



## Global Legislative Update

Issue Date: June | July 2016

Frenkel Benefits is a member of three networks of worldwide independent insurance and benefits brokers: Assurex Global, GBN Worldwide and the International Benefits Network. This global legislative update summarizes recent legislative developments and trends in employee benefits across the world that our global partners have shared with us which may affect employers. This includes recently passed or pending legislation that may require employers to take action to comply with new rules.

<b>Australia</b>	Employers should consider the impact of the changes to 'Real Life Insurance' commissions, where the phase-down of upfront commissions to a maximum percentage and a two year retention 'clawback' period will be implemented effective from 1 July 2016.
<b>Brazil</b>	Employers should note the potential of likely increases in medical insurance cost following the inclusion of more medical procedures in medical contracts.
<b>Bulgaria</b>	Employers should be aware of the minimum security thresholds for different professions have been increased by approximately 8% following the release of a new Insurance Code effective from 1 January 2016.
<b>Canada</b>	Employers implementing private medical plans in Ontario should note the increase of income-eligibility thresholds for the low-income seniors' benefit effective from 1 August 2016. Retirees should submit expenses for reimbursement under their prior employer-sponsored benefit plans following the changes.
<b>Croatia</b>	Companies with Health Insurance in Croatia should be aware of the likely increase of premium cost for complementary health insurance from 840 HRK to 1,068 HRK.
<b>Denmark</b>	Changes to the age of retirement mean that employers with a pension scheme need to make adjustments to the retirement age in their pension agreement with the insurance company.
<b>Finland</b>	Employers should take necessary actions in preparation for the pension reform which is going to be implemented effective from 1 January 2017. The reform features the merger of all public pensions into one pension, closing down of TEL-L pension plans, abolishment of part-time pensions and the increase of pension accrual rate for older employees.  Employers should communicate to employees regarding the changes to public health care effective from 1 January 2016 including the increase of hospital charges by 30% and the decrease of daily sickness allowance paid by NHS by 20%.

<b>France</b>	Employers should be aware of the new ceiling for reimbursement for all group medical plans effective from 1 January 2016. This applies to group medical plans implemented after 1 April 2015. Employers may want to check if their current medical plans implemented after this date can benefit from postponing the implementation until 1 January 2018 under certain conditions.
<b>Germany</b>	Financial managers and payroll service providers may want to consider alternative options to avoid the impact of the extension of pension discount rates from a 7-year average to a 10-year average, on pension book reserves.
<b>Italy</b>	Companies should be aware of the recent changes passed by the Jobs Act including fiscal incentives for companies to hire and offering lunch vouchers. Employers may also want to consider offering employees new tax effective benefits which have been introduced by the Jobs Act.
<b>Romania</b>	Employers should be aware of the new tax exemption threshold for Health Insurance effective from 1 January 2016 and apply new tax calculation method.
<b>Serbia</b>	Financial managers may want to check new tax rates applied to Death due to Illness (DDI) insurance which is now treated as taxable earning with an approximate. 70% tax rate applied effective from 26 December 2015. This benefit was previously tax deductible.
<b>Singapore</b>	Companies should issue itemized payslips and list the key employment terms to all employees in order to comply with the new amendment to the Employment Act.
<b>South Korea</b>	Employers with over 300 employees should adopt a Corporate Pension Plan effective from 1 January 2016 and employers that have more than 1 employee will be required to adopt a plan by 2022.
<b>Switzerland</b>	Employers should be aware of the elimination of minimum guarantees for 401k plan.

*Please be aware that this does not represent legal or tax advice and is only Frenkel's interpretation of the laws, regulations and statutes. This list is not intended to be exhaustive. It is highly recommended that you seek the advice of your legal and tax professional as to the applicability of this information to your particular situation.*