

25. No individual person can assume the nature of a health institution, operate as such and draw health contributions without being registered with the Superintendency.

26. The interested entity must apply for the register from the Superintendency by supplying all relevant information to ensure compliance with the requirements stipulated by law. The Superintendency must resolve on the application within a time limit not exceeding 60 days and is entitled to reject the application if all requirements are not met or if the information needed is not attached.

27. An actually paid capital equivalent to 2,000 UFs (about US\$ 55,000) is required. Likewise, the institutions must maintain a minimum equity equivalent to 2,000 UFs (about US\$ 55,000) which will be made up of the paid capital, the reserve funds, the results of the financial period and those accumulated from previous periods.

III.1.D Other non-discriminatory requirements

28. **On the Guarantees:** The institutions must set up and maintain a guarantee equivalent to one month of the contributions received from their affiliates with the Superintendency in the manner and general and uniform conditions determined by the Superintendency, this guarantee cannot be seized in any way as a result of legal actions. The guarantee must be set up in cash or in given instruments with a maturity not exceeding ninety days as prescribed in the Decree No. 3,500 of 1980.

29. **On the contributions and services:** The contributions as well as the manner, procedures and conditions in which the services and benefits are provided are freely agreed upon with the affiliates and the private health institution through a contract which must be notified to the Superintendency and to the institution responsible for the direct payment of the contributions (social security institution or employer, in the case of salaried workers) before the tenth day of the month following the month on which the contract is drawn up and undersigned.

III.2. NATIONAL TREATMENT

30. Foreign medical service providers are granted full national treatment with the only exemption of the tax regime applicable to foreign investors in the health sector as well as to foreign professionals and health insurance premiums obtained from abroad. (See Chapter I on tax treatment to foreign companies and individuals).

IV. FUTURE BUSINESS OPPORTUNITIES

31. Most public opinion polls conducted in Chile in the past few years coincide that health care is among the top priority problems facing the country during this decade. Long years of neglect coupled with fiscal austerity plus a policy of "minimal Government" have left the country with State run hospitals which are falling apart and very poor quality medical services to the population. In many of the public hospitals there is not even linen for the beds, not to mention the absence of the most basic medical supplies. Patients must wait months for major surgery. Hospital personnel is