

Cuba

Exchange rate: US1.00 = 1.00 peso.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1963 and 1964.

Current laws: 2008 (social security), implemented in 2009; and 2009 (benefits).

Type of program: Social insurance and social assistance system.

Coverage

Employed persons.

Special systems for military personnel, interior ministry staff, certain self-employed persons, certain artists, musicians, and members of agricultural cooperatives.

Source of Funds

Insured person: 1% to 5% of earnings, according to a schedule in law; 5% of profits from sales (agricultural cooperatives).

Self-employed person: 25% of declared income, according to a schedule in law.

The monthly earnings used to calculate contributions are subject to a minimum and a maximum.

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

Employer: 12.5% of gross payroll (public sector); 14.5% of gross payroll (private sector).

The employer's contributions also finance sickness and maternity benefits and disability benefits.

Government: Any deficit.

Qualifying Conditions

Old-age pension: Age 65 (men) and age 60 (women) with 30 years of work; age 60 (men) and age 55 (women) if 75% of all work or the 15 years immediately before retirement was in arduous or dangerous work. The insured must be employed immediately prior to retirement. Retirement is not necessary.

The pensionable age and contribution periods are rising gradually and by 2016 will be age 70 (men) and age 65 (women) with at least 35 years of work.

Partial pension: Age 65 (men) and age 60 (women) with 20 years (rising to 25 by 2016) of work. The insured must

be employed immediately prior to retirement. Retirement is not necessary.

Old-age pensioners at least age 65 (men) and age 60 (women) with 30 years of service may re-enter the labor force and receive both a pension and a salary as long as they are working in a different position than prior to retirement.

The pension is not payable abroad.

Old-age social assistance (means-tested): Paid to any person of pensionable age who does not meet the qualifying conditions for an old-age pension, according to assessed needs.

Disability pension: The insured must be assessed with a physical or mental incapacity for work within 60 days of ceasing work.

The Expert Medical Labor Commission assesses the degree of disability.

Partial disability pension: The insured has a diminished physical or mental capacity but can continue to work under certain conditions.

The pension is not payable abroad.

Disability social assistance (means-tested): Paid to persons assessed with a disability who do not meet the qualifying conditions for a disability or partial disability pension, according to assessed needs.

Survivor pension: The deceased received or was eligible to receive an old-age or disability pension at the time of death or was employed for at least six months before the time of death and for at least 75% of his or her adult life.

Eligible survivors are a widow (or partner) who was married to or living with the deceased for at least one year, or who had children with the deceased, or without restriction if the death was due to an accident; a needy widower or partner aged 65 or older or disabled; an orphan younger than age 17 (no limit if disabled and economically dependent on the deceased or for a full orphan in higher education); and needy, dependent parents.

A nonworking widow younger than age 40 who is able to work and has no dependents is eligible for up to two years of pension (or until she becomes employed). A working widow may receive the survivor pension in addition to her salary.

The pension is not payable abroad.

Survivor social assistance (means-tested): Paid to any survivor who is incapable of any work, according to assessed needs.

Old-Age Benefits

Old-age pension: 60% of average earnings in the best five of the last 15 years of employment plus 2% of earnings for each year of employment exceeding 30 years is paid.

Partial pension: 40% of average earnings in the best five of the last 15 years of employment plus 2% of earnings for each year of employment exceeding 20 years is paid.

The minimum monthly pension is 200 pesos (2008).

The maximum monthly pension is 90% of the insured's average earnings.

Old-age social assistance (means-tested): May be paid periodically or as a lump sum.

Benefit adjustment: Benefits are adjusted according to government decree, based on social and economic factors.

Permanent Disability Benefits

Disability pension: For an assessed total disability, the monthly pension is 50% of average annual earnings in the best five of the last 15 years for up to 20 years of work plus 1% of earnings for each year of employment from 20 to 30 years of work plus 2% for each year of employment exceeding 30 years.

The minimum monthly pension is 200 pesos (2008).

The maximum pension is 90% of the insured's average earnings.

Partial disability: 60% of the salary in the year before the disability began is paid for up to one year while the insured person is waiting to modify his or her job, switch jobs, or reduce working hours to adapt to the disability, or until rehabilitated or assessed with a total disability. Thereafter, 50% of the difference between the insured's salary before and after the disability began is paid.

Disability social assistance (means-tested): Benefits may be paid periodically or as a lump sum.

Benefit adjustment: Benefits are adjusted according to government decree, based on social and economic factors.

Survivor Benefits

Survivor pension: 100% of earnings or the deceased's pension is paid for the first month; thereafter, 70%, 85%, or 100% of the old-age or disability pension the deceased received or was eligible to receive for one, two, or three or more dependent survivors, respectively. The pension is split equally among all eligible dependents.

The minimum monthly pension is 200 pesos (2008).

The maximum pension for a working widow is 25% of the survivor pension.

The government provides free burial services for all citizens and residents of Cuba.

Survivor social assistance (means-tested): May be paid periodically or as a lump sum.

Benefit adjustment: Benefits are adjusted according to government decree, based on social and economic factors.

Administrative Organization

Ministry of Labor and Social Security oversees and administers the program through the Directorate of Social Assistance and Social Services and the National Institute of Social Security.

Municipal social security offices and work centers process applications.

Popular Savings Bank pays benefits.

Sickness and Maternity

Regulatory Framework

First laws: 1934 (maternity benefits); 1963 (sickness benefits).

Current laws: 2003 (maternity); and 2008 (social security), implemented in 2009.

Type of program: Social insurance (cash and in-kind benefits) and universal (medical benefits) system.

Coverage

Cash sickness benefits: Employed persons, members of agricultural cooperatives, military personnel, and interior ministry staff.

Cash maternity benefits: Employed and self-employed persons, members of agricultural cooperatives, military personnel, interior ministry staff, and artists.

Medical benefits: All citizens and residents of Cuba.

Source of Funds

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

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

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

Government: See source of funds under Old Age, Disability, and Survivors. The cost of medical benefits and services.

Qualifying Conditions

Cash sickness benefits: The insured must be currently employed and present a medical certificate that validates the sickness. There is a three-day waiting period, except if hospitalized.

Cash maternity benefits: The insured must be currently employed or self-employed with at least 75 days in the 12 months before maternity leave. Maternity leave must start no later than the 34th or 32nd (for a multiple birth) week of pregnancy.

Medical benefits: Resident of Cuba.

Sickness and Maternity Benefits

Sickness benefit: 60% (50% if hospitalized) of average daily earnings in the year prior to the date of the accident or disease is paid after a three-day waiting period (if hospitalized, no waiting period) for up to six months or until a disability pension is paid; may be extended for an additional six months with a medical certificate. Medical certification is required every 30 days; review by a medical committee is required every 26 weeks.

The minimum benefit is 50% of the legal monthly minimum wage.

The legal monthly minimum wage varies by sector. The average legal monthly minimum wage is 225 pesos (2009).

The maximum benefit is 90% of earnings.

Tuberculosis benefit: 100% of earnings is paid until recovery.

Maternity benefit: 100% of average weekly earnings in the 75 days to 12 months immediately before the leave begins is paid for six weeks before and 12 weeks after the expected date of childbirth.

The minimum maternity benefit is 20 pesos a week.

Maternity social benefit: Beginning 12 weeks after the birth, 60% of earnings is paid if the mother chooses not to work to care for the child. The benefit is paid until the child is aged 12 months or earlier if the mother returns to work. If the mother dies, the benefit may be transferred to the father.

Complementary maternity leave: Before the prenatal leave begins, the woman is entitled to six days or 12 half days of leave for prenatal care. After the postpartum leave ends, the woman is entitled to one day a month for pediatric care and one hour a day for breastfeeding.

Workers' Medical Benefits

Public medical centers provide free medical services. Benefits include medical, dental, and maternity care; hospitalization; food and medicine during hospitalization; and rehabilitation. Benefits are provided until recovery.

Dependents' Medical Benefits

Public medical centers provide free medical services. Benefits include medical, dental, and maternity care; hospitalization; food and medicine during hospitalization; and rehabilitation. Benefits are provided until recovery.

Administrative Organization

Ministry of Labor and Social Security oversees and administers the program through the Directorate of Social Assistance and Social Services and the National Institute of Social Security.

Ministry of Public Health oversees and administers the provision of medical benefits through public medical centers.

Work Injury

Regulatory Framework

First law: 1916.

Current law: 2008 (social security), implemented in 2009.

Type of program: Social insurance (cash benefits) and universal (medical care) system.

Coverage

All salaried workers and members of agricultural cooperatives.

Source of Funds

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

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

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

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

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period but the insured must be employed when the disability begins.

Temporary Disability Benefits

80% (70% if hospitalized) of the insured's average earnings in the year prior to the date of the accident or disease is paid from the first day of disability for up to six months or until assessed with a permanent disability; may be extended for an additional six months with a medical certificate. Medical certification is required every 30 days; review by a medical committee is required every 26 weeks.

The minimum benefit is 50% of the legal monthly minimum wage.

The legal monthly minimum wage varies according to sector. The average legal monthly minimum wage is 225 pesos (2009).

The maximum benefit is 90% of the insured's earnings.

Benefit adjustment: Benefits are adjusted according to government decree, based on social and economic factors.

Permanent Disability Benefits

Permanent disability pension: 60% of the insured's average earnings in the best five of the last 15 years of

employment plus 2% of earnings for each year of employment exceeding 30 years is paid.

Work injury or occupational disease supplement: 10% of the pension is paid.

Heroic act supplement: 20% of the pension is paid.

Constant-attendance allowance: 20% of the pension is paid if the insured requires the constant attendance of others to perform daily functions.

The minimum monthly pension is 200 pesos (2008).

The maximum pension is 90% of the insured's average earnings.

Partial disability: 80% of the insured's income in the year prior to the date of disability is paid while the insured person is waiting to modify his or her job, switch jobs, or reduce working hours to adapt to the disability, or until rehabilitated or assessed with a total disability. Thereafter, 60% of the difference between the insured's income before and after the date of disability is paid.

Benefit adjustment: Benefits are adjusted according to government decree, based on social and economic factors.

Workers' Medical Benefits

Public medical centers provide free medical services. Benefits include medical, dental, and maternity care; hospitalization; food and medicine during hospitalization; and rehabilitation. Benefits are provided until recovery.

Survivor Benefits

Survivor pension: 100% of earnings or the deceased's pension is paid for the first month; thereafter, 70%, 85%, or 100% of the old-age or disability pension the deceased received or was eligible to receive for one, two, or three or more dependent survivors, respectively. The pension is split equally among all eligible dependents.

Eligible survivors are a widow (or partner) who was married to or living with the deceased for at least one year, or who had children with the deceased, or without restriction if the death was due to an accident; a needy widower or

partner aged 65 or older or disabled; an orphan younger than age 17 (no limit if disabled and economically dependent on the deceased or for a full orphan in higher education); and needy, dependent parents.

The minimum monthly pension is 200 pesos (2008).

The maximum pension for a working widow is 25% of the survivor pension.

A nonworking widow younger than age 40 who is able to work and has no dependents is eligible for up to two years of pension (or until she becomes employed). A working widow may receive the survivor pension in addition to her salary.

The government provides free burial services for all citizens and residents of Cuba.

Survivor social assistance (means-tested): May be paid periodically or as a lump sum to any survivor who is incapable of work.

Benefit adjustment: Benefits are adjusted according to government decree, based on social and economic factors.

Administrative Organization

Ministry of Labor and Social Security oversees and administers the program through the Directorate of Social Assistance and Social Services and the National Institute of Social Security.

Ministry of Public Health oversees and administers the provision of medical benefits through public medical centers.

Family Allowances

Regulatory Framework

Dependents of young workers conscripted into military service are eligible for assistance from social security. Cash benefits are available for families whose head of household is unemployed due to health, disability, or other justifiable causes, and has insufficient income for food and medicine or basic household needs.