operation, either temporarily pending rectification, or permanently.

## Article 26

### *Conditions for operation of health services.*

Those who intend to commence operation of a health service, including the State or local authorities, shall notify the Medical Director of Health of the planned operation. The notification shall be accompanied by adequate information on the operation, such as the type of health service, personnel, facilities, equipment and premises. The Medical Director of Health can request further information, and carry out an assessment of the prospective operation, if he/she deems necessary. By the same token the Medical Director of Health shall be notified if major changes are made to manning, equipment, operations and services of operators. Should operation of a health service cease, this shall be notified to the Medical Director of Health.

The Medical Director of Health confirms whether the prospective operation of a health service meets professional standards and other conditions of health legislation. The same applies when the Minister renews contracts with healthcare facilities. Operations in the field of health services may not be commenced unless the Medical Director of Health has given confirmation. The Medical Director of Health may impose stricter requirements if deemed necessary due to the nature of the operations in question. Confirmation from the Medical Director of Health is also required for major changes under paragraph 1.

Should the Medical Director of Health refuse to grant confirmation under paragraph 2, the refusal may be appealed to the Minister. The same applies to a decision of the Medical Director of Health to impose stricter requirements under paragraph 2. However, in the case of a health service which the State intends to operate, the Minister always has the power to rule on whether legal requirements and professional standards are met.

The Medical Director of Health maintains a register of operating parties in health service, and he/she shall notify the Minister of all changes to the register.

The Minister may make further provision in regulations<sup>1)</sup> for the conditions for operation of a health service in specific fields, the practice of monitoring, etc.

A fee may be charged for an assessment by the Medical Director of Health under paragraph 1 and for his/her confirmation that professional standards are met, *cf.* paragraph 2, as further provided in regulations by the Minister.

Contributions by the State to the cost of health services provided outside healthcare facilities operated by the State is contingent upon an agreement having been reached between the operator and the State under Section VII [and the Health Insurance Act],<sup>2)</sup> unless a unilateral decision on contribution to costs has been made by the Minister, based upon authority provided in other legislation.

<sup>1)</sup> Regulation No. 786/2007. <sup>2)</sup> Act No. 112/2008, Article 59.



#### Article 27

##### *Recording of unforeseen incidents.*

Healthcare facilities, self-employed healthcare practitioners and others who provide health services shall maintain a register of unforeseen incidents, for the purpose of finding explanations for them and seeking ways of ensuring that they do not recur. An unforeseen incident is defined as an accident, error, negligence or other incident which has harmed or could have harmed a patient. The practice of maintaining such a register is subject to the provisions of the Act on the Medical Directorate of Health.

#### [Article 27 a

The Minister shall by regulations set further provisions on frame of reference for quality and safety when granting health service regarding organ removal and organ implantation, treatment and preservation of cells and tissues and operation of blood-bank services.]<sup>1)</sup>

<sup>1)</sup> Act No. 106/2014, Article 1.

### **SECTION VII**

#### **Contracts on health services.**

#### Article 28

##### *Minister's right to contract.*

The Minister acts on behalf of the State to make contracts on provision of health services, and the State's contribution to costs. [The Health Insurance Administration makes contracts on health services under the Health Insurance Act].<sup>1)</sup>

<sup>1)</sup> Act No. 112/2008, Article 59.

#### Article 29

##### *[Contracts on health service, performance and operations.*

Contracts on health service and contribution to the costs of such services, and contracts on performance and operation, are subject to the provisions of the Health Insurance Act.]<sup>1)</sup>

<sup>1)</sup> Act No. 112/2008, Article 59.

#### Article 30

...<sup>1)</sup>

<sup>1)</sup> Act No. 112/2008, Article 59.

#### Article 31

##### *Institutions' contracts.*

State-run healthcare facilities may conclude contracts on specific aspects of operations as provided in the Government Financial Reporting Act.

Healthcare facilities which provide general health services and are run by the State may, with the Minister's consent, assign other healthcare facilities or self-employed healthcare practitioners by contract to provide certain aspects of the health services they are to provide under this Act.

Landspítali University Hospital, Akureyri Hospital and other specialised healthcare facilities run by the State may, with the Minister's consent, conclude contracts with other healthcare facilities or self-employed healthcare practitioners for certain aspects of the specialised health service which they are to provide, to be provided at the relevant healthcare facility or the premises of self-employed healthcare practitioners.

## **SECTION VIII** **Various provisions.**

### Article 32

#### *Division of costs between the State and local authorities.*

The costs of construction of hospitals and primary healthcare centres, and equipment for them, is paid by the Treasury. The contribution of local authorities to costs of construction of nursing homes and their equipment shall be 15% of the foundation costs. Major maintenance and purchase of equipment are deemed to be foundation costs. General maintenance costs of property and equipment are not deemed to be foundation costs.

Local authorities provide land for buildings under paragraph 1, including residential buildings intended for personnel, without cost to the Treasury, and without payment of street-building fee or land rental.

The ownership share of each party shall be in accord with the share of the costs under paragraph 1. Neither party has any right to demand rental from the other due to ownership or part-ownership.

The Minister can make further provision in regulations, after consultation with the Association of Local Authorities in Iceland, on what shall be deemed major maintenance under paragraph 1.

### Article 33

#### *Transport of patients.*

The Minister issues regulations<sup>1)</sup> on the practice and organisation of transport of patients.

<sup>1)</sup> Regulation No. 262/2011.

### Article 34

#### *Fees for health services.*

[Fees for health services are subject to the provisions of the Health Insurance Act and provisions of specific legislation as applicable.]<sup>1)</sup>

<sup>1)</sup> Act No. 112/2008, Article 59.

### Article 35

#### *Medical Appointments Committee.*

The Minister appoints three physicians to a committee, on nomination from the Icelandic Medical Association, the University of Iceland and the Medical Director of Health, to evaluate the professional qualifications of applicants for posts of medical director and other medical administration posts at State-run healthcare facilities. The committee member nominated by the Medical Director of Health shall chair the committee. Alternates shall be appointed in the same manner. The committee shall be appointed for a term of three years.

The committee shall submit a well-grounded opinion to the appointing body within six weeks from the deadline for applications.

Under this Article any physician who has been deemed qualified may be appointed.

The Minister issues rules of procedure for the Medical Appointments Committee, having received its proposals for rules.

### Article 36

#### *Nursing Directors' Appointments Committee.*

The Minister appoints three nurses to a committee, as nominated by the Icelandic Nurses' Association, the University of Iceland and the Medical Director of Health, to evaluate the professional qualifications of applicants for posts of nursing directors at State-run healthcare facilities. The committee member nominated by the Medical Director of Health shall chair the committee. Alternates are appointed in the same manner. The committee shall be appointed for a term of three years.

The committee shall submit a well-grounded opinion to the appointing body within six weeks from the deadline for applications.

Under this Article any nurse who has been deemed qualified may be appointed.

The Minister issues rules of procedure for the Nursing Directors' Appointments Committee, having received its proposals for rules.

Article 37  
*Regulations.*

The Minister may make further provision in regulations<sup>1)</sup> on the implementation of this Act.

<sup>1)</sup> Regulation No. 426/1997, cf. No. 886/2013. Regulation No. 441/2006, cf. No. 1024/2007, No. 411/2010 and No. 625/2012. Regulation No. 1118/2006, cf. No. 147/2007 and No. 703/2008. Regulation No. 544/2008. Regulation No. 1188/2008. Regulation No. 1182/2013, cf. No. 635/2014. Regulation No. 312/2015, cf. No. 386/2015. Regulation No. 530/2015.

[Article 38  
*Implementation.*

Under this Act the Minister is granted authorisation to implement provisions of Directive 2010/53/EC of the European Parliament and of the Council of 7 July 2010 on standards of quality and safety of human organs intended for transplantation, which was adopted to the EEA Agreement by decision of the EEA Joint Committee No. 164/2013, from 8 October 2013.]<sup>1)</sup>

<sup>1)</sup> Act No. 106/2014, Article 2.

[Article 39]<sup>1)</sup>  
*Entry into force.*

This Act takes effect on 1 September 2007. ...

<sup>1)</sup> Act No. 106/2014, Article 2.

[Article 40]<sup>1)</sup>

...

<sup>1)</sup> Act No. 106/2014, Article 2.

**[Temporary provisions.]**

For as long as temporary contracts, cf. Article 28, with local authorities on the operation of health services are valid, the staff concerned at healthcare facilities operated by the State, who are employed when the contracts take effect, are deemed to be in the service of the relevant local authority. In such contracts [the Minister]<sup>1)</sup> has authority to devolve to the relevant local authority all authorities held by chief executives of healthcare facilities under the Rights and Obligations of Government Employees Act, provided that the staff are notified who holds this authority. No formal change will be made to the employment status of the staff; they remain State employees, and their salaries and other terms of employment are subject to the same wage agreements as before.

New staff, employed for projects agreed under a contract between the parties, shall be engaged as employees of the relevant local authority.

[The Minister]<sup>1)</sup> and [the Minister in charge of matters concerning government employees]<sup>2)</sup> on the one hand, and the local authority on the other, shall make an agreement between them on their guarantees and payments with respect to staff rights and conditions.]<sup>3)</sup>

<sup>1)</sup> Act No. 162/2010, Article 77. <sup>2)</sup> Act No. 126/2011, Article 451. <sup>3)</sup> Act No. 112/2008, Article 59.

[This translation is published for information only.  
The original Icelandic text is published in the Law Gazette.  
In case of a possible discrepancy, the original Icelandic text applies.]