SEDI

COMPULSORY CORPORATE BENEFITS

COMPLEMENTARY HEALTH SCHEME , INCOME PROTECTION & LIFE INSURANCE

MAIN ISSUES

DEFINITIONS & LEGAL GROUND

« PREVOYANCE » : this insurance contract includes income protection, critical illness & Life insurance all together. This insurance aims at compensating financially both the employee or/and his/her family in case incapacity or death.

The Legal ground concerning the obligation for the employer to cover this risk is based on the following main regulations :

- *Insurance LAW (Code des Assurances) : titre IV , and in particular article L 141-1*
- *Evin LAW dated 31 Décembre 1989*
- *Sectorial agreements and Collective Bargaining agreement including the one (14.03.1947) applicable for Senior positions (CADRES) imposing a minimum contributions at 1.5 % on Gross income Band A.*

« MUTUELLE »: Complementary Health Insurance covering medical costs when not reimbursed by the National Health Organization called Securité Sociale or CPAM in France. Some contracts also cover the whole family.

The Legal ground concerning the obligation for the employer to cover this risk is based on the following main regulations :

- *National Interprofessionnel agreement (A.N.I) dated 11 Janvier 2013*
- *Law dated 14 Juin 2013 relating to conditions of Employment.*
- *Decree n°2014-1374 dated 18 Novembre 2014 relating to the « Contrat Responsable » defining employer's liabilities.*
- *Sectorial agreements and Collective Bargaining agreement*

ENFORCEMENT

Since January 1, 2016, all companies, regardless of their size, status, sector must provide all their employees with:

- Prevoyance (it is only mandatory for « les Cadres », however it is more cautious to set it up for all the employees for the their own protection)
- Complementary Health Insurance (Mutuelle) whose contributions will be covered at least 50% by the employer.

An internal formal agreement called **DU (Déclaration Unilaterale)** will have to be drafted and communicated to the employees to clarify the new Law and the way the company is enforcing the Law internally. All employees will have to sign the remittance list in order to confirm they have received this DU. If the employer chooses to have his/her employees join only after validation of the end of the trial period, the DU must specify this.

WARNING : if the employer does not put in place these Group Schemes, it will be the financial liability of the employer to compensate the employee or his/her family ! As this financial risk is not negligible, particular attention must be paid to the implementation of these mandatory group contracts with each hiring.

Employers must check whether their Collective Bargaining Agreement (**CBA)** does not require them to have a specific institution and / or specific rates and benefits. *If nothing is required, the employer can set up contracts with the insurer of his/her choice.*

APPLICABLE CONTRIBUTIONS

Contributions relating to Prevoyance & Mutuelle schemes are due to be paid at the same time as other contributions such as URSSAF, POLE EMPLOI & PENSION, on a monthly or quaterly basis.

- The Prevoyance contributions are calculated on the total gross salary divided into thresholds A /B/ C
- The Mutuelle contributions are calculated on a set basis called PMSS or Threshold A , whatever is the gross salary amount. **PMSS/TA is equal to 3428 Euros in 2022.**

Reminder :	**TA**	**TB**
2022	**3 428 Euros**	**13 712 Euros**

RATES

Prévoyance: Rates are based on the status of the employee (cadre or non-cadre), on age, on medical profile (medical questionnaire to be completed) and on CBA. Distribution of employer/employee costs to be defined for TB and CT.

- *Ex for Consulting Firms CCN 3018 IDCC 1486 SYNTEC*

	Non Cadres :	**Cadres**
TA	0.74 %	1.50 %
TB	1.00 %	0.74 to 2.50 %
TC	1.00 %	0.74 to 2.50 %

Mutuelle: Rates are based on the scheme choosen (basic base or coverage of medical fees overruns), the number of members to be covered (single employee, beneficiaries, family) and the average age of the group. Whatever the gross salary, the scheme is calculated with the TA/PMSS basis.

- *Ex for CBA 3018 IDCC 1486 SYNTEC (AXA quotation)*

*For a minimum level of reimbursement set by Law « **Mini scheme**», for an average age being less than 40, including family, we obtained a rate of 1.87 % of the PMSS, so 60.17 Euros per month.*

Cost to be shared between employer & employee.

EXEMPTIONS to join the company MUTUELLE

- Employees benefiting from ACS or CMU-C schemes,
- Employees who already have a « mutuelle d'entreprise » either as a member or as a beneficiary, paid by the employer at least 50%
- Employees already covered by individual insurance when the compulsory plan was put in place, until the expiration of the individual contract.
- Employees on CDD contracts or « contrat de mission » depending on the duration of the contract.
… /…

Employees who may be exempt have to inform their employer and confirm that they have chosen not to join the Health scheme when signing the DU. These employees will also have to confirm that they are well covered by the exemption. URSSAF may make unannonced checks and may ask to view the DU and the supporting documents related to the exemptions.

France
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