



# SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

## **PRESS RELEASE**

For immediate release

June 15, 2019

### **SECP proposes mandatory health insurance for private sector employees**

**ISLAMABAD, June 15:** As part of the reforms relating to the development of the insurance market, the SECP has recommended to the federal government to introduce mandatory health insurance for the private sector employees.

The SECP has recommended to introduce compulsory occupational health insurance scheme by amending the 1968 West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance (and its provincial counterparts). This recommendation is aimed at covering full-time workers, including permanent, contract, and temporary workers and their dependents. The cost of the scheme is nominal and will be borne by the employers. The hospitalization benefit to each employee and their dependents is proposed to be provided on a cashless basis for network hospitals and on a reimbursement basis in case of out of network hospitals.

The mandatory health insurance will enhance the financial inclusion in Pakistan by making insurance accessible to those workers who have currently no health insurance. This will also improve social wellbeing of private sector employees by providing them with basic healthcare facilities. Such schemes are already working successfully in many countries such as India, China, Dubai, Oman, Germany, Belgium and the United States.