

GMS Flash Alert

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Russia – New Voluntary Medical Insurance Certificate Requirements for Foreign Nationals

Since 31 May 2016, insurance companies have been obliged to apply new voluntary medical insurance certificate (“VMI”) issuance rules to foreign nationals working or planning to work in Russia with a work permit or a patent.¹

WHY THIS MATTERS

Some insurance companies may be issuing VMIs that have less of a validity period than is allowed under Highly Qualified Specialist or “key personnel” work permits, which can be valid up to three years. If this is the case, immigration authorities may issue a work permit whose validity period coincides with the VMI validity period but not necessarily for the requested period. Compliance is key to assuring the foreign national meets his or her employment-related obligations under Russian law and is able to work in Russia.

Employers should check in advance that the medical insurance obligations of their foreign national employees coming to Russia to work under a work permit or patent are properly met.

Basic Rules under the CB Decree

The rules, established by a Central Bank of Russia decree (hereinafter “the CB Decree”), set forth the following minimum requirements:

— An insurance company’s VMI programme for foreign national employees must guarantee the provision of primary health care and specialised medical care in case of emergency;

- The validity period of the VMI contract and certificate is to be determined by the expected validity period of the foreign national's work permit or patent;
- The minimum insurance coverage for the validity period of the VMI contract has been established at RUB 100,000 for each insured person.

KPMG NOTE

Currently, only a few insurance companies in Russia issue VMI contracts and certificates with a validity period of three years, which is relevant in cases concerning those who have applied for Highly Qualified Specialist or "key personnel" work permits.

It is recommended, therefore, that you confirm with your insurance company the maximum validity period of their VMI programmes for foreign national employees, and consider the option of changing providers, if applicable.

In addition to this, we would like to remind employers that they should stipulate information about VMI contracts and certificates, along with the conditions of providing medical care, in writing in employment contracts and addenda with foreign employees for the entire period of their employment with the company.

FOOTNOTE:

1 These new requirements are stipulated in the Central Bank of Russia's Decree of 13 September 2015, No. 3793-U "On the minimum (standard) requirements on the terms and processing of VMI provision to foreign citizens and stateless persons staying in Russia for the purpose of work" (hereinafter, "the CB Decree").

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Watch This New Video from KPMG's GMS Practice!

"Short-Term Assignments -- When Your Employees Are on Assignment, Then Repatriating: Key Considerations"

This new video from KPMG's GMS practice continues the look at short-term international assignments that began with our earlier video released in mid-May "[The Value of Planning for Short-Term International Assignments](#)." When assignees go on short-term international assignments (STAs), there is a great deal of preparation, coordination, monitoring, tracking, communication, and planning and the tax, immigration, and HR/global mobility considerations can be tricky. STAs have their own set of peculiarities that make them as challenging and potentially complicated as long-term international assignments. In this video, we highlight the tax implications of STAs as we complete the discussion of the "during/on assignment" and "post-assignment" phases of the international assignment lifecycle for STAs, with a focus on the assignment policy and talent engagement/retention aspects of these assignments.

["Short-Term Assignments -- When Your Employees Are on Assignment, Then Repatriating: Key Considerations"](#) – (app. 13 minutes).

Contact us

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** Please note KPMG LLP (U.S.) does not offer immigration services.*

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