

# Enhancing Compliance with the **Health Insurance Law**



## **FAQ Fact Sheet:**

as an employer

**Q Why are the Department of Immigration (DOI) and the Health Insurance Commission (HIC) working together to increase compliance with the Health Insurance Law?**

The DOI and the HIC are working together to identify and implement opportunities to enhance compliance with the Health Insurance Law (HIL) through the work permit process, to ensure all employees of the Cayman Islands receive the adequate coverage they legally deserve

**Q What is a Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) form?**

The Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant / Renewal) form is an agreement with the DOI and employers, ensuring the employee they are seeking a work permit for will receive adequate health insurance coverage for themselves and their resident dependents, as well as a declaration from the employer agreeing they are liable for all medical expenses incurred if their employee does not receive coverage.

**Q Under the revised application process, with what types of applications do I need to provide a completed Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) form?**

As part of the process, employers must provide the DOI with a completed Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) form for all applications dealing with a grant of a work permit, renewal of a work permit, temporary work permit or an extension of a temporary work permit.

**Q Is it my responsibility to provide health insurance to my employees and (if needed) their resident dependents?**

By law, all persons resident in the Cayman Islands, Caymanian and non-Caymanian, must have at least the minimum level of health insurance coverage as per the benefits provide under the Standard Health Insurance Contract (SHIC). Employers are responsible for effecting and maintaining health insurance for all of their employees and their dependents that reside in the Cayman Islands. The health insurance coverage must be obtained through an approved health insurance company that is certified by the Health Insurance Commission (HIC).

**Q Who completes the Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) form?**

The Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) form is to be completed by the employer and signed by employer and the employee.



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**HEALTH INSURANCE**  
**COMMISSION**

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## FAQ Fact Sheet as an employer continued:

**Q What happens if I don't submit a Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) form with the employer's work permit application?**

If a work permit application is submitted without a completed Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal), then the DOI will consider the application incomplete and it will be rejected.

**Q Do I need to provide proof of health insurance cover for an employee before the work permit can be submitted and / or granted?**

The completed Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) form will be sufficient for the purposes of making an application. If you have not yet taken out health insurance for the employee then you should indicate "no" at the applicable place(s) on the form and provide information on your company's current health insurance plan for your existing employees in response to question 2 under the "Health Insurance" section of the form. However, the employer must ensure that health insurance cover is in place, in accordance with the Health Insurance Law once the employee is resident.

**Q If I do not provide health insurance for my employee and their resident dependents, am I liable for any medical expenses?**

The law states that the employer will be liable for any medical expenses incurred by an employee and their resident dependents if the employer fails to put the legally required health insurance plan in place. In addition, the employer could be fined by the Health Insurance Commission for failure to provide the mandatory health insurance coverage.

**Q What does this revised application process mean for large companies or corporations on island who seek 10-200+ work permits a year?**

Starting 1 January 2017 the DOI will require the employer to include the completed Health Insurance and Pension – Supplement to Work Permit Application (Temp / Grant/ Renewal) with all applications.

**Q If I hire a new employee, when do I have to take out health insurance coverage on that employee?**

Health insurance coverage should be taken out immediately, as the Health Insurance Law requires every resident to have health insurance. An employer, within fifteen days of the commencement of an employee's employment with that employer, shall give a written statement to the employee consisting of:

- a. the name and address of the approved insurer with whom the employee's standard health insurance contract has been effected;
- b. the effective date of cover under the contract; and
- c. the insurance number of the health insurance contract.

