

New Regulations for Small Businesses regarding Health Insurance

February 6, 2019

The Regulations for Small Businesses regarding Health Insurance, published in the Official Gazette on December 13, 2018, set forth a new benefit that allows small businesses to pay an adjusted base monthly salary during the first four years of their enrollment before the Social Security Administration (CCSS). Small businesses may request the application of the adjusted base insurance payment benefit only upon filing the employer registration or upon reactivation of the employer before the Inspection Department of the CCSS. The new benefit will apply only to companies with less than five employees.

The small business must:

- File a sworn affidavit.
- Have a payroll with a maximum of five employees.
- Register a bank account for the automatic collection of social security contributions.
- File a certificate from MEIC (Economy & Trade Ministry) or MAG (Agricultural Ministry) as proof of their small business status.
- Not have pending debts with the CCSS, the Employee Protection Law, or FODESAF (Social Development and Family Allowances).
- Not have pending processes at the Inspection Department of the CCSS from possible non-compliances with the social security.

The employer benefit will be temporarily suspended when:

- The payroll has been inactive for a maximum of six months.
- The employer does not update the data registration at the CCSS.
- The employer does not comply with the employer-employee social security contributions.

The Employment and Labor Practice of Dentons Muñoz Costa Rica offers legal advice relating to:

- Legislation review to determine compliance with current labor regulations related to social security topics applicable to small businesses.
- Legal opinions in reference to employment matters.
- Practical and strategic tips to prevent future legal issues.

To obtain legal advice on this topic or any other topic regarding Costa Rican Labor and Employment and Human

Resources, please do not hesitate to contact us.

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