

Bahamas

Exchange rate: US\$1.00 =
1.00 Bahamian dollar (B\$).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 (old-age noncontributory pensions) and 1967 (public assistance for disability).

Current law: 1972 (national insurance).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed and self-employed persons.

Voluntary coverage is available.

Social assistance: Residents of the Bahamas.

Source of Funds

Insured person

Social insurance: 3.9% of weekly covered earnings. Voluntarily insured persons contribute 5% of weekly average wages or income, based on the insured's wages or income in the year before registration.

The maximum annual earnings used to calculate contributions are B\$32,240.

The insured person's mandatory contributions also finance cash sickness, maternity, unemployment, and work injury benefits. The voluntarily insured person's contributions also finance the maternity grant.

Social assistance: None.

Self-employed person

Social insurance: 6.8% of covered earnings.

The maximum annual earnings used to calculate contributions are B\$32,240.

The self-employed person's contributions also finance cash sickness and maternity benefits.

Social assistance: None.

Employer

Social insurance: 5.9% of covered payroll.

The maximum annual earnings used to calculate contributions are B\$32,240.

The employer's contributions also finance cash sickness, maternity, work injury, and unemployment benefits.

Social assistance: None.

Government

Social insurance: None; contributes as an employer.

Social assistance: The total cost.

Qualifying Conditions

Social insurance

Old-age pension: Age 65 with at least 500 weeks of paid contributions.

Entitlement ceases if the insured person earns at least B\$310 a week.

Early pension: A reduced pension may be paid from age 60 to 64 with at least 500 weeks of paid contributions.

Deferred pension: The pension may be deferred up to age 69.

The benefit is paid locally for insured persons who live abroad.

Old-age grant: Age 65 with at least 150 weeks but less than 500 weeks of paid contributions.

Disability pension: Younger than age 65, assessed with a permanent incapacity for any work, and has at least 150 weeks of paid contributions.

Survivor pension: The deceased received or was entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a dependent widow(er) who was married to the deceased and was disabled or aged 40 or older and incapable of gainful employment; a dependent widow(er) who was caring for a child younger than age 16 (age 21 if a student, no limit if disabled) at the time of death; a dependent widow who was pregnant with the deceased's child at the time of death; dependent children younger than age 16 (age 21 if a student, no limit if disabled); and dependent parents who are disabled or aged 40 or older and incapable of gainful employment.

Survivor grant: The deceased had at least 150 weeks of paid contributions at the time of death.

Eligible survivors include a widow(er) who was married to the deceased for at least a year but who does not meet the age or dependent children requirements for a survivor pension.

Funeral benefit: Paid when an insured person or the spouse of an insured person dies if the insured had at least 50 weeks of paid contributions.

Social assistance

Noncontributory old-age pension (income tested): Age 65, retired, assessed as needy, and does not qualify for the social insurance old-age pension.

Disability assistance (income tested): Assessed with a disability, needy, and does not qualify for the social insurance disability pension.

Survivor assistance (income tested): The deceased did not qualify for a social insurance old-age or disability pension.

Old-Age Benefits

Social insurance

Old-age pension: 30% of the insured's covered wage is paid with at least 500 weeks of paid or credited contributions. The pension is increased by 1% of the covered wage for each 50-week period of paid or credited contributions exceeding 500 weeks, up to 60%.

The covered wage is based on the insured's average weekly earnings in the best five years of contributions in which at least 26 contributions were made.

Early pension: The benefit is reduced by 0.58% for each month the insured is younger than age 65.

Deferred pension: The benefit is increased by 0.58% for each month the insured is older than age 65, up to 35%.

The minimum pension is B\$65.81 a week.

Old-age grant: A lump sum of six times the number of 50-week periods of paid contributions multiplied by the covered wage is paid.

Social assistance

Noncontributory old-age pension (income tested): B\$60.54 a week is paid.

Permanent Disability Benefits

Social insurance

Disability pension: 30% of the insured's covered wage is paid with at least 500 weeks of paid or credited contributions; 15% to 28% of covered wage with 150 to 499 weeks. The pension is increased by 1% of the covered wage for each 50-week period of paid or credited contributions exceeding 500 weeks, up to 60%.

The covered wage is based on the insured's average weekly earnings in the best three years of contributions in which at least 26 contributions were made.

The maximum annual wage used to calculate benefits is B\$32,240.

The minimum pension is B\$71.08 a week.

Social assistance

Disability assistance (income tested): B\$60.54 a week is paid.

Survivor Benefits

Social insurance

Spouse's pension: 50% of the retirement or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er).

The minimum survivor pension is B\$71.08 a week.

Orphan's pension: 10% of the retirement or disability pension the deceased received or was entitled to receive is paid for each eligible child, up to five children (if the widow(er) receives a survivor pension) or 10 children (if the widow(er) does not receive a survivor pension); B\$32.90 a week is paid for each full orphan.

The minimum orphan's pension is B\$28.95 a week.

Other eligible survivors: If there is no eligible widow(er) or orphan, 50% of the retirement or disability pension the deceased received or was entitled to receive is paid to an eligible parent.

The minimum survivor pension is B\$71.08 a week.

All survivor benefits combined must not exceed 100% of the retirement or disability pension the deceased received or was entitled to receive.

Survivor grant: A lump sum of one year of the old-age or disability benefit the deceased received or was entitled to receive is paid.

Funeral benefit: A lump sum of up to B\$1,720 is paid to the person who pays for the funeral.

Social assistance

Survivor assistance (income tested): B\$60.54 a week is paid to persons aged 18 or older; B\$24.21 a week to children younger than age 18.

Administrative Organization

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour>) provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com>) administers the program.

Sickness and Maternity

Regulatory Framework

First and current laws: 1972 (national insurance) and 1998 (hospitals and health care).

Type of program: Social insurance (cash benefits) and social assistance (medical benefits) system.

Coverage

Cash benefits: Employed and self-employed persons. Voluntarily insured persons are covered for the maternity grant and funeral benefit only.

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Medical benefits (National Prescription Drug Plan): Old-age, disability, and survivor pensioners, persons receiving cash sickness benefits, persons aged 65 or older, children up to age 18 (age 25 if a full-time student), needy persons, public-sector employees, and women receiving prenatal or postnatal care.

Medical benefits (social assistance): Residents of the Bahamas.

Source of Funds

Insured person

Cash benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: None.

Self-employed person

Cash benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: None.

Employer

Cash benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: None.

Government

Cash benefits: None.

Medical benefits: The total cost.

Qualifying Conditions

Cash sickness benefits: Must have been employed on the day of or on the day before the incapacity began and have at least 40 weeks of contributions, including 26 weeks of paid or credited contributions in the year immediately before the incapacity began or in the last contribution year, or 13 weeks of paid or credited contributions in the 26 weeks immediately before the incapacity began.

Cash maternity benefits: Must have at least 50 weeks of contributions, including 26 weeks of paid or credited contributions in the last year of contributions or in the 40 weeks before the benefit is paid.

Maternity grant: Must have at least 50 weeks of paid contributions. The benefit is paid to an insured woman or the wife of an insured man.

Funeral benefit: Paid when an insured person or the spouse of an insured person dies if the insured had at least 50 weeks of paid contributions.

Sickness and Maternity Benefits

Sickness benefit: 60% of average weekly covered earnings is paid after a three-day waiting period for up

to 26 weeks; may be extended for 14 weeks in certain circumstances.

The minimum benefit is B\$71.08 a week.

Sickness allowance (means tested): B\$60.54 a week is paid for an insured person who does not meet the contribution requirements for the sickness benefit.

Maternity benefit: 66.6% of average weekly covered earnings is paid for 13 weeks beginning no earlier than six weeks before the expected date of childbirth; may be extended for two weeks in certain circumstances.

The minimum benefit is B\$69.48 a week.

Maternity grant: A lump sum of B\$465 is paid for each live birth.

Funeral benefit: A lump sum of B\$1,720 is paid to the person who pays for the funeral.

Workers' Medical Benefits

Medical benefits (National Prescription Drug Plan): Free medicine and wellness programs are provided for persons suffering from one or more of 14 approved chronic diseases.

Medical benefits (social assistance): Public and private medical care is available at public hospitals and clinics. Government subsidizes the cost of primary care for civil servants, children, pregnant women, persons older than age 60, and needy persons.

Dependents' Medical Benefits

Medical benefits for dependents (social assistance and National Prescription Drug Program): Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Cash benefits

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour>) provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com>) administers the program.

Medical benefits

Ministry of Health (<http://www.bahamas.gov.bs/health>) provides general supervision and administers primary health care benefits.

National Insurance Board's Medical Benefits Branch (<http://www.nib-bahamas.com>) administers the National Prescription Drug Plan.

Work Injury

Regulatory Framework

First law: 1943 (workmen's compensation).

Current law: 1972 (national insurance).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Exclusions: Family labor.

Source of Funds

Insured person: None.

Self-employed person: 2% of covered earnings.

The maximum annual earnings used to calculate contributions are B\$32,240.

Employer: See source of funds for Old Age, Disability, and Survivors.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability pension: 66.6% of the insured's average weekly covered earnings is paid after a three-day waiting period for up to 40 weeks.

The minimum benefit is B\$71.08 a week.

The maximum benefit is B\$413.33 a week.

Permanent Disability Benefits

Permanent disability pension: For an assessed degree of disability of 100%, 66.6% of the insured's average weekly covered earnings is paid. A lump sum of B\$1,000 is also paid.

The minimum benefit for a total disability is B\$71.08 a week.

The maximum benefit for a total disability benefit is B\$413.33 a week.

Constant-attendance supplement: If the insured is assessed with a 100% degree of disability and requires the constant attendance of others to perform daily functions, 20% of the insured's permanent disability pension is paid.

Partial disability: For an assessed degree of disability of at least 25%, a reduced pension is paid, according to the assessed degree of disability. A lump sum of B\$500 is also paid.

The minimum partial disability benefit is B\$60.54 a week.

Lump-sum grant: For an assessed degree of disability of 1% to 24%, a lump sum of B\$100 to B\$2,400 is paid, according to the assessed degree of disability.

Workers' Medical Benefits

Benefits (including hospitalization, general and specialist care, medicine, and transportation) are paid for up to 40 weeks (for an assessed degree of disability of 25% or less) or two years (for an assessed degree of disability of more than 25%).

Survivor Benefits

Spouse's pension: 50% of the temporary disability pension the deceased received or was entitled to receive is paid.

Orphan's pension: 10% of the temporary disability pension the deceased received or was entitled to receive is paid for each dependent child younger than age 16 (age 21 if a full-time student), up to five children (if the widow(er) receives a survivor pension) or 10 children (if the widow(er) does not receive a survivor pension).

Industrial death benefit: A lump sum of one month of the spouse's or orphan's pension is paid.

Industrial funeral benefit: A lump sum of B\$1,720 is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour>) provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com>) administers the program.

Unemployment

Regulatory Framework

First and current law: 2009 (national insurance), implemented in 2009 and 2010.

Type of program: Social insurance system.

Coverage

Employed persons younger than age 65.

Exclusions: Self-employed persons.

Source of Funds

Insured person: 0.5% of salary.

Self-employed person: Not applicable.

Employer: 0.5% of payroll.

Government: Any deficit.

Qualifying Conditions

Unemployment benefit: Must have at least 52 weeks of paid contributions, including 13 weeks of paid or credited contributions in the 26 weeks before unemployment began,

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and seven weeks of paid or credited contributions in the 13 weeks before unemployment began.

To remain eligible, the insured must register with the labor exchange every four weeks, be available and looking for work, and must accept suitable employment.

Unemployment Benefits

Unemployment benefit: 50% of the insured's average covered weekly earnings is paid after a three-day waiting period for up to 13 weeks (may be extended in certain circumstances) in any 52-week period.

After receiving benefits for 13 weeks in any 52-week period, the insured must wait 52 weeks to be eligible for another claim.

The minimum unemployment benefit is B\$71.08 a week.

The maximum unemployment benefit is B\$310 a week.

Schedule of payments: The benefit is paid biweekly.

Administrative Organization

Ministry of Labour and National Insurance (<http://www.bahamas.gov.bs/labour>) provides general supervision.

National Insurance Board (<http://www.nib-bahamas.com>) administers the program.