

## 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:** Needy residents of the Bahamas.

#### Source of Funds

##### Insured person

**Social insurance and social assistance:** 3.9% of weekly covered earnings; 5% of average weekly wages or income, based on the insured's wages or income in the year before registration, for the voluntarily insured.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

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

##### Self-employed person

**Social insurance and social assistance:** 6.8% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

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

##### Employer

**Social insurance and social assistance:** 5.9% of covered payroll.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

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

#### Government

**Social insurance and social assistance:** None; contributes as an employer.

#### Qualifying Conditions

##### Old-age pension (social insurance, earnings tested):

Age 65 with at least 500 weeks of paid contributions.

Early pension: Aged 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 (social insurance):** Age 65 with at least 150 weeks but less than 500 weeks of paid contributions.

**Noncontributory old-age pension (social assistance, income tested):** Age 65 and does not qualify for the social insurance old-age pension.

Employment must cease.

**Disability pension (social insurance):** Must be younger than the normal retirement age, be assessed with a permanent incapacity for any work, and have at least 150 weeks of paid contributions.

**Disability assistance (social assistance, income tested):** Must be assessed with a disability and not be receiving or entitled to receive the social insurance disability pension.

**Survivor pension (social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include a dependent widow(er) who was married to the deceased and is 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 (social insurance):** The deceased had at least 150 weeks of paid contributions at the time of death.

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Eligible survivors include a widow(er) who was married to the deceased for at least a year but who does not qualify for a survivor pension.

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

Eligible survivors include a dependent widow(er); dependent children younger than age 16 (age 21 if a student, no limit if disabled); and dependent parents.

**Funeral benefit (social insurance):** Paid when the insured or the insured's spouse dies if the insured has at least 50 weeks of paid contributions.

### Old-Age Benefits

**Old-age pension (social insurance, earnings tested):** 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.

Earnings test: The pension is suspended if the insured's weekly income is B\$325 or above.

Early pension: The old-age pension is reduced by 0.58% for each month the insured is younger than age 65 at the time of the claim.

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

The minimum weekly old-age pension is B\$67.85.

There is no maximum old-age pension.

**Old-age grant (social insurance):** A lump sum of six times the number of 50-week periods of paid contributions multiplied by the insured's covered wage is paid.

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.

**Noncontributory old-age pension (social assistance, income tested):** B\$62.42 a week is paid.

### Permanent Disability Benefits

**Disability pension (social insurance):** 30% of the insured's covered wage is paid with at least 500 weeks of paid or credited contributions; 15% to 28% 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\$33,800.

The minimum weekly disability pension is B\$73.28.

There is no maximum disability pension.

**Disability assistance (social assistance, income tested):** B\$62.42 a week is paid.

### Survivor Benefits

#### Survivor pension (social insurance)

*Spouse's pension:* 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er).

The minimum weekly spouse's pension is B\$73.28.

There is no maximum spouse's pension.

*Orphan's pension:* 10% of the social insurance old-age 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 spouse's pension) or 10 children (if the widow(er) does not receive a spouse's pension); B\$33.92 a week is paid for each full orphan.

The minimum weekly orphan's pension is B\$29.85.

There is no maximum orphan's pension.

*Other eligible survivor's pension:* If there is no eligible widow(er) or orphan, 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible parent.

The minimum weekly survivor pension is B\$73.28.

There is no maximum survivor pension.

The maximum combined survivor benefit is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive.

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

**Survivor assistance (social assistance, income tested):** B\$62.42 a week is paid to persons aged 18 or older; B\$24.96 a week to children younger than age 18.

**Funeral benefit (social insurance):** A lump sum of up to B\$1,780 is paid to the person who pays 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 and collects contributions.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1972 (national insurance), 1998 (hospitals and health care), 2009 (chronic diseases drug fund), and 2016 (national health insurance).

**Type of program:** Universal (medical benefits), social insurance (cash benefits) and social assistance (medical benefits) system.

Note: National Health Insurance Act creating a social insured health system was passed in 2016 but has not yet been fully implemented. It will provide free primary health care services for enrolled legal residents of the Bahamas.

### Coverage

**Universal (National Prescription Drug Plan, medical benefits):** Old-age, disability, and survivor pensioners, 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.

**Social insurance (cash benefits):** Employed and self-employed persons. Voluntarily insured persons are covered for the maternity grant and funeral benefit only.

**Social assistance (medical benefits):** Residents of the Bahamas.

### Source of Funds

#### Insured person

*Universal and social assistance (medical benefits):* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Self-employed person

*Universal and social assistance (medical benefits):* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Employer

*Universal and social assistance (medical benefits):* None.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

#### Government

*Universal and social assistance (medical benefits):* The total cost.

*Social insurance:* See source of funds under Old Age, Disability, and Survivors.

### Qualifying Conditions

**Cash sickness benefit (social insurance):** Must have been employed on the day of or on the day before the

incapacity began and have at least 40 weeks of paid 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.

**Sickness allowance (social insurance, means tested):** Must be temporarily unable to work due to illness, have at least one week of paid contributions, and not qualify for the social insurance cash sickness benefit.

**Cash maternity benefit (social insurance):** 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 (social insurance):** Must have at least 50 weeks of paid contributions. The benefit is paid to an insured woman or the wife of an insured man.

**Medical benefits (National Prescription Drug Plan, universal):** Must be certified by a registered medical practitioner as suffering from one or more of 14 listed chronic diseases.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance):** 60% of the insured's 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 weekly sickness benefit is B\$73.28.

There is no maximum sickness benefit.

**Sickness allowance (social insurance, means tested):** B\$62.42 a week is paid.

**Maternity benefit (social insurance):** 66.6% of the insured's 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 weekly maternity benefit is B\$73.28.

There is no maximum maternity benefit.

**Maternity grant (social insurance):** A lump sum of B\$480 is paid for each live birth.

### Workers' Medical Benefits

**Medical benefits (National Prescription Drug Plan, universal):** Free medicine and wellness programs are provided.

**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 are the same as those for the insured.

### **Administrative Organization**

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

National Insurance Board (<http://www.nib-bahamas.com/>) administers the cash benefits program and collects contributions.

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**

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#### **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:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** 2% of covered earnings.

There are no minimum earnings used to calculate contributions.

The maximum annual earnings used to calculate contributions are B\$33,800.

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

**Government:** See source of funds under Old Age, Disability, and Survivors.

#### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease that leads to an inability to work. There are no minimum contribution requirements.

### **Temporary Disability Benefits**

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 weekly temporary disability benefit is B\$73.28.

The maximum weekly temporary disability benefit is B\$433.33.

### **Permanent Disability Benefits**

**Permanent disability pension:** For a total (100%) disability, 66.6% of the insured's average weekly covered earnings is paid. A lump sum of B\$1,000 is also paid.

The minimum weekly benefit for a total disability is B\$73.28.

The maximum weekly benefit for a total disability is B\$433.33.

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

**Partial disability:** For an assessed degree of disability of at least 25% but less than 100%, a reduced permanent disability pension is paid, according to the assessed degree of disability. A lump sum of B\$500 is also paid.

The minimum weekly partial disability benefit is B\$62.42.

There is no maximum partial disability benefit.

**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 up to 25%) or two years (for an assessed degree of disability of more than 25%).

### **Survivor Benefits**

#### **Survivor pension**

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

The minimum weekly spouse's pension is B\$73.28.

**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).

The minimum weekly orphan's pension is B\$29.85.

**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\$1,780 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 and collects contributions.

## **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:** See source of funds under Old Age, Disability, and Survivors.

**Self-employed person:** Not applicable.

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

**Government:** Any deficit; contributes as an employer.

### **Qualifying Conditions**

Must have at least 52 weeks of paid contribution, at least 13 weeks of paid or credited contributions in the 26 weeks before unemployment began, and at least 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 accept suitable employment.

### **Unemployment Benefits**

50% of the insured's average weekly covered 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 weekly unemployment benefit is B\$73.28.

The maximum weekly unemployment benefit is B\$325.

Schedule of payments: The benefit is paid every two weeks.

### **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 and collects contributions.