



## ARMA Update 5 April 2022

(English Version)

### **BPJS Healthcare as a Requirement to Access Public Services**

#### **General Overview**

The Government of Indonesia has established the Social Security Administration Board (*Badan Penyelenggara Jaminan Sosial* or “**BPJS**”) which consists of BPJS Healthcare and BPJS Employment, to form social protection to ensure that all people meet their basic necessities (“**Social Security**”). This is mandated by Article 3 of Law No. 24 of 2011 concerning the Social Security Administration Board as amended by Law No. 11 of 2020 concerning Job Creation (“**Law No. 24/2011**”).

On 6 January 2022, the President of the Republic of Indonesia issued Presidential Instruction No. 11 of 2022 on the Optimization of the Implementation of the National Health Insurance Program (“**Presidential Instruction 11/2022**”) which instructed 30 (thirty) ministries and institutions to increase participation in BPJS Healthcare.

#### **BPJS Healthcare Guarantees Healthcare for All Levels of Society**

Healthcare is a security in the form of health protection so that participants obtain health care benefits and protection in meeting basic health needs that are given to everyone who has paid the health security contribution or the health security contribution paid by the central government or local government (“**Healthcare**”).<sup>1</sup>

Essentially, every Indonesian citizen is required to participate in health security.<sup>2</sup> This is a consideration for the implementation of requirements for active BPJS Healthcare participation in accessing several public services.

With this active participation, all levels of society, from upper class to lower class are able to get proper health services as the government's goals. In addition, this is also the implementation of the principle of togetherness (*gotong royong*) adopted by the Social Security system itself.<sup>3</sup>

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<sup>1</sup> Article 1 paragraph (1) Presidential Regulation No. 64 of 2020 concerning Second Amendment of the Presidential Regulation No. 82 of 2018 concerning Health Security (“**Pres. Reg 64/2020**”)

<sup>2</sup> Article 6 Pres. Reg 64/2020

<sup>3</sup> Article 4 point a Law No. 40 of 2004 concerning National Social Security System (“**Law No. 40/2004**”)



## BPJS Healthcare as a Requirement to Access Public Services

In its development towards the implementation of the Presidential Instruction 11/2022, the implementing regulations have not yet been issued. However, in practice, the BPJS Healthcare requirement has been applied in several legal administrations, including the issuance of business licenses through the Online Single Submission System.

The application for registration of the transfer of land rights also requires a copy of the BPJS Healthcare card as stated in the Letter of the Minister of Agrarian Affairs and Spatial Planning/National Land Agency No. HR.02/153-400/II/2022. Additionally, the requirement of BPJS Healthcare includes the registration of intellectual property rights through the Ministry of Law and Human Rights, as well as the administration of a driving license (*Surat Izin Mengemudi*), vehicle registration certificate (*Surat Tanda Nomor Kendaraan*), and police record certificate (*Surat Keterangan Catatan Kepolisian*).

Not only limited to Indonesian citizens, foreign citizens (*Warga Negara Asing*) are also able to use the health services provided by BPJS Healthcare. This is based on Article 14 Law 24/2011 on the condition that the foreigner concerned has lived or worked for at least 6 (six) months in Indonesia.

In addition to individual participants, there is an obligation for business entities to register their employees as BPJS Healthcare participants.<sup>4</sup> Business entities that do not implement this will be subject to administrative sanctions in the form of written warnings, fines, and/or not receiving certain public services.<sup>5</sup> The contribution to business entity participation is 5% (five percent) of salary or wages per month with an allocation of 4% (four percent) paid by the employer and 1% (one percent) paid by the employee.<sup>6</sup>

## Elimination of BPJS Healthcare Class

Previously, BPJS Healthcare divided its services into 3 (three) classes with different fees each month:

1. Class I: Rp150.000,00 per person;
2. Class II: Rp100.000,00 per person; and
3. Class III: Rp35.000,00 per person.

In 2022, the Government plans to eliminate the class division and replace it with a single class. This policy is aimed to provide the same health services for all participants. This improvement is carried out in stages to optimize the services in social security, especially healthcare as mandated by Law 40/2004.

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<sup>4</sup> Article 15 Law 24/2011

<sup>5</sup> Article 17 Law 24/2011

<sup>6</sup> Article 30 Pres. Reg 64/2020



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