

The law on health-insurance contracts, better known as the Verwilghen Act (bis), came into effect on 1 July 2007 to provide better protection for policy holders. We have set out the implications for medical expenses insurance and guaranteed income insurance.

## Occupational insurance

Occupational insurance refers to health-insurance cover (medical expenses and guaranteed income) taken out by one or more policy holders on behalf of one or more persons who are professionally connected to the policy holder at the time the insurance cover commences. This is also known colloquially as group insurance.

### Individual continuation

Everyone covered by occupational insurance is entitled to continue the insurance on an individual basis once the occupational insurance is no longer valid. This can be done without medical formalities or qualifying periods, provided that the employee was continuously covered by one or more consecutive health-insurance contracts for a period of two years prior to the termination of the contract.

Furthermore, the insurance for individual continuation must also contain at least similar cover. For medical expenses, for example, this cover refers in particular to the possibility of room choice, the form of reimbursement (unrestricted or based on the health insurance fund's contribution), whether or not the period of pre- and post-hospitalisation is included (at least one month before and three months after hospitalisation) and whether or not outpatient costs for serious illness are included.

The law stipulates strict deadlines for the possibility of individual continuation. If these statutory deadlines are not observed, the right to individual continuation will expire.

The employer must inform the employee in writing or electronically about the possibility of individual continuation within thirty days at the latest following the loss of cover under the occupational insurance. The insured individual then has thirty days to apply for individual continuation with the insurer.

This thirty-day period may be extended by a further thirty days on the precondition that the insured individual informs the insurer of the fact that he or she wishes to take up the possibility of extension.

The insurer then has fifteen days to provide the insured individual with a quote. Finally, the insured individual has thirty days to accept the insurance proposal.

### Employer's obligation to inform

The Verwilghen Act (bis) requires every employer to inform its employees about the available possibilities in the event of loss of cover under the occupational insurance.

### Pre-financing of individual continuation

Everyone who is covered by occupational insurance has the right to pre-finance the individual continuation of the occupational insurance on an individual basis.

This pre-financing of the individual continuation means that, in the event of individual continuation, the premium will be calculated based on the age at which the employee started the pre-financing. In this way, the relatively high premium for individual continuation can be reduced.

### Employer's obligation to inform

The Verwilghen Act (bis) requires every employer to inform its employees about the available possibilities of pre-financing the individual continuation of the occupational insurance on an individual basis.

There are severe penalties involved should the employer fail to fulfil this obligation. In such a case, the premiums for the individual continuation will be calculated as if the employee began to pay the premiums for the pre-financing at the start of the occupational insurance.

Any differences in the premium (age at start of the individual continuation compared to age at start of the occupational insurance) will then be charged to the employer who has failed to fulfil its obligation.

It is important to note that this solely concerns an obligation to inform. Neither the insurer nor the employer is required to offer products for pre-financing.

## Non-occupational insurance

Non-occupational insurance refers to health-insurance cover (medical expenses and guaranteed income) taken out by one or more policy holders on behalf of one or more persons without a professional connection to the policy holder. This is also known colloquially as individual insurance.

### Lifelong character

Medical expenses insurance provides whole-life cover whereas guaranteed income insurance provides cover up to at least the age of retirement. This lifelong character means that non-occupational insurance policies cannot be discontinued by the insurer (other than in the event of mutual agreement in the interest of the policy holder, fraud or deception, etc.). The policy holder, on the other hand, is always free to terminate the insurance contract or to request a particular change.

Except in a number of limited cases determined by law (indexation, changes in profession, income and/or social-security status), the insurer cannot modify the technical basis of the premiums and the terms and conditions of cover once the non-occupational insurance contract comes into effect.

### Pre-existing conditions

The Verwilghen Act (bis) imposes stricter conditions on insurers for the exclusion of pre-existing conditions. Even when someone already had symptoms before commencement of the insurance cover, the pre-existence of a condition can no longer be invoked if the diagnosis does not occur within two years of this commencement.

## How can Vanbreda Risk & Benefits assist you?

In the context of your obligation as an employer to provide information, Vanbreda Risk & Benefits can make documentation available to enable you to inform your employees about the possibilities of individual continuation and pre-financing. If your employees would like more information about this, they can visit our website at [www.wachtpolis.be](http://www.wachtpolis.be).



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