

# Playing Safe With Medical Services

By Sophia Kornienko  
STAFF WRITER

In Russia, emergency medical insurance for foreign nationals is compulsory. The service is widely available locally, but many Westerners still prefer buying the more expensive insurance back home. In Russia, insurers say, what counts is not only that insurance covers the treatment, but that the treatment provided is a safe one.

Everyone registering at the foreign police office, the OVIR, should present a guarantee of medical assistance in cases of emergency. The medical emergency policy accounts for all types of emergency expenditures, including in and out-patient treatment, dental services, transportation, repatriation and home delivery for underage foreign nationals if left without guardians. If hospitalized, the insured foreigner is guaranteed a free bed, food, medicine, medical examination, doctors' consultations, free medical operations, including anesthesia and nursing.

"Approximately 1,200 foreign nationals apply to our company for insurance every year," said Alexei Kuznetsov, director of Capital Polis, a company that has been in the market for 11 years. However, Kuznetsov added, most of Capital Polis' foreign clients come from the NIS, while Western nationals "trust their local agencies more," and get insurance packages before they come to Russia. NIS nationals usually register for three months, students come for one year, Kuznetsov said.

Ingosstrakh, an old-timer in the local medical insurance market, recently celebrated its 56th anniversary. The company has long since established a comprehensive network of representatives abroad, with branch offices scat-



# Disability Insurance Handy Tips

According to the Mineral Wells Index web page, though life insurance, especially in the West, has become rather a natural concept, there are many people who overlook disability insurance — and that could be a costly mistake.

Of course, if you're healthy and your career isn't physically risky, you might initially scoff at the thought of disability insurance. But consider these statistics:

- If you are 20, you have a 3-in-10 chance of becoming disabled before you reach retirement age, according to the U.S. Social Security Administration.
- If you are 35, you are six times more likely to become disabled than you are to die before you reach 65, according to the American Council of Life Insurers. Furthermore, a 35-year-old person who is disabled for at least 90 days is likely to become disabled for an average of three years.

These numbers suggest a strong need to help protect yourself and your family. And even a brief disability, with its consequent disruption of your income, could seriously harm your financial stability and your progress toward your long-term goals.

## TYPES OF COVERAGE

You can find two basic types of disability coverage: short-term and long-term. Short-term disability provides you with



burg. About half of them come from the West, others are from the NIS," said Mikhail Mezhenik, head of the tourist insurance department at Ingosstrakh.

"Besides emergency medical insurance, we have foreign nationals, living in Russia, apply for the policies that cover planned examinations and treatment," said Dmitry Zagorodny, head of the marketing department at Medexpress, a Russian-German joint venture that has been operating in St. Petersburg for 12 years.

Medexpress has three types of emergency medical insurance policies: VISIT, covering treatment at the city's international clinics, VISIT-P, a less expensive choice for those who don't mind Russian medical service standards, mostly picked by NIS nationals, and VISIT-C, a program specifically designed for exchange students. In 2003, Medexpress sold roughly 2,500 policies to foreigners, Zagorodny said.

Smaller companies, such as Medstrakhcom, owned by the Oslo Marine Group, working in cooperation with the Norwegian Medical Center, serve about 300-500 foreign clients per year, Medstrakhcom's Olga Oprivalneva said.

#### GETTING A NAME OUT THERE

Russian consulates abroad often play the role of "marketing agents," as they spread information on the Russian insurers available. Ingosstrakh's insurance is also frequently offered to those foreigners who book an apartment or a hotel room in St. Petersburg in advance.

"Ingosstrakh has never been a cheap company. We always go for quality," Mezhenik said. Even so, Ingosstrakh is still less expensive than western agencies. Ingosstrakh's insurance limit is \$15,000 — this is enough to cover emergency expenses anywhere in Russia, Mezhenik said. One year's

emergency medical insurance costs \$110, he said.

While insurance companies are responsible for the financial risks, they contract assistance agencies to manage organizational matters.

Capital Polis cooperates with agencies that, in turn, have signed agreements with St. Petersburg's major clinics. "This way Capital Polis is connected to over 200 medical institutions. We also run a medical center of our own, where in-patient treatment and family doctor consultations are available," Kuznetsov said. Assistance agencies also manage round-the-clock call centers that foreign nationals can address for immediate medical needs.

Ingosstrakh works in cooperation with Tim Assistance. This is also a marketing technique, as Tim Assistance has a world name in medical assistance services. "We are a transnational company, but we never liked mass advertisement. If we advertise, it is only as part of a joint project," Mezhenik said.

Half of Medexpress's clients prefer to use the services of the company's medical center, although, just like its competitors, Medexpress works closely with the city's clinics, both private and state-run.

Medstrakhcom has an agreement with the Norwegian Medical Center, where their clients receive discounts.

#### SLICES OF A SMALL PIE

In providing services to foreigners, Capital Polis occupies about 15 percent of the insurance market. Another roughly 60 percent are shared by RESO, Rosno and Medexpress,

Kuznetsov said. Meanwhile Zagorodny estimated that Medexpress accounts for about 26 percent of the segment. It is difficult to estimate a company's share though, as this segment is underdeveloped in Russia, Mezhenik said, naming RESO and Rosno as Ingosstrakh's main competitors when it comes to insuring foreign clients.

The Russian insurance market is growing fast, but so do prices for medical services, Kuznetsov said. This leads to more expensive medical insurance. Since 2000, the cost of medical insurance has gone up by 30 percent, Kuznetsov said.

No matter the costs, the market has room to grow, and there is always space for newcomers, Kuznetsov said. Only about 20 percent of the city's permanent residents are insured, he said. At the same time, Russian insurance companies will hardly compete for Western clients in the near future, Kuznetsov said. Even though Russian medical insurance services are usually two to three times cheaper, it is hard to overcome the Western tradition of sticking to their own services, Kuznetsov said. Companies with Western capital happily use Capital Polis' services, but mainly for their Russian employees, Kuznetsov said.

"The situation with insurance for foreign nationals will change," Mezhenik noted optimistically. "Russian companies already cooperate with major Western insurers. We are getting closer to the EU," he said.

No special requirements or prices are introduced for foreign clients when applying for Russian medical insurance,

they receive the same conditions as Russian nationals, Kuznetsov said. The rates depend on insurance programs with a set range of services, the level of services and the number of people buying insurance, Oprivalneva said.

term disability can replace income for a set time period — such as five years — or until you turn 65.

Both short- and long-term disability policies usually will pay anywhere from 50 percent to 66 percent of your salary. If you pay your own premiums, your disability benefits are typically tax-free. But if your employer pays for the policy — generally with "pretax" dollars — disability payments will probably be taxable.

### British-American Family Practice

**& URGENT CARE**

**One Block Off Nevsky Prospect  
# 7 Grafsky pereulok**

**24/7 Medical Helpline: (812)327-60-30**

**Dr. Sarah Basham (British)  
Family Practitioner with  
emphasis on Obstetrics,  
Gynecology and Pediatrics.**



**Dr. Joanne Thompson (British)  
Family Practitioner specializing in  
Adult Medicine, Internal Medicine,  
Renal Medicine and Urgent Care.**



**Dr. Arthur Sorrell (American)  
Emergency Medicine Specialist  
practicing Adult Medicine, Pediatrics,  
Obstetrics and Gynecology.**



**Competitive Pricing, Direct Insurance Billing**

**St. Petersburg's Only American Doctors  
St. Petersburg's Only European Doctors**