

Why Health Insurance?

Life can be unpredictable

Even when precautions are taken, unexpected events can still happen. One accident, illness or injury can easily wipe out your savings. For example:

Treatment abroad for serious heart conditions -
\$70,000 approx.¹

Extensive cancer treatment -
\$200,000 approx.¹





Insurance is cheaper than a health emergency

- ✦ Health insurance is designed to protect you from financial hardship due to a serious illness or injury.
- ✦ Its main purpose is to ensure you can afford unexpected healthcare costs without the risk of financial ruin. In other words, you can substitute the possibility of an unforeseen large financial loss for smaller advance payments.



How does health insurance work?

- ✦ In order for health insurance to work, a large number of individuals must make monthly payments, called premiums. These premiums are combined, to create a large pool. When someone is injured or ill, money is taken from this pool to pay for health care services.
- ✦ Like all insurance, health insurance assumes that only a small portion of insured individuals will have large medical expenses. By spreading the costs across a large group of people, an insurer can afford to pay their claims.
- ✦ The Health Insurance Act 1970 dictates how health insurance is governed in Bermuda.
- ✦ **The law requires that all employed individuals and their non-employed spouses have health insurance.**



Employers' responsibilities



- ✦ All employers must buy health insurance for employees and their employees' non-employed spouses. Employers can deduct half the cost of the Standard Hospital Benefit from an employee's salary.

- ✦ Failure to provide health insurance can result in a \$500 fine.

- ✦ **Self-employed persons must have health insurance.**



- ✦ After an employee is hired, the employer must give the employee a written statement with the name of their health insurer, the date it came into effect and the policy number.



- ✦ Failure to provide a written statement can result in a fine between \$500-\$1000 or imprisonment for 6 months.

Standard Hospital Benefit

- ✦ All insurance plans must include, at minimum, the Standard Hospital Benefit (SHB).
- ✦ The SHB includes mandated in-patient and out-patient hospital services² and has a set cost (the standard premium) which is determined by the Government annually.
- ✦ Insurers cannot charge more than the standard premium for the SHB.

²For the complete list of SHB, see the Health Insurance (Standard Hospital Benefit) Regulations 1971 at www.bhec.bm.



Looking for a health insurer?

In accordance with the Health Insurance Act 1970 and the Bermuda Health Council Act 2004, the following health insurers have been re-licensed or re-approved to undertake health insurance as of 1 April 2010.

Licensed health insurers:

BF&M Life Insurance Co. Ltd.

Phone: 295-5566 | Website: www.bfm.bm

Colonial Medical Insurance Co. Ltd

Phone: 296-3200 | Website: www.cgigroup.bm

Freisenbruch-Meyer Insurance Ltd.

Phone: 296-3600 | Website: www.fmggroup.bm

Government Health Insurance Department (HID)

(HIP and FutureCare)

Phone: 295-9210 | Website: www.hip.gov.bm

Somers Isle Insurance Co. Ltd. (Argus)

Phone: 298-0888 | Website: www.argus.bm

Approved employer-provided health insurance schemes:

Butterfield Bank Ltd. Health Insurance Scheme

Government Employees Health Insurance (GEHI) Scheme

HSBC – Bank of Bermuda Ltd. Health Insurance Scheme



Bermuda Health Council

BHeC

Visit our website at www.bhec.bm for valuable information for healthcare professionals and the public.

Mailing Address:

PO Box HM 3381, Hamilton, HM PX

Physical Address:

Sterling House (3rd Floor)
16 Wesley Street, Hamilton HM11

Phone: 292-6420 **Fax:** 292-8067

E-mail: bdahealthcouncil@bhec.bm