

Honduras

Exchange rate: U.S.\$1.00 equals 17.18 lempiras.

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1959, implemented in 1971, with 2001 amendment.

Type of program: Social insurance system.

Coverage

Employed persons in private- and public-sector enterprises in specified regions.

Coverage is being extended gradually to additional regions.

Exclusions: Domestic workers, temporary workers, and some groups of agricultural workers.

Source of Funds

Insured person: 1% of earnings.

Employer: 2% of payroll.

Government: 0.5% of payroll.

The minimum monthly earnings for contribution purposes are 144 lempiras.

The maximum monthly earnings for contribution purposes are 4,800 lempiras.

Qualifying Conditions

Old-age pension: Age 65 (men) or age 60 (women) with 180 months of contributions.

Retirement from covered employment is necessary.

Old-age settlement: Age 65 (men) or age 60 (women) with less than 180 months of contributions.

Disability pension: A loss of 2/3 of earning capacity in the usual occupation with 36 months of contributions during the last 6 years; 8 months of contributions during the last 24 months in the case of a nonoccupational accident. (Men aged 45 or older and women aged 40 or older at the time the law was implemented must have contributed for 5 years or 60 months at the time they joined the system.)

Disability settlement: Disabled and does not qualify for a pension.

Survivor pension: In the case of a death resulting from a common illness, the insured had 36 months of contributions during the last 6 years; 8 months of contributions in the 24 months prior to the injury resulting in a nonoccupational accident-related death.

Old-Age Benefits

Old-age pension: 40% of basic monthly earnings, plus an additional 1% of earnings for every 12-month period of contributions beyond 60 months.

Deferred pension: An increment of 3% of basic monthly earnings for each year of contributions beyond age 65 (men) or age 60 (women).

The minimum pension is 50% of basic monthly earnings.

Old-age settlement: A lump sum equal to a refund of contributions.

Permanent Disability Benefits

Disability pension: 40% of basic monthly earnings, plus an additional 1% of earnings for every 12-month period of contributions beyond 60 months.

Constant-attendance supplement: If the insured is assessed as more than 50% disabled.

The maximum pension is 80% of covered earnings.

Disability settlement: A lump sum equal to a refund of contributions.

Survivor Benefits

Survivor pension: 40% of the insured's actual or accrued pension, payable to a widow(er) aged 65 or older or disabled.

Orphan's pension: 20% of the insured's pension for each orphan (40% for each full orphan) under age 14 (age 18 if a student; no limit if disabled).

Dependent parents: 20% of the insured's pension each to a mother of any age or a father who is over age 65 or disabled.

The maximum survivor pension is 100% of the insured's pension, divided as follows: widow(er) or partner, 40%; orphans under age 14, 60%.

Funeral grant: 50% of basic monthly earnings. The minimum funeral grant is 250 lempiras if the insured made at least one contribution in the last 6 months.

Administrative Organization

Ministry of Labor and Social Welfare provides general supervision.

Managed by a board of directors and director general, the Social Security Institute administers the program.

Sickness and Maternity

Regulatory Framework

First and current law: 1959, implemented in 1962, with 2001 amendment.

Type of program: Social insurance system. Cash and medical benefits.

Coverage

Public-sector employees and employees of firms in industry and commerce with one or more workers in specified regions.

Exclusions: Agricultural, domestic, family, and temporary workers.

Unemployed female workers are not eligible for cash maternity benefits but are eligible for medical care while pregnant and during childbirth.

Coverage is being extended gradually to additional regions. The labor code is still in force in regions to which social insurance has not yet been extended.

Source of Funds

Insured person: 2.5% of earnings.

Employer: 5% of payroll.

Government: Contributes as an employer, plus 0.5% of total covered earnings. (The contribution on total covered earnings has never been paid.)

The minimum monthly earnings for contribution and benefit purposes are 360 lempiras.

The maximum monthly earnings for contribution and benefit purposes are 4,800 lempiras.

All of the above contributions also finance work injury benefits.

Qualifying Conditions

Cash sickness benefits: Thirty-five days of contributions in the 3 months prior to the onset of illness.

Cash maternity benefits: Seventy-five days of contributions in the last 10 months.

Medical benefits: Currently in insured employment. If unemployed, benefits are limited to 60 days of general care and 6 months of specialized care.

Sickness and Maternity Benefits

Sickness benefit: 66% of earnings in the last 3 months, payable after a 3-day waiting period for up to 26 weeks; may be extended to 52 weeks.

Maternity benefit: 66% of earnings, payable for 6 weeks before and 6 weeks after the expected date of childbirth.

Employees who are not covered by the program may receive sickness leave or maternity leave under the labor code.

Workers' Medical Benefits

Medical services are provided directly to patients through the health facilities of the Social Security Institute. Benefits include general and specialist care, surgery, hospitalization, necessary medicines, laboratory services, appliances, dental care, and maternity care including postnatal care for up to 42 days.

The period of duration is dependent on continuing to fulfill the contribution requirements or being unemployed.

Dependents' Medical Benefits

Benefits include maternity care for the insured's wife, including postnatal care for up to 45 days; pediatric care for the insured's children until age 5 and 30 days or for up to 26 weeks after the insured's death.

Administrative Organization

Ministry of Labor and Social Welfare provides general supervision.

Managed by a board of directors and director general, the Social Security Institute administers the program.

Social Security Institute operates its own hospitals and outpatient clinics and contracts the services of private clinics.

Work Injury

Regulatory Framework

First and current law: 1959, with 2001 amendment.

Type of program: Social insurance system.

Coverage

Public-sector employees and employees of firms in industry and commerce with one or more workers in specified regions.

Exclusions: Agricultural, domestic, family, and temporary workers.

Coverage is being extended gradually to additional regions. The labor code is still in force in regions to which social insurance has not yet been extended.

Source of Funds

Insured person: See source of funds under Sickness and Maternity, above.

Employer: See source of funds under Sickness and Maternity, above.

Government: See source of funds under Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Survivor benefit: One month in covered employment.

Temporary Disability Benefits

66% of the daily wage, payable after a 3-day waiting period for up to 52 weeks.

The maximum daily wage for benefit purposes is 4,800 lempiras.

Permanent Disability Benefits

Permanent disability pension: 66% of basic monthly earnings, plus an increment of 1% of earnings for every 12-month period of contributions beyond 60 months.

Partial disability: If the assessed degree of disability is greater than 15%, a percentage of the full pension proportional to the assessed degree of disability. A pension of below 10 lempiras a month is converted to a lump sum.

The minimum partial disability pension in 2003 was 75 lempiras.

Constant-attendance supplement: Up to a maximum of 50% of the insured's pension.

Workers' Medical Benefits

Benefits include medical, surgical, and hospital care; medicines; and appliances.

Survivor Benefits

Survivor pension: 40% of the actual or accrued pension of the insured, payable to a widow(er) over age 65 or disabled.

Orphan's pension: 20% of the insured's pension for each orphan under age 14 (age 18 if a student, no limit if disabled); 40% if a full orphan.

Dependent parents (in absence of above): 20% of the insured's pension each to a mother of any age or a father who is over age 65 or disabled.

The maximum survivor pension is 100% of the insured's pension.

Funeral grant: 50% of basic monthly earnings. The minimum funeral grant is 125 lempiras if the insured had made at least one contribution in the last 6 months.

Administrative Organization

Ministry of Labor and Social Welfare provides general supervision.

Social Security Institute administers contributions and benefits.

Social Security Institute operates its own outpatient clinics and hospitals.