

Bahamas

Exchange rate: US\$1.00 equals
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), with 1999 amendment.

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed persons and self-employed persons.

Voluntary coverage is possible.

Social assistance: Residents of the Bahamas who do not qualify under the National Insurance Act.

Source of Funds

Insured person

Social insurance: 1.7% of covered earnings if weekly covered earnings are less than B\$60; 3.4% if earnings are greater than B\$60. Voluntarily insured persons contribute 5% of weekly average wages or income, based on the insured's wages or income of the year before registration.

The maximum annual earnings for contribution calculation purposes are B\$20,800.

The insured person's mandatory contributions also finance cash sickness, maternity, and work injury benefits. The contributions of the voluntarily insured finance old-age, disability, and survivor pensions and funeral and maternity grants.

Social assistance: None.

Self-employed person

Social insurance: 8.8% of covered earnings if also covered for work injury benefits; 6.8% of covered earnings if not covered for work injury benefits.

The maximum annual earnings for contribution calculation purposes are B\$20,800.

The self-employed person's contributions also finance cash sickness, maternity, and work injury benefits (except for certain categories of self-employed persons).

Social assistance: None.

Employer

Social insurance: 7.1% of covered payroll if weekly covered wages are less than B\$60; 5.4% if wages are greater than B\$60. (0.75% of the employer's contribution is earmarked for work injury benefits.)

The maximum annual earnings for contribution calculation purposes are B\$20,800.

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

Social assistance: None.

Government

Social insurance: None.

Social assistance: The total cost of all income-tested allowances.

Qualifying Conditions

Social insurance

Retirement pension: Age 65 with at least 150 weeks of paid contributions. Insured persons who were older than age 35 in 1974 (self-employed persons older than age 35 in 1976) receive a 25-week credit for each year that they were older than age 35, up to 600 weeks, provided that 150 weeks of contributions were paid from 1974 to 1977 (insured persons) and from 1976 to 1979 (self-employed persons).

Entitlement ceases if the insured person earns B\$200 or more a week.

Early pension: An early pension may be paid from age 60 to 64.

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

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

Disability pension: The insured must be younger than age 65 and assessed with a permanent incapacity for any work. Insured persons who were older than age 35 in 1974 (self-employed persons older than age 35 in 1976) receive a 25-week credit for each year that they were older than age 35, up to 600 weeks, provided that 150 weeks of contributions were paid from 1974 to 1977 (insured persons) and from 1976 to 1979 (self-employed persons).

Survivor pension: The deceased was a pensioner or had made at least 150 contributions at the time of death.

Eligible survivors are a dependent widow(er) who was married to the deceased for at least 1 year 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 child of the deceased 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.

Funeral grant: Paid for the death of an insured person or the spouse of an insured person. The insured must have at least 50 weeks of paid contributions.

Social assistance

Noncontributory old-age pension (income-tested): Paid to residents of the Bahamas who are aged 65 or older, retired, and do not qualify for benefits under the National Insurance Act.

Disability assistance (income-tested): Paid to residents of the Bahamas who are assessed with a disability and do not qualify for benefits under the National Insurance Act.

Survivor assistance (income-tested): Paid to eligible survivors if the deceased did not qualify for benefits under the National Insurance Act.

Old-Age Benefits

Social insurance

Retirement pension: The pension is 40% of the covered wage with at least 750 weeks of paid or credited contributions; 15% to 38% of the covered wage with 150 to 749 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 750 weeks, up to 60%.

The covered wage is based on average weekly earnings in the best 3 of the 10 years before the contribution year in which the insured reaches age 65.

Early pension: The benefit is reduced between 4% and 20%, depending on the age at which the pension is taken.

Deferred pension: Calculated in the same way as the retirement pension.

The minimum pension is B\$57.69 a week.

Social assistance

Noncontributory old-age pension (income-tested): B\$53.07 a week is paid.

Permanent Disability Benefits

Social insurance

Disability pension: The pension is 40% of the covered wage with at least 750 weeks of paid or credited contributions; 15% to 38% of covered wage with 150 to 749 weeks of paid or credited contributions. The pension is increased 1% of the covered wage for each 50-week period of paid or credited contributions exceeding 750 weeks, up to 60%.

The covered wage is based on average weekly earnings in the best 3 of the 10 years before the contribution year in which the disability began.

The maximum annual wage for benefit calculation purposes is B\$20,800.

The minimum pension is B\$62.31 a week.

Social assistance

Disability assistance (income-tested): B\$53.07 a week is paid.

Survivor Benefits

Social insurance

Survivor pension: An eligible widow(er) receives 50% of the pension the deceased received or would have been entitled to receive.

The minimum survivor pension is B\$62.31 a week.

Orphan's pension: Each eligible child receives 10% of the pension the deceased received or would have been entitled to receive, up to 5 children (if the widow(er) receives a pension) or 10 children (if the widow(er) does not receive a pension). Full orphans receive B\$28.85 a week.

The minimum orphan's pension is B\$25.38 a week.

Other eligible survivors (in the absence of the above): An eligible parent receives 50% of the pension the deceased received or would have been entitled to receive.

The minimum survivor pension is B\$62.31 a week.

All survivor benefits combined must not exceed 100% of the pension the deceased received or would have been entitled to receive.

Funeral grant: A lump sum of up to B\$1,500 is paid to the person who pays for the funeral.

Social assistance

Survivor assistance (income-tested): Adults receive B\$53.07 a week; each child receives B\$21.23 a week.

Administrative Organization

Ministry of Finance (<http://www.bahamas.gov.bs/finance>) provides general supervision.

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

Sickness and Maternity

Regulatory Framework

First and current law: 1972 (national insurance), with 1999 amendment.

Type of program: Social insurance system. Cash benefits only.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors, above.

Self-employed person: See source of funds under Old Age, Disability, and Survivors, above.

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

Government: None.

Qualifying Conditions

Cash sickness benefits: The insured must 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: The insured must have at least 50 weeks of contributions, including 26 weeks of paid or credited contributions in the last contribution year or in the 40 weeks before the benefit is due.

Maternity grant: The insured must have at least 50 weeks of paid contributions.

Funeral benefit: Paid for the death of an insured person or the spouse of an insured person. The insured must have at least 50 weeks of paid contributions.

Sickness and Maternity Benefits

Sickness benefit: The benefit is 60% of average weekly covered earnings and is paid after a 3-day waiting period for up to 26 weeks; may be extended for an additional 14 weeks in certain circumstances.

The minimum benefit is B\$62.31 a week.

Sickness allowance (means-tested): B\$46.15 a week is paid for an insured person who does not meet the qualifying conditions for the sickness benefit.

Maternity benefit: The benefit is 66.6% of average weekly covered earnings. The benefit is paid for 13 weeks beginning not earlier than 6 weeks before the expected date of childbirth; may be extended for an additional 2 weeks in certain circumstances.

The minimum benefit is B\$62.31 a week.

Maternity grant: A lump sum of B\$400 is paid for each live birth.

Funeral benefit: A lump sum of B\$1,500 is paid.

Workers' Medical Benefits

Medical benefits: No statutory benefits are provided.

Public and private medical care is available at public hospitals and clinics. Government subsidizes the cost for public patients, children, the elderly, and needy persons.

Dependents' Medical Benefits

Medical benefits for dependents: No statutory benefits are provided.

Public and private medical care is available at public hospitals and clinics. Government subsidizes the cost for public patients, children, the elderly, and needy persons.

Administrative Organization

Ministry of Finance (<http://www.bahamas.gov.bs/finance>) provides general supervision.

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

Work Injury

Regulatory Framework

First law: 1943 (workmen's compensation).

Current law: 1972 (national insurance).

Type of program: Social insurance system.

Coverage

Employed persons and certain categories of self-employed persons.

Exclusions: Family labor and certain categories of self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Certain categories of self-employed persons contribute 2% of the total 8.8% contribution made under Old Age, Disability, and Survivors, above.

Employer: The total cost (see source of funds under Old Age, Disability, and Survivors, above).

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability pension: The benefit is 66.6% of average weekly covered earnings and is paid after a 3-day waiting period for up to 40 weeks.

The minimum benefit is B\$62.31 a week.

The maximum benefit is B\$266.66 a week.

Permanent Disability Benefits

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

The minimum weekly benefit for a total disability is B\$62.31.

The maximum benefit is B\$266.66 a week.

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

Partial disability: If the insured has an assessed degree of permanent disability of at least 25%, a proportionately reduced pension is paid. A lump sum of B\$500 is also paid.

The minimum benefit for a partial disability is B\$53.07 a week.

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

Workers' Medical Benefits

Benefits include hospitalization, general and specialist care, medicine, and transportation, and are paid for up to 40 weeks (for an assessed degree of disability of 25% or less) or 2 years (for an assessed degree of disability of more than 25%).

Survivor Benefits

Survivor pension: The pension is 50% of the temporary disability pension the deceased received or would have been entitled to receive.

Orphan's pension: Each dependent child younger than age 16 (age 21 if a full-time student) receives 10% of the temporary disability pension the deceased received or would have been entitled to receive, up to 5 children (if the widow(er) receives a pension) or 10 children (if the widow(er) does not receive a pension).

Industrial death benefit: A lump sum is paid equal to the monthly value of the survivor pension or orphan's pension.

Industrial funeral benefit: A lump sum of B\$1,500 is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Finance (<http://www.bahamas.gov.bs/finance>) provides general supervision.

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

Unemployment

Regulatory Framework

First and current law: 2009 (national insurance act amendment), partially implemented in 2009.

Type of program: Social insurance system.

Note: As of April 2009, an unemployment benefit is being implemented in two phases. The interim phase will last until the original government allocation of B\$20 million is exhausted. The permanent phase will consist of the same coverage and benefits as the interim phase, but length of contribution qualifying conditions will be increased and employer and employee contributions will finance the program.

Coverage

Employed persons younger than age 65 who became unemployed after June 30, 2004.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None for the interim phase; 0.5% of salary for the permanent phase.

Self-employed person: Not applicable.

Employer: None for the interim phase; 0.5% of payroll for the permanent phase.

Government: The National Insurance Board's Medical Benefits Branch pays the total cost, up to B\$20 million, for the interim phase; covers any deficit for the permanent phase.

Qualifying Conditions

Unemployment benefit: The insured must be unemployed and must not receive other insurance or assistance benefits other than disability or survivor benefits. In the interim phase, the insured must have at least 40 weeks of paid contributions, including at least 26 weeks of paid or credited contributions in the year before unemployment began or in any contribution year since 2003, or 13 weeks of paid or credited contributions in the 26 weeks before unemployment began. In the permanent phase, the insured must have at least 52 weeks of paid contributions, including at least 20 weeks of paid or credited contributions in the 40 weeks before unemployment began, or 7 weeks of paid or credited contributions in the 13 weeks before unemployment began.

In the permanent phase, once the maximum benefit duration has been reached (13 weeks in any 52-week period), the insured person must wait 52 weeks to be eligible for another claim.

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To remain eligible, the insured must register with the labor exchange every 4 weeks, be available and looking for work, and must not refuse suitable employment.

Unemployment Benefits

The benefit is 50% of the insured's average covered weekly earnings. The benefit is paid after a 2-week waiting period for up to 13 weeks (may be extended under certain circumstances) in any 52-week period.

The minimum unemployment benefit is B\$62.31 a week.

The maximum unemployment benefit is B\$200 a week.

Schedule of payments: The benefit is paid bi-weekly.

Administrative Organization

Ministry of Finance (<http://www.bahamas.gov.bs/finance>) provides general supervision.

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