

## Bermuda

Exchange rate: US\$1.00 equals  
1 Bermuda dollar (B\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1967 (old-age and survivors).

**Current laws:** 1970 (old-age and survivors), with amendments; 1980 (disability); and 1998 (occupational pensions), implemented in 2000, with amendment.

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

#### Coverage

##### Social insurance

Employed and self-employed persons older than age 16, except full-time students who work weekends or during school vacations.

Voluntary coverage for persons who were previously covered.

Exclusions: Those who are not ordinarily resident, unless gainfully employed for more than 26 consecutive weeks.

##### Mandatory occupational pension

Employees aged 23 or older who are Bermudian or the spouse of a Bermudian and who have worked 720 hours or more for their current employer in any calendar year; self-employed persons aged 23 or older who are Bermudian or the spouse of a Bermudian and who have annual earnings greater than B\$2,000.

##### Social assistance

All residents of Bermuda.

#### Source of Funds

##### Social insurance

**Insured person:** B\$28.48 a week; if older than age 65, none.

**Self-employed person:** B\$56.96 a week; if older than age 65, B\$28.48 a week.

**Employer:** B\$28.48 a week for employees of any age.

**Government:** None; contributes as an employer.

##### Mandatory occupational pension

**Insured person:** 5% of covered earnings.

The maximum annual earnings for contribution purposes 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 for contribution purposes 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 50 weeks of contributions for each year of coverage. Retirement is not necessary.

**Partial pension:** A reduced pension is paid with between 25 and 49 weeks of contributions for each year of coverage.

The old-age pension is payable abroad.

**Old-age settlement:** Age 65 and the insured does not satisfy the qualifying conditions for a pension.

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

**Partial pension:** A reduced pension is paid with between 25 and 49 weeks of contributions for each year of coverage.

The disability pension is payable abroad.

**Survivor pension:** The deceased was a pensioner or met the qualifying conditions for a pension. The spouse was married to the deceased for at least 3 years. A widow is credited for contribution purposes for every week she receives a survivor pension and may substitute a year of her husband's contribution record for her own.

**Partial pension:** A reduced pension is paid with between 25 and 49 weeks of contributions for each year of coverage.

Eligible survivors are the widow(er) and orphans.

The survivor pension is payable abroad.

**Survivor settlement:** The deceased did not satisfy the qualifying conditions for a pension.

Eligible survivors are the widow(er) and orphans.

### **Mandatory occupational pension**

*Old-age pension:* The normal retirement age is 65.

*Disability pension:* The insured must be assessed as incapable of work as the result of a physical or mental condition.

*Survivor pension:* On the insured's death, the pension is paid to a beneficiary named by the deceased.

### **Social assistance**

*Noncontributory old-age pension:* Age 65 and Bermudian with at least 10 years of continuous residency in Bermuda in the 20 years immediately before the application and does not satisfy the qualifying conditions for the old-age pension.

*Noncontributory disability pension:* Aged 18 to 64 with 10 years of residency in Bermuda immediately before the application and assessed as permanently incapable of employment.

Appointed medical doctors assess the degree of disability.

*Noncontributory survivor pension:* No benefits are provided.

### **Old-Age Benefits**

#### **Social insurance**

*Old-age pension:* B\$199.21 a week (B\$836.24 a month) is paid, plus B\$1.17 for each 26-week period of contributions exceeding 484 weeks.

*Partial pension:* The minimum monthly partial pension is B\$431.64 if the annual average number of weeks of contributions is between 25 and 29; B\$517.96 with 30 to 34 weeks; B\$604.28 with 35 to 39 weeks, B\$690.60 with 40 to 44 weeks; or B\$776.92 with 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:* Pension calculations are based on average earnings or the amount of the insured's accumulated capital.

### **Social assistance**

*Noncontributory old-age pension:* The monthly pension is B\$396.15.

If annual income is less than B\$4,000, the minimum monthly pension is B\$407.68.

### **Permanent Disability Benefits**

#### **Social insurance**

*Disability pension:* The monthly pension is B\$575.42.

*Partial pension:* If the number of average annual weeks of contributions is at least 25 but less than 50, a percentage of the full pension is paid according to the number of average annual weeks of contributions.

### **Mandatory occupational pension**

*Disability pension:* The value of the benefit depends on the specific rules that apply to the occupational pension scheme.

### **Social assistance**

*Noncontributory disability pension:* The monthly pension is B\$396.15.

### **Survivor Benefits**

#### **Social insurance**

*Survivor pension:* The basic monthly pension is B\$836.24.

*Partial pension:* B\$431.64 a month is paid if the deceased's annual average number of weeks of contributions was between 25 and 29; B\$517.96 for 30 to 34 weeks; B\$604.28 for 35 to 39 weeks; B\$690.60 for 40 to 44 weeks; or B\$776.92 for 45 to 49 weeks.

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

The survivor pension ceases if the spouse remarries or cohabits.

*Orphan's pension:* Each orphan receives B\$86.13 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 pension:* Benefits are based on the value of the deceased's contributions, accumulated capital, or accrued benefits. The benefit is paid as a lump sum.

The pension does not cease on remarriage.

A lump sum is also paid to the survivor if the deceased had less than 2 years of membership in an occupational pension scheme at the time of death.

### **Social assistance**

*Noncontributory survivor pension:* No benefits are provided.

### **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 law:** 1970 (hospital insurance), with amendments.

**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

All residents of Bermuda.

Employers are liable for carrying insurance for employees and employees' nonemployed spouses.

### Source of Funds

**Insured person:** B\$101.14 a month each for an employee and his or her nonemployed spouse. (Other insured persons contribute B\$202.28 a month.)

**Self-employed person:** B\$202.28 a month on an individual or voluntary basis.

**Employer:** B\$101.14 a month each for an employee and his or her nonemployed spouse.

**Government:** A government grant finances 80% of the cost of medical care for residents aged 65 to 74, 90% for residents aged 75 or older, and 100% for resident children and indigent persons.

### 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, 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 8 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 8 weeks of paid maternity leave and 4 weeks of unpaid maternity leave to employees who have worked for the same employer for at

least a year; 8 weeks unpaid maternity leave for employees with less than a year.

### Workers' Medical Benefits

The Hospital Insurance Commission, a private insurance company, or an employer plan reimburses the hospital for services provided. Benefits include inpatient and outpatient services, including room and board; nursing, laboratory, ambulance, and resident doctor services; drugs; appliances; surgery; maternity care; and physical therapy.

There is no limit to duration.

### Dependents' Medical Benefits

The Hospital Insurance Commission, a private insurance company, or an employer plan reimburses the hospital for services provided. Benefits include inpatient and outpatient services, including room and board; nursing, laboratory, ambulance, and resident doctor services; drugs; appliances; surgery; maternity care; and physical therapy.

There is no limit to duration.

### Administrative Organization

Ministry of Finance, through the Department of Social Insurance (<http://www.socialinsurance.gov.bm>), provides general supervision.

Hospital Insurance Commission administers the program.

## 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 16 or older.

Exclusions: 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 the 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 3 days.

### **Temporary Disability Benefits**

The benefit is equal to 50% of lost earnings (up to a maximum of B\$170 a week) or a lump sum. The total benefit paid must not exceed the permanent disability benefit for which the insured would be eligible.

### **Permanent Disability Benefits**

If totally disabled, the full benefit is equal to 4 years' earnings.

The minimum benefit is B\$5,000.

The maximum benefit is B\$53,000.

Constant-attendance supplement: Equal to 25% of the permanent disability benefit.

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 medicines, 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 is paid equal to 3 years' earnings or B\$42,000 (whichever is less), minus the value of any permanent disability benefits received by 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.