

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); and 1998 (occupational pensions), implemented in 2000.

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

Coverage

Social insurance

Employed and self-employed persons older than age 18.

Voluntary coverage for persons who were previously covered.

Exclusions: Those who are not ordinarily residents, unless gainfully employed for more than 26 consecutive weeks; 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 with annual earnings over B\$2,000 who are citizens or the spouse of a citizen.

Social assistance

All residents of Bermuda.

Source of Funds

Social insurance

Insured person: B\$30.40 a week; none if older than age 65.

Self-employed person: B\$60.80 a week; B\$30.40 if older than age 65.

Employer: B\$30.40 a week for employees.

Government: None; contributes as an employer.

Mandatory occupational pension

Insured person: 5% of covered earnings.

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

Self-employed person: 10% of declared earnings. Additional voluntary contributions are possible.

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

Employer: 5% of covered earnings.

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

Government: None.

Social assistance

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Social insurance

Old-age pension: Age 65 with at least 484 weeks of contributions, including at least 50 weeks of contributions for each year of coverage. Retirement is not necessary.

Partial pension: A reduced pension is paid for each year of coverage for individuals with 25 to 49 weeks of contributions a year.

The old-age pension is payable abroad.

Old-age settlement: Age 65 and does not meet the qualifying conditions for the old-age pension.

Disability pension: Aged 18 to 64, employed immediately before the disability began, and unable to work for a full year. The insured must have at least 150 weeks of contributions, including at least 50 weeks of contributions for each year of coverage.

Partial pension: A reduced pension is paid for each year of coverage for individuals with 25 to 49 weeks of contributions.

The disability pension is payable abroad.

Survivor pension: The deceased received or was eligible to receive a pension. The widow(er) was married to the deceased for at least three years.

Partial pension: A reduced pension is paid for each year of coverage for individuals with 25 to 49 weeks of contributions a year.

Eligible survivors are the widow(er) and orphans.

The survivor pension ceases on remarriage or cohabitation.

The survivor pension is payable abroad.

Survivor settlement: The deceased did not meet the qualifying conditions for a survivor pension.

Eligible survivors are the widow(er) and orphans.

Mandatory occupational pension

Old-age pension: Age 65.

Disability pension: The insured must be assessed with an incapacity for work due to a physical or mental condition.

Survivor pension: The beneficiary is named by the deceased.

Social assistance

Noncontributory old-age pension: Age 65, is not eligible for contributory old-age benefits, and is a citizen with at least 10 years of continuous residency in Bermuda in the 20 years immediately before the application.

Noncontributory disability pension: Aged 18 to 64, is not eligible for contributory disability benefits, is assessed with a permanent incapacity for work, and has at least 10 years of residency in Bermuda immediately before the application.

Appointed medical doctors assess the degree of disability.

Old-Age Benefits

Social insurance

Old-age pension: B\$219.53 a week (B\$951.73 a month) plus B\$1.29 for each 26-week period of contributions exceeding 484 weeks is paid.

Partial pension: The minimum monthly partial pension is B\$475.87 if the annual average number of weeks of contributions is 25 to 29; B\$571.04 for 30 to 34 weeks; B\$666.21 for 35 to 39 weeks; B\$761.38 for 40 to 44 weeks; or B\$856.56 for 45 to 49 weeks.

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

Mandatory occupational pension

Old-age pension: Pensions calculations are based on average earnings or the amount of the insured's accumulated capital.

Social assistance

Noncontributory old-age pension: B\$436.76 a month is paid. If annual income is less than B\$4,000, the minimum monthly pension is B\$449.22.

Permanent Disability Benefits

Social insurance

Disability pension: B\$634.41 a month is paid.

Partial pension: A percentage of the full pension is paid according to the number of average annual weeks of contributions from 25 to 49.

Mandatory occupational pension

Disability pension: The value of the benefit depends on the rules for the specific occupational pension scheme.

Social assistance

Noncontributory disability pension: B\$436.76 a month is paid.

Survivor Benefits

Social insurance

Survivor pension: B\$951.73 a month is paid.

Partial pension: B\$475.87 a month is paid if the deceased's annual average number of weeks of contributions was 25 to 29; B\$571.04 for 30 to 34 weeks; B\$666.21 for 35 to 39 weeks; B\$761.38 for 40 to 44 weeks; or B\$856.56 for 45 to 49 weeks.

The survivor pension is paid for 26 weeks or until dependent children reach age 16; for life if the surviving spouse is older than age 50 or disabled.

For her own 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.

Orphan's pension: Each orphan receives B\$94.96 a month until old enough to leave school.

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

Mandatory occupational pension

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

A lump-sum benefit is also paid to the survivor if the deceased had less than two years of membership in an occupational pension scheme 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 (hospital insurance); and 2004 (health council), implemented in 2006.

Type of program: Compulsory insurance with a public or private carrier or an approved employer-operated plan (employed persons). Individual or voluntary insurance (non-employed persons). Medical benefits only.

Note: Under the 2000 Employment Act, employers are required to provide paid sick leave and paid and unpaid maternity leave.

Coverage

Government Health Insurance Plan: Residents of Bermuda who are older than the minimum age to leave school.

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

Future Care: Residents of Bermuda aged 65 or older.

Source of Funds

Insured person

Health Insurance Plan: B\$192.50 a month. Voluntarily insured persons pay B\$285 a month.

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

Future Care: B\$187.50 a month; B\$504.50 a month for persons who do not meet residency requirements.

Self-employed person

Health Insurance Plan: B\$285 a month.

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

Future Care: B\$375 a month; B\$1,009 a month for persons who do not meet residency requirements.

Employer

Health Insurance Plan: B\$192.50 a month.

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

Future Care: B\$187.50 a month; B\$504.50 a month for persons who do not meet residency requirements.

Government:

The total cost of health insurance for resident children younger than age 16 (age 21 if a student) and 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 and maternity benefits: No statutory benefits are provided.

Under the 2000 Employment Act, employers are required to provide paid sick leave and paid and unpaid maternity leave.

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

Sickness and Maternity Benefits

Sickness benefit: No statutory benefits are provided.

The 2000 Employment Act provides for eight days of paid sick leave a year to employees who have worked for the same employer for at least a year.

Maternity benefit: No statutory benefits are provided.

The 2000 Employment Act provides for eight weeks of paid maternity leave and four weeks of unpaid maternity leave to employees who have worked for the same employer for at least a year; eight weeks unpaid maternity leave for employees with less than a year.

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; and basic dental care.

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

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

Dependents' Medical Benefits

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

Administrative Organization

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 aged 18 or older.

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 is met through direct provision of benefits or the purchase of insurance premiums.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period, but the work injury 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 paid must not exceed the permanent disability benefit for which the insured would be eligible.

Permanent Disability Benefits

Permanent disability benefit: For a total disability, the full benefit is four years of earnings.

The minimum benefit is B\$5,000.

The maximum benefit is B\$53,000.

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: A lump sum of three years of earnings or B\$42,000 (whichever is less) is paid minus the value of any permanent disability benefits paid to the deceased.

Eligible survivors are dependents who were totally dependent on the deceased's earnings.

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

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.