



GLOBEX UPDATE

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Events, developments, and opportunities in the international marketplace

NEW PROVINCIAL PENSION PLAN BEING INTRODUCED IN CANADA

Canada's most populous province has passed legislation to introduce the Ontario Retirement Pension Plan (ORPP), a retirement plan intended to supplement the federal Canada Pension Plan (CPP), which all workers in Canada are obligated to participate in. The design of the ORPP is intended to be similar to the CPP, offering guaranteed income for life, indexed to inflation. As it is currently proposed, any employer with employees in Ontario, that are not providing a defined benefit or target benefit multi-employer pension plan, would be subject to mandatory participation in this new plan. Both the employer and the employee would each be required to contribute 1.9% of the employee's salary, up to a salary of \$90,000. Capital accumulation plans such as defined contribution plans are not currently not considered exempt from mandatory participation, although the province continues to review this possibility. "We are sharing a position with many of our peers in the industry, and fellow employers, that Capital Accumulation Plans with an appropriate level of contributions should be considered as 'comparable' retirement plans and exempt under this proposal," said Mark Dowdell, Senior Vice President of Investments and Retirement at Accompass.

NHS MAKES CHANGES THAT IMACTS BRITISH EXPATS

At one time, British expats living in the EU, Switzerland or Norway, could arrange for doctor appointments during their home visits back to the UK. However, the UK is implementing new rule changes to the NHS (National Health System) that will make British expats who wish to access the UK's National Health Service during home visits more difficult. Prior to the rule change, British expats could receive treatment during home visits for free through the NHS, but new legislation will mandate that in order for those expats to receive free treatment, they will need to show their European Health Insurance Card (EHIC) issued by their new country. Furthermore, British expats will be required to declare their residential status in the UK. If they fail to do so or are unable to show a valid EHIC card, they will have to pay for their medical services upfront, even in the case of emergencies. Many British expats are either going to be forced to register with the health system in their new country, or take out private medical plan.

Success Stories

- Completed post-transaction M&A transition project for new acquisition in the United Kingdom
- Completed benchmarking report for two countries for tech firm.
- Secured local group policy for expats in Dubai

EXPATS IN KUWAIT SEE RISE IN MEDICAL EXPENSES

Expats in Kuwait that have been utilizing the public health care system, are expected to see an increase in medical expenses. While Kuwaiti locals are able to access medical care for free, expats are required to pay an annual fee in order to gain access to public medical services. In addition, should expats require services like x-rays or treatment from specialists, they must pay extra costs to access those treatments as well. The only services that expats can receive for free would be accident and emergency treatment. The reason for the medical care cost increase is due to the rising number of expats in Kuwait, which has put tremendous pressure on their public health system.

Recruiting and retaining key talent around the world remains a formidable challenge for HR management. More and more, a company's success depends on the ability to offer a competitive benefits package while remaining within budget. Globex Partner Brokers can offer their clients access to a range of products, capabilities and resources custom-tailored to helping multinationals optimize their employee benefits around the world. Contact any member of the Globex Health & Benefits Team to learn more.

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