

Bermuda

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

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1967 (old age and survivors).

Current laws: 1970 (old age and survivors); 1980 (disability); 1998 (occupational pensions), implemented in 2000; and 1999 (national pension scheme regulations).

Type of program: Social insurance, mandatory occupational pension, and social assistance system.

Coverage

Social insurance

Employed and self-employed persons older than age 18 working more than four hours a week, and temporary residents gainfully employed for more than 26 consecutive weeks.

Voluntary coverage for persons who were previously covered.

Exclusions: Full-time students up to age 26 who work weekends or during school vacations.

Mandatory occupational pension

Employed persons aged 23 or older who are citizens or the spouse of a citizen and who have worked 720 hours or more for their current employer in any calendar year; self-employed persons aged 23 or older who are citizens or the spouse of a citizen and have annual earnings above B\$20,000.

Social assistance

Residents of Bermuda.

Source of Funds

Insured person

Social insurance: B\$32.07 a week; none if older than age 65.

Mandatory occupational pension: 5% of covered earnings.

The maximum annual earnings used to calculate contributions are B\$200,000.

Social assistance: None.

Self-employed person

Social insurance: B\$64.17 a week; B\$32.07 if older than age 65.

Mandatory occupational pension: 10% of declared earnings. Additional voluntary contributions are possible.

The maximum mandatory contribution on declared earnings is B\$5,000 a year.

Social assistance: None.

Employer

Social insurance: B\$32.07 a week.

Mandatory occupational pension: 5% of covered earnings.

The maximum annual earnings used to calculate contributions are B\$200,000.

Social assistance: None.

Government

Social insurance: None; contributes as an employer.

Mandatory occupational pension: None.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension

Old-age pension (social insurance): Age 65 with at least 250 weeks of contributions, including an average of at least 50 weeks of contributions for each year of coverage. Retirement is not necessary.

Partial pension: Age 65 with at least 250 weeks of contributions, including an average of 25 to 49 weeks of contributions for each year of coverage.

The old-age pension is payable abroad.

Old-age settlement (social insurance): Age 65, has made contributions, but does not meet the contribution requirements for the old-age pension (social insurance).

Old-age pension (mandatory occupational pension): Age 65.

Noncontributory old-age pension (social assistance):

Age 65, does not qualify for contributory old-age benefits, and a citizen with at least 10 years of continuous residence in Bermuda in the 20 years immediately before the application.

Disability pension

Disability pension (social insurance): Assessed with a disability, employed immediately before the disability began, and unable to work for a full year. Must have at least 150 weeks of contributions, including at least 50 weeks of contributions for each year of coverage.

Partial pension: Assessed with a disability, employed immediately before the disability began, unable to work for a full year, and has an average of 25 to 49 weeks of contributions for each year of coverage.

The disability pension is payable abroad.

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Disability pension (mandatory occupational pension): Must be assessed with an incapacity for work due to a physical or mental condition.

Noncontributory disability pension (social assistance): Assessed with a permanent incapacity for work, does not qualify for any contributory disability benefits, and resided in Bermuda for at least 10 years immediately before the application.

Appointed medical doctors assess the degree of disability.

Survivor pension

Survivor pension (social insurance): The deceased received or was entitled to receive an old-age or disability pension (social insurance).

Partial pension: Paid if the deceased qualified for a partial old-age or partial disability pension.

Eligible survivors include a widow(er) married to the deceased for at least three years including at the time of death.

For her own old-age or disability pension calculation, a widow who receives a survivor pension is credited for every week she receives the pension and may substitute up to a year of her deceased husband's contribution record for her own.

The survivor pension ceases on remarriage or cohabitation.

The survivor pension is payable abroad.

Survivor settlement (social insurance): The deceased had made contributions but did not meet the contribution requirements for a survivor pension (social insurance).

Eligible survivors include a widow(er) married to the deceased for at least three years including at the time of death.

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

Eligible survivors include beneficiaries named by the deceased.

Old-Age Benefits

Old-age pension (social insurance): B\$226.22 a week (B\$982.98 a month) plus B\$1.33 for each 26-week period of contributions exceeding 250 contributions is paid.

Partial pension: The minimum monthly partial pension is B\$491.49 (one-half of the full pension) if the annual average number of weeks of contributions is 25 to 29; B\$589.74 (three-fifths) for 30 to 34 weeks; B\$688.07 (seven-tenths) for 35 to 39 weeks; B\$786.40 (four-fifths) for 40 to 44 weeks; or B\$884.69 (nine-tenths) for 45 to 49 weeks.

Old-age settlement (social insurance): The total employer and employee contributions are refunded as a lump sum.

Old-age pension (mandatory occupational pension):

The pension is based on the insured's average earnings or the amount of the insured's accumulated capital, depending on the rules for the specific occupational pension scheme.

Noncontributory old-age pension (social assistance):

B\$103.81 a week (B\$451.08 a month) is paid with total annual income greater than \$4,000; B\$106.83 a week (B\$464.20 a month) with total annual income up to \$4,000.

Permanent Disability Benefits

Disability pension (social insurance): B\$150.79 a week (B\$655.22 a month) is paid.

Partial pension: A percentage of the full pension is paid according to the number of average annual weeks of contributions.

Disability pension (mandatory occupational pension):

The amount of the benefit depends on the rules for the specific occupational pension scheme.

Noncontributory disability pension (social assistance):

B\$103.81 a week (B\$451.08 a month) is paid.

Survivor Benefits

Survivor pension (social insurance): B\$226.22 a week (B\$982.98 a month) is paid.

Partial pension: B\$491.49 (one-half of the full pension) a month is paid if the deceased's annual average number of weeks of contributions was 25 to 29; B\$589.74 (three-fifths) for 30 to 34 weeks; B\$688.07 (seven-tenths) for 35 to 39 weeks; B\$786.40 (four-fifths) for 40 to 44 weeks; or B\$884.69 (nine-tenths) for 45 to 49 weeks.

An additional allowance of B\$22.57 a week (B\$98.07 a month) is paid for each dependent child.

The survivor pension is paid for 26 weeks or until dependent children reach age 18 (26 if a full-time student); for life if the surviving spouse is older than age 50 or disabled.

Survivor settlement (social insurance): The total employer and employee contributions are refunded as a lump sum.

Survivor benefit (mandatory occupational pension):

The benefit is paid as a lump sum or according to the pension plan based on the value of the deceased's contributions, accumulated capital, or accrued benefits.

A lump-sum benefit is paid to the survivor if the deceased was a member of an occupational pension scheme for less than two years at the time of death.

Administrative Organization

Social insurance and social assistance

Ministry of Finance provides general supervision.

Department of Social Insurance (<http://www.socialinsurance.gov.bm>) administers the program.

Mandatory occupational pension

Pension Commission (<http://www.pensioncommission.bm>) supervises and regulates the program.

Sickness and Maternity

Regulatory Framework

First and current laws: 1970 (health insurance); 2000 (labor law); and 2004 (health council), implemented in 2006.

Type of program: Employer-liability (cash benefits) and compulsory insurance (medical benefits) system.

Note: Compulsory medical insurance for employed persons and their dependents may be provided by a public or private carrier or an approved employer-operated plan. Separate insurance is available for nonemployed persons.

Coverage

Cash benefits: Employed persons.

Medical benefits

Government Health Insurance Plan: Residents of Bermuda aged 18 or older.

Commercial Insurance: Employed persons and their nonemployed spouses; and self-employed persons.

Future Care: Residents of Bermuda aged 65 or older.

Source of Funds

Insured person

Cash benefits (employer liability): None.

Health Insurance Plan: B\$216.66 a month, plus B\$95 a month for each dependent child up to age 21. Voluntarily insured persons pay B\$433.31 a month.

Commercial Insurance: Employed persons and their nonemployed spouses pay 50% of a premium set based on medical underwriting.

Future Care: B\$252.11 a month; B\$749.24 a month for persons who do not meet residency requirements. Voluntary insured persons pay B\$504.21 a month; B\$1,498.48 a month for persons who do not meet residency requirements.

Self-employed person

Cash benefits (employer liability): Not applicable.

Health Insurance Plan: B\$433.31 a month.

Commercial Insurance: 100% of premiums set based on medical underwriting.

Future Care: B\$504.21 a month; B\$1,498.48 a month for persons who do not meet residency requirements.

Employer

Cash benefits (employer liability): The total cost.

Health Insurance Plan: B\$216.66 a month, plus B\$95 a month each for employees' dependent children up to age 21.

Commercial Insurance: For employed persons and their nonemployed spouses, 50% of a premium set based on medical underwriting.

Future Care: B\$252.11 a month; B\$749.24 a month for persons who do not meet residency requirements.

Government

Cash benefits (employer liability): None.

Medical benefits: The total cost of health insurance for needy persons; 80% of the total cost of hospital care for residents aged 65 to 74; 90% of the total cost of hospital care for residents aged 75 or older.

Qualifying Conditions

Cash sickness benefits (employer liability): Must have at least one year of continuous service.

Cash maternity benefits (employer liability): Must provide a medical certificate specifying the expected date of childbirth and submit an application to the employer at least four weeks before the expected date the leave will begin.

Medical benefits: There is no minimum qualifying period for employees with compulsory coverage, except for a 10-month waiting period for maternity care.

Sickness and Maternity Benefits

Sickness benefit (employer liability): 100% of the employee's daily wages is paid for up to eight days a year.

Maternity benefit (employer liability): 100% of the employee's wages is paid for eight weeks for employees with at least one year of continuous service with the same employer, plus an additional four weeks of unpaid leave. Employees with less than a year may take eight weeks of unpaid leave.

Workers' Medical Benefits

Medical benefits

Health Insurance Plan: Benefits include inpatient and outpatient services; nursing, diagnostic, laboratory, ambulance, specialist, and doctor services; surgery; appliances; medicine; basic dental care; and health and wellness visits.

Commercial Insurance: Benefits include inpatient and outpatient services; nursing, preventive, diagnostic, laboratory, ambulance, air ambulance, air travel, room and board, specialist, and doctor services; surgery; appliances; prescription drugs; dental and vision care; and at-home nursing services.

Future Care: Benefits include inpatient and outpatient services; nursing, preventive, diagnostic, laboratory, ambulance, specialist, and doctor services; surgery; appliances; medicine; dental and vision care; and at-home nursing services.

Cost sharing: Copayments are required under all plans.

Dependents' Medical Benefits

Medical benefits for dependents

Health Insurance Plan and Commercial Insurance: Medical benefits for dependents are the same as for the insured.

Eligible dependents include children up to age 21.

Administrative Organization

Cash benefits

Department of Workforce Development (<http://www.dwd.bm/>), under the Ministry of Home Affairs, administers cash benefits.

Medical benefits

Ministry of Health provides general supervision.

Health Insurance Department (<http://www.hip.gov.bm>) administers the Health Insurance Plan and the Future Care programs.

Private carriers administer the commercial insurance.

Work Injury

Regulatory Framework

First and current law: 1965 (workmen's compensation).

Type of program: Employer-liability system. (The government may require employers to carry insurance.)

Coverage

Employed persons and apprentices.

Exclusions: Self-employed persons, casual labor, part-time workers, temporary employees, students, and voluntary workers.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost (pays insurance premiums or provides benefits directly to employees).

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. The incapacity must last more than three days.

Temporary Disability Benefits

50% of lost earnings (up to B\$170 a week) or a lump sum is paid. The total benefit must not exceed the permanent disability benefit the insured would be entitled to receive.

Permanent Disability Benefits

Permanent disability benefit: For a total disability, four years of the insured's earnings before the incapacity began, or four years of the average annual per capita income, whichever is less, is paid.

The average annual per capita income is B\$91,479 (2014).

Constant-attendance supplement: 25% of the permanent disability benefit is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: A percentage of the full disability benefit is paid according to the assessed loss of earning capacity.

Appointed medical doctors assess the degree of disability.

Workers' Medical Benefits

Benefits include the cost of necessary medical care, including hospitalization (up to a maximum based on the prevailing public ward charge for 56 days); emergency outpatient treatment; surgery, according to a fee schedule; medical expenses, including the cost of nursing, ambulances, and medicine, up to B\$1,000; the cost of prostheses up to B\$2,000; and the cost of transportation up to B\$250.

Survivor Benefits

Survivor benefit: Three years of the deceased's earnings, or three years of the average annual per capita income, whichever is less, minus the value of any permanent disability benefits paid to the deceased, is paid.

The average annual per capita income is B\$91,479.

Eligible survivors include persons who were totally dependent on the deceased.

Partial survivor grant: A grant is paid to those who were partially dependent on the deceased.

Funeral grant and medical expenses: Up to B\$2,000 is paid if there are no dependents.

Administrative Organization

Ministry of Labor, Home Affairs, and Public Safety provides general supervision.

Supreme Court administers lump sums.

Courts supervise the agreement between an employer and the insured on the amounts payable.

Unemployment

Regulatory Framework

Labor law (2000) requires employers to provide severance pay to employees with at least one year of continuous service. Severance is paid in cases of redundancy, insolvency, death of the employer, and death of the employee due to a work injury. The benefit is at least two weeks' wages for each year of service up to 10 years and three weeks for each year exceeding 10 years, up to 26 weeks' wages.