



GLOBEX UPDATE

HEALTH & BENEFITS

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Events, developments, and opportunities in the international marketplace

INDIA PROPOSES NEW LAWS AROUND DIGITAL HEALTH DATA

India's health ministry has proposed a law to govern data security in the healthcare sector that would give individuals complete ownership of their health information, allowing them the right to refuse or allow data to be generated, collected, accessed or used. Electronic health records typically comprise information on patients such as age, contact information, lab reports, medical history, immunizations, allergies, and current and past medications. The collection of this information is meant to transform healthcare services by providing more comprehensive care using the most accurate records which can potentially lead to a reduction of healthcare costs. Currently, employers can process health data for employee benefits, office records and insurance purposes under labor laws like the Maternity Benefits Act and Employee State Insurance Corporation Act and as part of their internal policies. However, with concerns around privacy and security of digital health data, the proposed law would completely prohibit use of digital health data for commercial purposes. This would mean that insurance companies, employers, and pharmaceutical companies would not be allowed to access or use health data. India's health ministry would be charged with establishing health information exchanges that would regulate the exchange of digital health data between various clinical establishments such as hospitals, clinics, diagnostic and pathology laboratories to ensure the information is collected is for purposes allowed under the law.

EXPATRIATE WORKERS EXAMINE END OF SERVICE BENEFITS IN SAUDI ARABIA

In the case of termination of an employment contract, the ESB (end of service benefits) is an obligatory benefit provided by the employer to pay the worker at the end of the contract of employment, whether it is fixed-term or indefinite. However, some expat workers in Saudi Arabia are weighing the pros and cons of resigning from their jobs in order to ensure receiving their ESB due to employment uncertainty. While they may feel no immediate threat to their job, they are electing to resign to protect their End of Service benefit earnings. Many expat employees that work in the private sector, especially those that have an extensive employment duration, are entitled to receive a generous amount as end of service benefits upon ending of employment. Currently, the law stipulates that if the employment is terminated due to the employee's resignation, they are entitled to one third of the benefit after two to less than five consecutive years of service and two thirds of the benefit after five to less than ten years of service and the whole benefit if his service period reaches or exceeds ten years. These employees are heavily relying on the ESB when they leave their job to return to their home country. However, they are now considering the option of quitting as they stare at an uncertain financial future, especially since some employers, particularly in the construction industry, have been defaulting payment of ESB and other benefits.

Success Stories

- Implemented group expat policy for multinational software company.
- Implemented group travel medical plan for international clothing manufacturer.
- Established local benefits in Hong Kong for growing entertainment firm.

NETHERLANDS LOOKS TO IMPLEMENT CHANGES TO TAX ADVANTAGES FOR EXPATS

Effective January 1, 2019, the Dutch government is planning to enforce changes to the "30% Ruling" for expat workers. The 30% ruling is a tax advantage for highly skilled migrants who work in the Netherlands, allowing employers to offer 30% of an employee's salary to them tax-free. This also allows the employer to only pay tax on 70% of their gross Dutch salary. Currently, the 30% ruling is possible for a maximum duration of eight years but as of January 1, 2019, the maximum duration of the 30% ruling will be five years. This change will apply to both newcomers applying for the ruling and those already receiving the tax advantage. The 30% Ruling tax break is meant as a reimbursement for the costs incurred when relocating to the Netherlands, such as travel costs, costs for visas and housing costs and was implemented to attract specialists from other countries who have particular expertise which is not readily available in the Netherlands.

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.

PLEASE NOTE OUR NEW TELEPHONE AND FAX NUMBERS



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