

#GlobalBenefitsBulletin Highlights

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RESPOND



Health

Bahamas: National Health Insurance - Phase II

WATCH



Retirement

Brazil: Ruling on compensation subject to social security levies.



Talent

Brazil: Outsourcing bill passed, signed



Retirement

Chile: Consensus on state-managed supplementary pension



Retirement

EU: Ultimate forward rate reduced for EEA



Retirement

France: Fonds de Retraite Professionnelle Supplémentaire (FRPS) rules published

NOTE



Talent


Australia: 457 immigration work visas to be replaced




Health

Philippines: Guidelines for accreditation of HMO products

Key Updates

Australia	
NOTE	457 immigration work visas to be replaced
 Talent	The Prime Minister announced plans to "abolish" the Subclass 457 Visa for foreign workers and introduce two Temporary Skill Shortage Visas; a short-term with a two-year cap and a medium-term for up to four years. Each will require "labour market testing with limited exemptions; a new non-discriminatory workforce test; mandatory criminal history checks; a market salary rate assessment and a new two-year work experience requirement." A phased implementation of the new visas should conclude in March 2018.
Link	https://goo.gl/pnN4wf https://goo.gl/D0368m

Bahamas	
RESPOND	National Health Insurance - Phase II
 Health	Phase II, the enrollment stage of the National Health Insurance (NHI) system, launched on April 24. All Bahamian citizens and legal residents are invited to enroll and select their primary care physicians at this point. A package of health coverage, initially just primary care services from May 2017 and expanding to full coverage in 2020 will be fully financed by the government, but there may be a dedicated levy once the system is fully established. While there is no copayment and no lifetime limit, there will be limited budgeting for treating an array of the more costly procedures, categorized as "catastrophic care." People with private health insurance must provide documentation of coverage when they register. They are still entitled to NHI membership and many are expected to prefer its free coverage, but they are encouraged to have a supplemental private health insurance policy.
Link	https://goo.gl/WW4cVK

Brazil

WATCH

Outsourcing bill passed, signed.



Talent

The House of Representatives has narrowly approved (to relax the rules on temporary employment and the President has signed it:

- Companies will be allowed to outsource any job.
- The maximum period for a temporary work contract will triple to nine months. A worker would then have to wait 90 days to enter a new contract with the same company.
- Equal rights and working conditions will be established for outsourced workers and joint liability for the contracting firm and the service firm will be defined.
- A schedule of minimum capital requirements for outsourcing companies will link the figure to the number of employees

Link

<https://goo.gl/ufwmIQ>
<https://goo.gl/7ol3dQ>
<https://goo.gl/g7kD81>

Brazil

WATCH

Ruling on compensation subject to social security levies.



Retirement

The Federal Supreme Court announced its decision on compensation subject to social security levy in Case 565106. It ruled that employers must pay the social security levy on all payments issued to employees "on a regular basis," not just salaries. There was a 7,500 case backlog in the lower courts awaiting the outcome of this decision. Analysts say that the ruling is too broad and that the Court will have to issue further instructions on its expanded definition of payroll. The payments specified in its decision include premiums for hazardous work and nights shifts, tips, prizes, per diems above a certain threshold, commissions, and allowances.

Link

<https://goo.gl/XlUtF2>
<https://goo.gl/EkyjM3>

Chile

WATCH

Consensus on state-managed supplementary pension



Retirement

The President has advised the Press that the administration's pension reform proposal will feature a government-run supplemental pension scheme managing a new 5% mandatory employer pension contribution to be phased in over six years. The breakthrough is in resolution of the long-standing debate over whether the role of the government or that of private-sector AFP pension managers would expand under this pension reform. The 5% contribution would be divided into 3% going into "inheritable, fully-owned" individual accounts and 2% for a collective savings insurance pot "with a strong redistributive character." A multiparty technical committee has set a tentative July delivery of the pension reform proposal and some basic issues remain unanswered.

Link

<https://goo.gl/jl7yfy>
<https://goo.gl/KWWGhb>

France

WATCH

Fonds de Retraite Professionnelle Supplémentaire (FRPS) rules published



Retirement

The government has published the long-awaited Ordinance No. 2017-484 of April 6, 2017 on the establishment of organizations dedicated to the exercise of the additional occupational pension activity and adaptation of additional pension annuity units in the Official Journal. The new occupational pension vehicle "fonds de retraite professionnelle supplémentaire" (FRPS) will allow insurers to bypass the Solvency II rules, keeping pension business off their balance sheets. Insurers will now be able to submit applications to the Authority of Prudential Supervision and Resolution (ACPR) for establishment of FRPS. The first are expected to launch in early 2018.

Link

<https://goo.gl/ZnEaQk>

EU

WATCH

Ultimate forward rate reduced for EEA



Retirement

The European Insurance and Occupational Pensions Authority (EIOPA) has announced changes to the Solvency II ultimate forward rate (UFR) from January 1, 2018. The UFR is used by insurers to determine the discount rate that should be used for long-dated liabilities under Solvency II. Based on the new methodology, the new long-term UFR for insurers in most large countries will be 3.65%, compared to the current rate of 4.2%. The annual changes to the UFR will not be higher than 15 basis points, so it will change gradually, decreasing in 2018 from 4.2% to 4.05%. The change will act to increase insurance company liabilities for long-term business especially pensions and annuity business. This may push up costs of insurance company pension scheme buy-outs and, over time, may also result in higher funding liabilities for pension schemes in some countries where the UFR is used for pensions reserving purposes. In response, Insurance Europe, which represents all types of insurance companies in Europe, issued a press release stating that there is no need for EIOPA to make rushed changes to the UFR, that this will have a detrimental impact on insurers' ability to invest long-term, and any changes should only be implemented in 2020 when a wider review of Solvency II will be carried out by the European Commission.

Link

<https://goo.gl/lbQLjV>

Philippines

NOTE

Guidelines for accreditation of Health Maintenance Organization (HMO) products



Health

The Philippines Insurance Commission (IC) has announced the release of new guidelines on the approval of HMO products as well as guidelines on accreditation of actuaries for HMOs. An HMO agreement must provide for a range of care, including pre-existing conditions, and it must specify any limitations. The documentation provided to the IC includes marketing materials and a detailed report from an IC-accredited actuary. The guidelines on actuary accreditation set out the credentialing requirements and responsibilities of HMO actuaries.

Link


<https://goo.gl/RFTmzc>

<https://goo.gl/fwwhrn>

Other Notable Updates

Area	Country	Date	Name
 Health	Egypt	04/20	Cabinet backs national health insurance bill
	Estonia	04/27	Health promotion tax incentives adopted
	Guyana	04/20	VAT exemption for medical services
	India	04/06	Cabinet endorses National Health Policy 2017.
	South Korea	04/20	Government promotes wellness discounts
	Sri Lanka	04/06	VAT on some health services
	US	04/27	CMS Releases Final Regulations on Affordable Care Act Market Stabilization
	Uzbekistan	04/27	Universal health insurance scheme on the way
	Uzbekistan	04/20	Tax breaks for health providers
 Retirement	Australia	04/13	Consultation on super default funds
	Belgium	04/13	OSS scheme changes
	Brazil/India	04/06	First BRICS social security agreement
	EU	04/20	Council endorses directive on shareholder rights and responsibilities
	Gibraltar	04/27	New QROPS regulations
	Netherlands	04/20	ESG covenant for pension funds
	Nigeria	04/13	New life annuity requirement
	Nigeria	04/20	Pension protection fund financing
	Pakistan	04/13	Pension and health reform package
	Russia	04/06	Stress tests for pension funds
	South Africa	04/13	Ruling on taxation of foreign pension income
	Switzerland	04/06	Parliament approves pension reform.
	UK	04/13	PPF Levy Determination for 2017/18
	UK	04/20	TPR investment guidance for DB schemes

Area	Country	Date	Name
 Retirement	Ukraine	04/27	Older worker protection, incentive for post-employment work
	US	04/20	DOL Releases Final Rule Extending Fiduciary Rule Applicability Date to June 9, 2017
	Vietnam	04/06	Social contributions to be allowed for expatriates/Definition of salary subject to premiums will broaden
 Risk	Bermuda	04/20	Financial services tax on insurance premiums
	Nepal	04/27	Insurer capital requirements to quadruple
	US	04/13	President Trump Signs H.J. Res. 37 Into Law; Nullifies Former "Blacklisting" Executive Order
 Talent	Angola	04/06	New rules on employment of foreign workers
	Australia	04/13	Time-keeping app to curb working hour disputes
	Australia	04/13	Ruling on voluntary job swap option in a redundancy
	Bermuda	04/06	Foreign worker discrimination ruling
	Bhutan	04/20	Incentive for not hiring foreigners
	Canada	04/06	Federal Budget 2017
	Colombia	04/27	Tax treatment of foreign parent share plan
	Denmark	04/13	Ruling on paid meal break entitlement
	El Salvador	04/13	Union security protocol gazetted
	France	04/20	Ruling on status of travel time
	Germany	04/27	Advantage for in-house workers found non-discriminatory
	Global	04/06	ILO revises MNC guidance
	Greece	04/13	Company car valuation formula
	Guatemala	04/06	Congress endorses Labor Code amendments
	India	04/06	Bill establishes mandatory compensation for injured workers
India	04/06	Meal vouchers must go digital	
India	04/20	Ruling on tax status of secondment payment	
India	04/20	Reprieve on creche requirement	
Israel	04/06	Parental leave bill passed	
Israel	04/13	Bill on reduced hours after maternity leave passed by Knesset	
Israel	04/13	Ruling on fixed-term assignment disclosure	

Area	Country	Date	Name
 Talent	Lithuania	04/27	Trilateral agreement on labor code revision
	Luxembourg	04/20	New immigration law takes effect
	Morocco	04/06	Guidance on tax regimes for allowances
	Netherlands	04/27	Minimum wage for some professional service contracts
	New Zealand	04/27	Expatriate tax threshold shifted
	Norway	04/27	Ruling against zero-hour contracts
	Puerto Rico	04/27	Severance pay rules changed
	Slovakia	04/13	Retail sector holiday exemptions curbed
	South Africa	04/13	SARS guidance on employer-provided transport
	Sweden	04/13	Company car valuation changed
	Turkey	04/06	Turquoise card regulations published
	UK/EU	04/13	Article 50, the tentative way forward
	US	04/06	Extreme vetting for visa applicants

Additional information on the above, plus other updates can be found in
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Contacts

If you have questions please contact your Aon Hewitt representative or send a note to Country.Profiles@aonhewitt.com.