

Remain in France Together

Bitesize Guide



Healthcare insurance for employees

This guide looks at compulsory healthcare insurance for employees.

Being employed in France will allow you to access the state healthcare system and obtain a carte vitale. The state system does not refund 100% of costs and most people choose to have top up insurance known as a 'mutuelle'.

Since 1 January 2016 employers have been obliged to provide supplementary healthcare insurance equivalent to a mutuelle for all employees.

This is a brief guide to the topic and how it might affect you. It does not constitute legal advice.

Employer compulsory healthcare insurance

The scheme will generally be known as the 'mutuelle de l'entreprise'. The insurance offered needs to meet certain minimum standards.

Employers are obliged to meet at least 50% of the cost (they can choose to pay up to 100% if they want to). They can also decide whether the scheme covers only the employee or spouse/family as well.

If you are not already part of some collective bargaining agreement (which most of us won't be), your employer needs to inform you what the scheme is by means of a décision unilatérale de l'employeur (DUE) document.

What are the advantages for employees?

There are lots of advantages for the employee as it is not a taxable benefit and,

even if you have to make the maximum contribution, company schemes generally cost less than you would pay for a mutuelle as an individual.

Your employer may choose to offer the cover to your spouse/and or family as well as you the employee.

If your contract terminates for any reason (apart from being sacked for gross misconduct) you can choose to keep the mutuelle de l'entreprise by paying 100% of the costs yourself. This arrangement may be time limited depending on how long you have worked for the company.

There are slightly different arrangements for people working on a fixed term contract of less than three months duration or people working fewer than 15 hours a week. In this case they can be given a healthcare payment cheque which is a contribution to healthcare costs that aren't met by the state. This must be at least €15 a month.



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What are the advantages for employers?

There was some grumbling that this was just taxation by stealth when it first came in but if you are starting out now you should be able to factor it into your calculations. UK companies will not gain all of the same advantages as French ones but it is still a deduction allowable against tax.

If you happen to also own the company that is employing you and you would have taken a mutuelle anyway, then it should be a win-win situation. It is an extra headache to set up but you will gain financially.

The requirement may cause rather more of a headache in HR terms for large UK employers who will effectively be varying their standard terms and conditions of employment and providing an additional benefit to remote workers.

What if I want to opt out?

There is no opt out for employers: this is compulsory.

There are certain circumstances in which, as an employee, you can decide to opt out of joining the scheme:

- If you were already in post before the scheme became compulsory. As this guide is written for people who are new to working in France it is unlikely that you would have been in post before 1 January 2016. The date you are declared as being employed in France and start paying all the relevant employee and employer cotisations is the 'start date' of your contract for all practical purposes in

France. We have not explored whether you could opt out on the basis that you were previously doing the same role for the same employer in the UK although it seems unlikely as all aspects of French employment law apply to you from your start date in France. Furthermore, this opt out doesn't apply to you if the employer is offering to pay 100% of the charges.

- If you are working part-time and very few hours (c. 15 per week).
- If you are working part-time and the employee contribution would amount to more than 10% of your salary.
- If you already are already enrolled in a compulsory scheme by your spouse's employer.

As an employee you will need to sign the relevant part of the DUE document stating either that you want to join the healthcare insurance scheme or that you have opted out.

If you meet the conditions and do choose to opt out, you can elect to opt in at any time.

Can I choose to be in a different mutuelle?

You cannot request the employer to enrol you in a different scheme. There are some conditions under which you may be able to maintain your cover in a different scheme:

- If you already have a contract for a mutuelle, you are not obliged to give it up straightaway. You can wait until the termination of your current



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annual contract before you change to the employer scheme. Beware that changing insurance is not as easy in France as it is in the UK. You may have to give your existing insurer a long notice period so make sure you do this in good time so you don't end up paying for two at the same time.

- If you have multiple part-time jobs you can choose which of the mutuelles you want to enrol in. Bear in mind this only applies if you have multiple jobs in France. Your employer will require annual proof that you are enrolled in an equivalent scheme with another employer in France.
- You are already covered by the scheme your spouse is enrolled in. This only applies where your spouse's scheme specifies that it is compulsory for family members to be enrolled. If you are enrolled on an optional (facultatif) basis, you will have to come out of that scheme and join your own.

What does the employer have to do?

The employer has to offer the same scheme to all employees of a certain type (e.g. they might make a distinction between the schemes for management and other staff) so if you're working for an established employer they will already have something in place.

If this is the first time the company has had an employee in France they will have decisions to make and need to take the following steps:

- Get some quotes to decide which insurance company to use. The offer needs to meet certain minimum

standards but any of the major companies will already have suitable policies on offer.

- Decide whether the cover applies only to employees also to spouses and/or families.
- Decide how much the company will contribute (this must be a minimum of 50%) and how much the employee needs to contribute.
- Draft a DUE (décision unilatérale de l'employeur) document that sets out details of the compulsory scheme in place. This must include as a minimum:
 - who is covered by the scheme (they will need more than one DUE if different categories of staff are in different schemes);
 - whether spouses/families are covered and whether this cover is optional or compulsory;
 - the % of employer and employee contributions;
 - what risks are covered (generally you just need to name the insurer and type of policy so that you don't have to update the document every time there is a minor change - the choice of insurer can be reviewed at any time and must be reviewed at least once every five years);
 - the date the scheme came into effect and when it was last revised.Doing a web search on DUE will bring up a lot of templates that you can adapt.
- Ensure that all employees have a copy of the DUE and have either opted in or out of the scheme. Yes, if you only have one employee and they meet the conditions for opting out and



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want to do so, you still need to have done all this work up to this point.

- Enter into a contract with an insurer for any employees covered by the scheme.
 - Provide the insurer with the employees' personal details and bank information so that they can be directly reimbursed for healthcare costs.
 - Get a 'Fiche de Parametrage DSN' from the insurer. This contains details of all the relevant codes and percentages to be used by whoever is running the payroll.
 - Provide URSSAF with information about the scheme. If the employer is using the TFE service, they need to email the relevant information and a copy of the DUE and the Fiche de Parametrage DSN to TFE. Once this is done, there is no further action required. TFE will calculate the health insurance cost as part of the payroll run and include it in the total cotisations paid to URSSAF who will then pay the insurance company direct.
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- The insurer will usually ask for a company headcount on a regular basis (probably every three months) to match against what they are being paid. Personal details of starters and leavers also need to be provided.
 - The insurer will send an 'attestation' for each employee, usually about once every six months to show that they are still enrolled in the scheme. The attestations may go direct to the employees or the employer may have to distribute them. The employees will need to use these to update their records by taking the attestation and their carte vitale to a pharmacy.

Further Information

You can find out more about compulsory employer healthcare by searching the web:

- there is a short summary in English [here](#)¹
- you can find lots of useful information (in French) on this [site](#)².



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References

The following links point to blog posts rather than official information sources but they give a good summary of the issues:

1. Blog post (in English) about the introduction of the compulsory scheme:
<https://www.mondaq.com/france/Employment-and-HR/423682/Mandatory-Employer-Paid-Medical-Insurance-For-All-Staff-In-France>
2. Blog post (in French) about how to draft a DUE (décision unilatérale de l'employeur) document
<https://www.adpassurances.fr/entreprises/guide-sante-entreprise/du-decision-unilaterale-de-employeur-pour-la-mutuelle-dentreprise.html>

Disclaimer

This is one of a series of guides and information sheets produced by Remain in France Together (RIFT). RIFT is a statutory association governed by French law and managed and run by volunteers. It exists to uphold the rights of British citizens living in, or moving to, France affected by the UK withdrawal from the EU.

The information is for general guidance and does not constitute legal advice. It is offered free for personal, non-commercial use.

The main source of information to keep up-to-date with developments in citizens' rights is our website <https://www.remaininfrance.fr/>

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