

COMPULSORY HEALTH INSURANCE IN THE EMIRATE OF DUBAI

With the below article, we would like to give you a short summary about the Dubai Law No. 11 of 2013 (“Health Insurance Law”) which was enacted in November 2013. According to the Health Insurance Law, all residents and visitors of the Emirate of Dubai are supposed to be covered by a statutory health insurance. Primarily, the law aims at providing blue collar workers and other employees having a low income with a basic health care scheme.

1. PERSONAL AND GEOGRAPHICAL SCOPE

The Health Insurance Law applies to Emirati citizens, residence visa holders and visitors staying in the Emirate of Dubai, including the free zones.

2. COST BEARING

The government of Dubai pays the premium of the compulsory health insurance of Emirati citizens. The sponsor of the respective residence visa or visit visa holder has to take care of the insurance cover of its employees or visitors.

Thus, employers in particular are obliged to provide a suitable insurance policy to their employees. The premiums have to be borne entirely by the employer and must not be - even partially - passed on to the employee. Contractual partner of the insurance company is the employer.

3. IMPLEMENTATION

The Health Insurance Law is being implemented in three stages. Depending on the size of the employer specific timelines have to be observed.

Companies employing more than 1,000 individuals had to fulfill the requirements of the Health Insurance Law until October 2014 already. Employers of a size between 100 and 999 employees have to establish a health insurance for their workers until July 2015. Firms with less than 100 staff members have to meet the provisions of the Health Insurance Law until 30.06.2016. The latter deadline also applies to the health insurance for dependents and domestic workers.

After the expiry of above timelines, a residence visa will only be issued or renewed if the applicant is able to prove that an appropriate health insurance is in place.

4. SCOPE OF INSURANCE COVERAGE

The insurance package has to cover a minimum level of benefits, i.e. basic health care services in the Emirate of Dubai and emergency medical treatment within the entire United Arab Emirates. The annual costs for such basic insurance cover range from AED 500 to AED 700, whereas the annual claim limit is AED 150,000.

Depending on the specific case, one can also select a policy with additional benefits, for example with a broader geographical coverage or a more extensive scope of services.

5. INSURANCE COMPANIES

Prior to taking out an insurance, it should be ensured that the insurer disposes of an official permit and is able to offer policies in accordance with the Health Insurance Law.

COMPULSORY HEALTH INSURANCE IN THE EMIRATE OF DUBAI

The total monthly salary of the insured person is another criterion when selecting an insurance provider. Employees earning a monthly salary of more than AED 4,000 can be insured with 43 registered insurance companies at present. Workers with a remuneration of AED 4,000 or below must be insured with one of seven approved insurers.

6. CONCLUSION

It is recommended for any employer to timely adapt to the requirements of the Health Insurance Law. Any current or planned (group) insurance should be reviewed with regard to its compatibility with the (prospective) applicable regulations. Otherwise, penalties could be imposed if a company acts in breach of the Health Insurance Law.

Contact Information

Pia Eiler

Attorney at Law (Germany) & Legal Consultant

Dr. Ines Anders

Attorney at Law (Germany) & Legal Consultant

ANDERS Legal Consultancy

Sama Tower, Büro 806

Sheikh Zayed Road, Dubai

Tel.: +971 4 327 5888

eMail: info@anders.ae

www.anders.ae

