

# Health Insurance & Employer Obligations

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# Overview

1. Bermuda Health Council
2. Case Example
3. Role of the Compliance Officer
4. Incidence & Impact of Non-Compliance
5. Relevant Legislation
6. Penalties for Non-Compliance
7. Questions?

# What is the Bermuda Health Council?

- ❖ Quasi-Autonomous Non-Governmental Organisation (QUANGO)
- ❖ Established by Bermuda Health Council Act 2004. Operational since 2006.
- ❖ **Mission:** To regulate, coordinate, and enhance the delivery of health services
- ❖ Activities are focused on health economics and regulation
- ❖ Policy Direction from Ministry of Health
- ❖ Structure:
  - Board – 15 members
  - Secretariat - 10 staff

# Case Example

- ❖ Two employees initiated complaints
- ❖ Provided pay stubs showing deductions
- ❖ Health Council confirmed period of non-coverage
- ❖ Inspection of employee records
- ❖ Employee recouped over \$5,000 in unlawful deductions
- ❖ Health Council taking company to court

# Role of the Compliance Officer

**Monitor and enforce compliance with the Health Insurance Act 1970**

## Sources of Information:

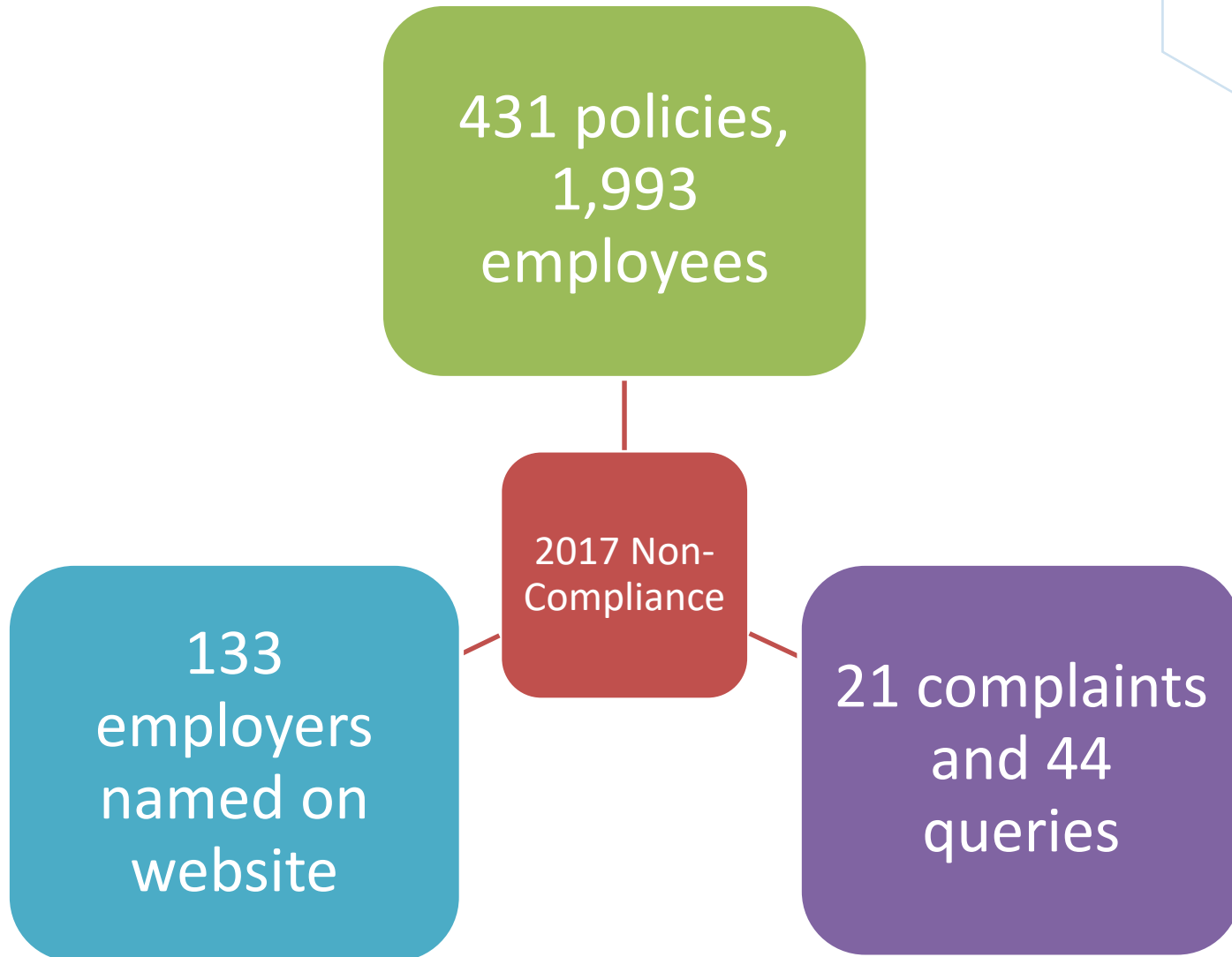
- ❖ Insurer reports (monthly)
- ❖ Complaints
- ❖ Government Legislated Authorities

## Actions:

- ❖ Notice of Non-Compliance letters
- ❖ Website List ([www.bhec.bm/non-compliant/](http://www.bhec.bm/non-compliant/))
- ❖ Investigation
- ❖ Inspections
- ❖ Court



# Incidence & Impact of Non-Compliance



# Relevant Legislation

- ❖ Health Insurance Act 1970
  - Compulsory health insurance
  - Licensed insurer reporting to the Health Council
  - Deductions of no more than half premium amount
  - Employee obligations to inform employer regarding spouse
  - Recovery of damages during period of non-coverage
  - Duty of employer to provide information to employee

# Relevant Legislation Continued

## ❖ Health Insurance (Inspection of Records) Regulations 2015

- Power of Inspectors
- Maintenance of records of employment and wages
  - Policy information for employees
  - Start and end dates of employment
  - Information on spouse
  - Wage deductions
  - Payments to insurer

## ❖ Health Insurance (Exemption) Regulations 1971

- Less than **15 hours per week**
- Less than **2 months per year**
- Full-time student



# Penalties for Non-Compliance

## ❖ Offences include:

- No active health insurance policy
- Unlawful deductions
- Not informing employees
- Failure to provide records
- Theft or obtaining by deception

## ❖ Penalties include:

- Fines
- Imprisonment

# Summary

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5. Penalties for Non-Compliance
6. Next Steps

# Questions?

Health Council Contact information

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