Health Insurance for The Private Sector In Oman

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Under the current provisions of Omani labour law (the "Labour Law") private sector employers are required to provide medical facilities to their expatriate employees working in Oman. For larger companies, the Labour Law imposes an additional obligation on the private sector entity to employ a qualified nurse, provide access to specialist doctors and complementary medicine. Many employers have chosen to satisfy these obligations by providing a medical insurance policy to their expatriate employees under which the insurance company pays the private hospital for treatment rendered to the insured employee. Under existing provisions of the Labour Law, Omani nationals are not often beneficiaries of a dedicated healthcare policy in the same way as their expatriate colleagues. The cost of their treatment at Government hospitals is borne by their employers, who do not, in general, cover the cost of private healthcare for their employees.

Under the new rules, Omani nationals will be entitled to a private healthcare insurance policy, affording them access to a wider range of health institutions. In respect of expatriates, the new rules are likely to impose stricter obligations on deviant employers who do not comply with the existing Labour Law requirements outlined above.

The new regulations are expected to be issued by the Ministry of Health during 2018. The effects are likely to be significant and will undoubtedly reduce the strain currently experienced by Government owned hospitals in Oman, which generally cater for Omani nationals only, by diverting existing users of Government facilities to the private healthcare sector. Recent studies show that only 9% of Omani nationals in the private sector are beneficiaries of healthcare insurance.

A further update will be published once the new rules have been brought into force.