



LEGAL NEWSLETTER

JANUARY 2025



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Law No. 57/2024 Amending Certain Provisions of the Law on Investment in the Form of PPP

On November 29, 2024, the National Assembly passed Law No. 57/2024/QH15, effective from January 15, 2025, amending and supplementing a number of articles of the Law on Planning, the Law on Investment, the Law on Investment in the form of Public-Private Partnership and the Law on Bidding ("**Law No. 57/2024**"). Through this article, TNTP will focus on some new points regarding the amendments and supplements to the Law on Investment in the form of Public-Private Partnership ("**PPP Law**").

1. Expanding investment fields

The PPP Law are amended and supplemented in Law No. 57/2024 in the direction of expanding the application of the PPP method to all projects in the field of public investment, with the goal of building works, infrastructure and providing public services. The following projects are excluded from the scope of PPP: first, projects in the field of monopoly of the State. Secondly, projects related to national defense, security, social order and safety in accordance with the Law on Public Investment.

2. Minimum capital size for PPP projects

Amending Clause 2, Article 4 of the PPP Law, **abolishing the regulation on the minimum capital limit for PPP projects**, creating more flexible conditions for investors.

3. Percentage of state capital involved in PPP projects

- The percentage of state capital participating in PPP projects specified in Clause 2, Article 69 of the PPP Law is amended by Point c, Clause 16, Article 3 of Law No. 57/2024, whereby, the state capital ratio is maintained at a maximum of 50%.
- To allow the proportion of state capital higher than 50% (but not exceeding 70% of the total investment) for projects that meet one or one of those conditions:

Firstly, the project has the cost of compensation, site clearance, resettlement, and construction of temporary works, accounting for more than 50% of the total investment.

Secondly, the project is implemented in difficult or extremely difficult socio-economic areas.

Thirdly, the project has a financial plan that is not feasible but needs to attract private investment to apply high and advanced technology.

Law No. 57/2024 Amending Certain Provisions of the Law on Investment in the Form of PPP

4. Simplifying the procedures for PPP projects

Firstly, shortening and simplifying the content of pre-feasibility and feasibility reports

Legal basis: Clause 2, Article 19 of the PPP Law 2020 stipulates the pre-feasibility study report and the feasibility study report. This is supplemented by Point d, Clause 8, Article 3 of Law No. 57/2024 effective from January 15, 2025, whereby abbreviated content can be added for small projects or not using state capital.

Supplementing shortened processes and simplifying the content of pre-feasibility and feasibility reports for projects:

- Group B and Group C projects without state capital: These projects are small in scale and less complicated, so a simplified process should be applied.
- O&M (operation and maintenance) project: This is a simple form of PPP that does not require investment in new construction, only the operation and maintenance of the infrastructure.
- BT projects do not require payment: BT does not require a cash return of the invested capital, which is suitable for applying a simplified process.



Law No. 57/2024 Amending Certain Provisions of the Law on Investment in the Form of PPP

Secondly, Allow the preparation of feasibility study reports and bidding documents at the same time:

Articles 18 and 20 of the PPP Law 2020 stipulate the preparation and appraisal of feasibility study reports, and allow flexibility in project preparation steps.

Law No. 57/2024 amended and supplemented allows: Preparation of a feasibility study report in the process of approving investment policies. At the same time, making bidding documents in parallel with the appraisal and approval of investment policies. Allowing the preparation of feasibility study reports and bidding documents in parallel saves time by allowing the preparation of feasibility study reports and bidding documents in parallel with the appraisal and approval of investment policies.

5. Decentralization of appraisal and decision on PPP projects

Assign the grassroots appraisal council to appraise the feasibility study report for PPP projects for which the investment policy is decided by the Prime Minister (amending Clause 1, Article 6).

Unify the authority between the National Assembly and the Prime Minister in deciding on investment policies for PPP projects and public investment projects (Point d, Clause 5, Article 3 of Law No. 57/2024 amending Article 12 of the PPP Law).

Law No. 57/2024 is amended and supplemented in the direction of allowing:

- Provincial-level People's Councils shall decide on investment policies for projects under the management of many localities, if they are assigned the competence by the Prime Minister.
- Provincial-level People's Committees shall decide on investment policies for group-B and group-C projects not using state capital.

6. Handling problems of transitional projects

Point a, Clause 22, Article 3 of Law No. 57/2024 amends Clause 4, Article 101 of the PPP Law, stipulating that project contracts signed before **January 1, 2021** continue to perform with the signed contract terms.

In case it is necessary to amend the contract, if the law at the time of signing does not stipulate it, the parties involved may agree to amend it according to the current PPP Law and relevant legal documents in force at the time of amendment.

The above changes in Law No. 57/2024 aim to improve transparency, simplify the process, encourage private investment, and solve difficulties in the implementation of PPP projects.

New points of the Amended Health Insurance Law 2024

On November 27, 2024, the National Assembly passed Law No. 51/2024/QH15 amending and supplementing several provisions of the Law on Health Insurance ("**Amended Health Insurance Law 2024**"), which will take effect on July 1, 2025. This law marks a significant step forward in improving the legal framework for health insurance, aiming to ensure the rights of participants, enhance management efficiency, and expand access to healthcare services. The new amendments and supplements are expected to address current shortcomings while meeting the growing healthcare needs of the population. Through this article, TNTP will highlight some notable new points of the Amended Health Insurance Law 2024.

1. Expanding the categories of Health insurance participants

Clause 10, Article 1 of the Amended Health Insurance Law 2024 introduces several significant adjustments regarding the categories of health insurance participants. Specifically:

The scope of application has been expanded by reducing the required duration of labor contracts for health insurance participation. Accordingly, employees with labor contracts of at least one month are now included in the categories of health insurance participants, instead of the current requirement of at least three months.

Additionally, the law adds several categories of mandatory health insurance participants, whose contributions are funded by the state budget, including individuals aged 75 and older who are receiving monthly survivor benefits; individuals aged 70 to under 75 from near-poverty households who are receiving monthly survivor benefits; and other specified groups.

Mandatory health insurance participants with state-subsidized contributions include village health workers and rural midwives; members of local security and public order protection forces.

This expansion not only ensures fairness and access to healthcare benefits for vulnerable groups but also reflects the state's special attention to the elderly and individuals in difficult circumstances. Additionally, it encourages healthcare workers in remote and rural areas to remain committed to their roles, thereby contributing to improved healthcare services in disadvantaged regions.



New points of the Amended Health Insurance Law 2024

2. Adjustment of health insurance benefits for outpatient treatment outside the designated network

According to Clause 17, Article 1 of the Amended Health Insurance Law 2024, which revises and supplements Article 22 of the current Health Insurance Law, the provisions are as follows:

From July 1, 2025, individuals participating in health insurance who receive outpatient medical examination and treatment outside the designated network will receive 50% payouts (reimbursements) from the health insurance fund, instead of having to pay the entire cost themselves as previously required. This provision brings significant benefits to patients, especially those who face challenges in accessing in-network healthcare services.

Furthermore, the Amended Health Insurance Law 2024 enhances the benefits for health insurance participants, ensuring **100% payouts (reimbursements)** with specific provisions as follows:

- Receive 100% reimbursements for medical examination and treatment at the initially registered health insurance facility nationwide.
- Receive 100% reimbursements for inpatient treatment at basic-level health insurance facilities nationwide.
- Receive 100% reimbursements for medical examination and treatment at any basic or advanced-level health insurance facility that was designated as a district-level facility before January 1, 2025.

These adjustments not only reduce the financial burden on patients but also create more favorable conditions for accessing healthcare services, contributing to the improvement of community health and the quality of medical care.

3. At-home medical care also covered by health insurance

The Amended Health Insurance Law 2024 adds several other cases. Specifically, Clause 2 and Clause 3 of Article 3 of the Amended Health Insurance Law 2024 stipulate that health insurance participants will have the following expenses covered by the health insurance fund: medical examination and treatment, including remote consultations, support for remote medical examination and treatment, family medicine services, at-home medical care, rehabilitation, routine prenatal check-ups, and childbirth.

This regulation not only facilitates health insurance participants' access to healthcare services but also supports at-home healthcare, especially for individuals with special needs or those who face mobility difficulties. Additionally, this is a solution to enhance the quality of healthcare, particularly in the context of epidemics or emergency situations, when access to healthcare facilities is challenging. As a result, health insurance participants can be more at ease knowing they will receive quality healthcare services at home, ensuring timely and effective protection of their health.

New points of the Amended Health Insurance Law 2024

4. Payment between healthcare facilities

The Amended Health Insurance Law 2024 introduces new regulations regarding the payment mechanism for medicines and medical equipment transferred between healthcare facilities. Specifically, in certain special cases, the health insurance fund will cover the costs of medicines and medical equipment when transferred from one healthcare facility to another, provided the following conditions are met:

When a patient requires medication or medical equipment, but the healthcare facility does not have it available and cannot substitute it with a similar product;

If it is not possible to transfer the patient to another healthcare facility to receive the necessary medication or medical equipment;

If the healthcare facility has conducted procurement through a bidding process as per regulations but is unable to purchase the required medication or medical equipment due to specific reasons.

In these cases, the health insurance fund will pay for the medication and medical equipment based on the payment rates of the transferring healthcare facility. The receiving healthcare facility is responsible for paying the transferring facility, and then the cost will be incorporated into the patient's medical expenses to be reimbursed by the social insurance agency.

Additionally, the Law also stipulates the payment of costs for paraclinical services. When a healthcare facility does not have the necessary conditions to provide essential paraclinical services, the cost for these services will be transferred to a facility that is qualified to provide them, after approval by the competent authority.



New points of the Amended Health Insurance Law 2024

5. Some notable other regulations

Increase in spending on medical examination and treatment: The law stipulates an increase in the allocation from the health insurance fund to cover medical examination and treatment activities, raising it to 92%, while reducing the amount dedicated to the reserve fund and administrative activities of the health insurance fund to 8%. Of this, at least 4% of the health insurance contributions must be allocated to the reserve fund. The law also clearly defines the time limit for notifying the results of medical cost assessments.

Expansion of benefits for health insurance participants: The law adds services such as treatment for strabismus and refractive errors for children under six years old, aiming to enhance healthcare for children.

Simplification of administrative procedures: The law reduces paperwork, strengthens the application of information technology, decentralizes and delegates authority, making it easier for individuals, agencies, and organizations to participate in and use health insurance.

Clear time limits for notifying medical cost assessments: The law ensures transparency and timeliness in notifying the results of medical assessments, helping health insurance participants accurately understand their entitlements.

Strengthening the responsibilities of involved parties: The law specifies the responsibilities of agencies and organizations in compiling the list of health insurance contributors, ensuring the protection of participants' rights.

The Amended Health Insurance Law 2024 represents a comprehensive reform, not only expanding coverage but also enhancing service quality and improving benefits for the people. This is a significant step toward ensuring social security policies and creating a sustainable foundation for Vietnam's healthcare system.

Case law no. 23/2018/AL regarding the validity of life insurance contract when the insurance buyer fails to pay insurance premiums due to the fault of the insurance company

Life insurance is a product of insurance companies, established through life insurance contracts with clear benefits and terms to protect participants from health events or physical and life risks. Therefore, many people have been purchasing life insurance in various periodic payment forms. In practice, there are many cases where customers stop paying premiums, affecting the validity of the life insurance contract. Typically, the customer's failure to pay the premium is the customer's obligation fault in fulfilling the contract. However, in practice, there are cases where the customer does not pay the premium due to the fault of the insurance company. Case Law No. 23/2018/AL is a typical case of this issue. In this article, TNTP will further clarify the court's assessment of this case.

1. Summary of the case

a) The plaintiff – Mrs. Pham Thi T presented:

Her husband, Mr. Tran Huu L, had registered to purchase life insurance from P Life Insurance Company Limited. Her husband was involved in a fatal accident. According to the contract, she is the beneficiary. Now, she is requesting the defendant to pay the insurance amount of 300 million VND and interest at the basic interest rate from August 2005 until now, which is 126 million VND, for a total of 426 million VND.



Case law no. 23/2018/AL regarding the validity of life insurance contract when the insurance buyer fails to pay insurance premiums due to the fault of the insurance company

b) The defendant, P Life Insurance Company Limited, represented by Mr. Nguyen Quoc T, presented:

Mr. L was required to pay the second insurance premium on June 24, 2005, but after being granted a 2-month extension, he still did not pay the premium. Mr. L passed away on August 27, 2005, which was 3 days after the insurance contract had become invalid. Therefore, the defendant does not accept to pay the amount requested by the plaintiff.

c) The party with related rights and obligations, Ms. Vu Thi Minh N, presented:

She is the agent of the defendant and had sold the insurance to Mr. L. She had an agreement with Mr. L that she would directly collect the insurance premiums at his house when they were due. However, when the final premium was due, she had to attend a political study session in the province, so she was unable to collect the premium. The failure to pay the premium was due to objective circumstances, so she requests that the defendant pay the insurance amount to the plaintiff.

d) In the first instance civil judgment No. 38/2008/DS-ST dated August 21, 2008 of the People's Court of District 1, Ho Chi Minh City, it was decided:

Dismiss the request of Mrs. Pham Thi T to demand that P Life Insurance Company Limited pay the insurance amount and interest for late payment of 426.000.000 VND.

Regarding the court fees: Mrs. Pham Thi T must bear the first instance civil court fees of 7.890.000 VND, but the 6.000.000 VND prepaid court fees according to the payment receipt No. 2185 dated June 9, 2006 of the Ho Chi Minh City Civil Judgment Enforcement Agency will be deducted. Mrs. T must still pay 1.890.000 VND.

e) On September 1, 2008, Mrs. Pham Thi T appealed.

f) At the appellate hearing:

The plaintiff did not withdraw the lawsuit and the appeal request.

The parties failed to reach an agreement on the resolution of the lawsuit.

Ms. T presented the appeal request, asking the Trial Panel to accept her request to require P Life Insurance Company Limited to pay the insurance amount and interest for late payment of 426.000.000 VND. The reason is that the company's representatives did not come to collect the insurance premium, not because she did not pay. The lawyer defending Ms. T's legitimate rights and interests requested the Trial Panel to accept this request of Ms. T.

Mr. Nguyen Quoc T, the representative of P Life Insurance Company Limited, along with the lawyer defending the company's legitimate rights and interests, requested the Trial Panel to uphold the first instance judgment.

Case law no. 23/2018/AL regarding the validity of life insurance contract when the insurance buyer fails to pay insurance premiums due to the fault of the insurance company

2. Assessment of the Court

The appeal filed by Ms. Pham Thi T was made within the statutory time limit and is valid.

Content of Case law: Based on the life insurance application dossier (pages 15-17), the address for P Life Insurance Company Limited to collect the premiums is at house number 231, Hamlet 3, B commune, G district, Ben Tre province, which is the house of Mr. L. This is also consistent with the testimony of Ms. N, who is the insurance agent and premium collector for P Life Insurance Company Limited.

Considering the appeal request of Mrs. T, she reasons that Mr. L did not pay the insurance premiums on time because the company did not send the collector to collect the payments. This argument has its ground as evidenced by the information provided above.

Based on the certificate of confirmation from the B commune police, it shows that Mr. L passed away on August 27, 2005 due to an accidental fall and head injury that led to his death.

Content of Case law: Considering that Mr. L had signed an insurance contract through a life insurance application dossier with a coverage of 300.000.000 VND, and the fact that he had not paid the 2nd premium installment, as analyzed above, was not due to his fault, therefore, the appeal request of Mrs. T, requiring P Life Insurance Company Limited to pay the insurance benefit when Mr. L passed away due to an accident, has a basis to be accepted.

Content of Case law: Considering the request of the representative of P Life Insurance Company Limited, who claimed that Mr. L did not pay the 2nd premium installment by the due date of August 24, 2005, and Mr. L passed away on August 27, 2005, thus his insurance contract had expired, this argument has no basis. As analyzed above, the reason why Mr. L did not pay the premium was because the company did not send the collector to collect the premium. This is also clearly stated on page 5 of the information for customers booklet, which mentions that premium collection at the customer's home includes quarterly, semi-annual, or annual collection, or at an address with 2 or more contracts, which is consistent with the fact that Mr. L had signed 3 contracts with P Life Insurance Company Limited for himself, Mrs. T, and Ms. H. Therefore, the Trial Panel does not accept the request of the representative of P Life Insurance Company Limited, nor the proposal of the lawyer defending the legitimate rights and interests of P Life Insurance Company Limited.

Considering the request of Mrs. T to require P Life Insurance Company Limited to pay interest on the late payment from August 27, 2005 until the date of the court trial, this request has no basis. Because the insurance certificate issued by P Life Insurance Company Limited to Mr. L did not state any terms about interest rates, therefore the Trial Panel does not accept this request from Mrs. T.

Case law no. 23/2018/AL regarding the validity of life insurance contract when the insurance buyer fails to pay insurance premiums due to the fault of the insurance company

3. Comment on Case law

Based on Clause 2, Article 23 of the Insurance Business Law 2000 (as amended and supplemented in 2010) on termination of insurance contracts stipulated a situation that the insurance contract can be terminated: "The insurance purchaser does not pay the full insurance premium or does not pay the premium within the time limit agreed upon in the insurance contract, unless the parties have agreed otherwise."

Applying this regulation to the case, the parties had a different agreement regarding the payment of the insurance premium, based on the confirmed evidence that Mr. L would pay the premium at home when the P Company staff came to collect the premium. Therefore, the fault here does not lie with Mr. L. Thus, the requirement for P Company to pay the insurance benefit when Mr. L passed away due to an accident is well-grounded and should be accepted.

Regarding P Company's claim that Mr. L's insurance contract had expired, this claim has no basis. The reason Mr. L did not pay the insurance premium was because the company staff did not come to collect the premium. This is also clearly stated on the information for customers booklet, which states that premium collection at home includes quarterly, semi-annual, or annual collection, or from an address with 2 or more contracts, and since Mr. L had signed 3 insurance contracts with P Life Insurance Company Limited for himself, Mrs. T, and Mrs. H, the insurance company must send a collector to his house to collect the premiums. Therefore, the Trial Panel's decision to not accept the request of the representative of Company P, nor the proposal of the lawyer defending the legitimate interests of Company P, is well-founded.

Above is TNTP's article on "**Case law No. 23/2018/AL regarding the validity of life insurance contract when the insurance buyer fails to pay the insurance premiums due to the fault of the insurance company**". We hope this article will be helpful to our readers.

Best regards,

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