

## 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); 1998 (occupational pensions), implemented in 2000; and 1999 (national pension scheme regulations).

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

Note: A 2019 amendment will extend the coverage of the mandatory occupational pension program to foreign nationals working in Bermuda.

#### Coverage

**Social insurance:** Employed and self-employed persons aged 18 or older working more than four hours a week, and temporary residents gainfully employed for more than 26 consecutive weeks.

Voluntary coverage for persons who previously had mandatory coverage.

Exclusions: Full-time students aged 26 or younger who work weekends or during school vacations.

**Mandatory occupational pension:** Private-sector employees aged 23 or older who have Bermudian status or are the spouses of persons of Bermudian status and have worked 720 hours or more for their current employers in any calendar year; self-employed persons aged 23 or older who have Bermudian status or are the spouses of persons of Bermudian status and have annual earnings greater than B\$20,000.

Special system for public-sector employees and employees of quasigovernmental organizations.

**Social assistance (old-age social pension):** Persons of Bermudian status.

**Social assistance (disability social pension):** Residents of Bermuda.

#### Source of Funds

##### Insured person

**Social insurance:** B\$35.92 a week; none if aged 65 or older.

**Mandatory occupational pension:** 5% of gross covered earnings (excluding overtime payments).

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

Contributions are paid at less once a month.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** B\$71.84 a week; B\$35.92 a week if aged 65 or older.

**Mandatory occupational pension:** 10% of covered declared earnings. Additional voluntary contributions are possible.

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

Contributions are paid at less once a month.

**Social assistance:** None.

##### Employer

**Social insurance:** B\$35.92 a week.

**Mandatory occupational pension:** 5% of covered payroll.

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

Contributions are paid at less once a month.

**Social assistance:** None.

##### Government

**Social insurance:** None; contributes as an employer.

**Mandatory occupational pension:** None.

**Social assistance:** The total cost.

#### Qualifying Conditions

**Old-age pension (Contributory Pension Fund, social insurance):** Age 65 with at least 484 weeks of paid or credited contributions and an annual average of at least 50 weeks of paid or credited contributions across all years of contributions.

Contributions may be credited under certain conditions for each complete contributory week an insured suffered from a work incapacity due to illness or injury. Contributions are also credited for each complete contributory week a widow younger than the normal retirement age received a social insurance survivor pension. The widow may also substitute up to a year of her deceased husband's contribution record for her own.

Employment may continue.

Partial pension: Age 65 with at least 484 weeks of paid or credited contributions and an annual average of 25 to 49 weeks of paid or credited contributions across all years of contributions.

The social insurance old-age pension is payable abroad.

**Old-age settlement (Old Age Gratuity, Contributory Pension Fund, social insurance):** Age 65 with at least one week of contributions but does not meet the contribution requirements for the social insurance old-age pension.

The old-age settlement is payable abroad.

**Old-age pension (National Pension Scheme, mandatory occupational pension):** Age 65.

The occupational old-age pension is payable abroad.

**Old-age social pension (Noncontributory Old-age Pension, social assistance, income tested):** Age 65, has at least 10 years of continuous residence in Bermuda in the 20 years immediately before the claim is made, and does not qualify for any social insurance old-age benefit.

**Disability pension (Disability Benefit, Contributory Pension Fund, social insurance):** Must be aged 18 to 64, assessed with a disability that has lasted at least 52 consecutive weeks, have been employed immediately before the disability began, have at least 150 weeks of paid contributions, and have an annual average of at least 50 weeks of paid or credited contributions across all years of contributions.

Contributions may be credited under certain conditions for each complete contributory week an insured suffered from a work incapacity due to illness or injury. Contributions are also credited for each complete contributory week a widow younger than the normal retirement age received a social insurance survivor pension. The widow may also substitute up to a year of her deceased husband's contribution record for her own.

Partial pension: Must be aged 18 to 64, assessed with a disability that has lasted at least 52 consecutive weeks, have been employed immediately before the disability began, have a medically certified incapacity to work, have at least 150 weeks of paid contributions, and have an average of 25 to 49 weeks of contributions across all years of contributions.

A registered medical practitioner assesses the disability.

The social insurance disability pension is payable abroad.

**Disability pension (National Pension Scheme, mandatory occupational pension):** Must be assessed with an incapacity for work due to a physical or mental condition.

The occupational disability pension is payable abroad.

**Disability social pension (Noncontributory Disability Benefit, social assistance, income tested):** Must be assessed with a permanent incapacity for work, have resided in Bermuda for at least 10 years immediately before the claim is made, and not qualify for any social insurance disability benefit.

A registered medical practitioner assesses the disability.

**Survivor pension (Widow's Allowance, Contributory Pension Fund, social insurance):** The deceased received or was entitled to receive a social insurance old-age or disability pension.

Partial pension: Paid if the deceased qualified for a partial old-age or partial disability pension.

Eligible survivors include a widow(er) married to the deceased at the time of death.

Child's supplement: Paid for each dependent child younger than age 18 (age 26 if a full-time student).

The survivor pension ceases upon remarriage or cohabitation.

The survivor pension is payable abroad.

**Survivor settlement (Contributory Pension Fund, social insurance):** The deceased had made contributions but did not meet the contribution requirements for a social insurance survivor pension.

Eligible survivors include a widow(er) married to the deceased at the time of death, or, in the absence of a widow(er), dependent orphans younger than age 18 who are full-time students.

**Survivor benefit (National Pension Scheme, mandatory occupational pension):** The deceased received or was entitled to receive an occupational old-age or disability pension at the time of death.

Eligible survivors include beneficiaries named by the deceased.

### Old-Age Benefits

**Old-age pension (Contributory Pension Fund, social insurance):** B\$244.95 a week (B\$1,064.34 a month) plus B\$6.26 a week for every 26 weeks of contributions exceeding 484 weeks is paid.

Partial pension: B\$532.19 (one-half of the full pension) a month is paid if the annual average number of weeks of contributions is 25 to 29; B\$638.62 (three-fifths) for 30 to 34 weeks; B\$745.06 (seven-tenths) for 35 to 39 weeks; B\$851.50 (four-fifths) for 40 to 44 weeks; or B\$957.93 (nine-tenths) for 45 to 49 weeks.

**Old-age settlement (Old Age Gratuity, Contributory Pension Fund, social insurance):** A lump sum of total employee and employer contributions is paid.

**Old-age pension (National Pension Scheme, mandatory occupational pension):** The pension is based on the insured's average earnings or the amount of the insured's accumulated capital, depending on the rules for the specific occupational pension plan.

**Old-age social pension (Noncontributory Old-Age Pension, social assistance, income tested):** B\$112.17 a week (B\$488.40 a month) is paid with annual income greater than B\$4,000; B\$115.68 a week (B\$502.66 a month) with annual income up to B\$4,000.

### **Permanent Disability Benefits**

**Disability pension (Disability Benefit, Contributory Pension Fund, social insurance):** B\$163.27 a week (B\$709.45 a month) is paid.

Partial pension: A percentage of the full pension is paid based on the average number of weeks of contributions across all years of contributions.

**Disability pension (National Pension Scheme, mandatory occupational pension):** The amount of the benefit depends on the rules for the specific occupational pension plan.

**Disability social pension (Noncontributory Disability Benefit, social assistance, income tested):** B\$112.40 a week (B\$488.40 a month) is paid.

### **Survivor Benefits**

**Survivor pension (Widow's Allowance, Contributory Pension Fund, social insurance):** B\$244.95 a week (B\$1,064.37 a month) is paid.

Partial pension: B\$532.19 (one-half of the full pension) a month is paid if the deceased's annual average number of weeks of contributions was 25 to 29; B\$638.62 (three-fifths) a month for 30 to 34 weeks; B\$745.06 (seven-tenths) a month for 35 to 39 weeks; B\$851.50 (four-fifths) a month for 40 to 44 weeks; or B\$957.93 (nine-tenths) a month for 45 to 49 weeks.

Child's supplement: B\$24.44 a week (B\$106.20 a month) is paid for each eligible child.

The survivor pension is paid for 26 weeks or until orphans reach age 18 (age 26 if a full-time student); for life if the widow(er) is older than age 50 or disabled.

**Survivor settlement (Contributory Pension Fund, social insurance):** A lump sum of total employee and employer contributions is paid.

**Survivor benefit (National Pension Scheme, mandatory occupational pension):** The benefit is paid as a lump sum or according to the pension plan based on the value of the deceased's contributions, accumulated capital, or accrued benefits.

A lump-sum benefit is paid to the survivor if the deceased was a member of an occupational pension plan for less than two years at the time of death.

### **Administrative Organization**

Ministry of Finance (<https://www.gov.bm/ministry/finance/>) provides general supervision of the social insurance and social assistance programs.

Department of Social Insurance collects contributions and administers the social insurance and social assistance programs.

Pension Commission (<http://www.pensioncommission.bm/>) supervises and regulates the mandatory occupational pension program.

### **Sickness and Maternity**

---

#### **Regulatory Framework**

**First and current laws:** 1970 (health insurance); 2000 (labor law); and 2004 (health council), implemented in 2006.

**Type of program:** Universal (medical benefits), mandatory health insurance (medical benefits), employer-liability (cash benefits), and social assistance (medical benefits) system.

Note: A 2019 amendment to the labor law will introduce a five-day paid paternity benefit and extend paid maternity leave to 13 weeks.

#### **Coverage**

**Universal (medical benefits):** Residents of Bermuda up to age 18 (age 21 if a full-time student) or aged 65 or older.

**Mandatory health insurance (medical benefits):** Private-sector employees and their nonemployed spouses; and self-employed persons.

Voluntary coverage for nonemployed persons.

Special system for public-sector employees and public-sector pensioners.

Note: Employers and self-employed persons may choose between a public or private carrier, or an approved employer-operated plan. Of the public plans, the Health Insurance Plan is open to all residents and Future Care is open to residents aged 65 or older.

**Employer liability (cash benefits):** Employed persons.

Exclusions: Self-employed persons.

**Social assistance (medical benefits):** Needy residents of Bermuda or persons of Bermudian status.

#### **Source of Funds**

##### **Insured person**

**Universal (medical benefits):** 30% of the total cost for residents aged 65 to 74; 20% of the total cost for residents aged 75 or older; none for residents up to age 18 (age 21 for full-time students).

**Mandatory health insurance (medical benefits):** Employed persons and their nonemployed spouses pay 50% of a premium set based on medical underwriting (commercial insurance), B\$214.62 a month (Health Insurance Plan), or B\$250.07 a month (Future Care; B\$749.24 a month for persons who do not meet residency requirements).

Voluntarily insured persons pay B\$429.24 a month (Health Insurance Plan) or B\$500.14 a month (Future Care;

B\$1,498.48 a month for persons who do not meet residency requirements).

Children up to age 18 (age 21 if a full-time student) may be voluntarily insured for supplemental benefits for B\$190 a month (Health Insurance Plan).

*Employer liability (cash benefits):* None.

*Social assistance (medical benefits):* None.

### Self-employed person

*Universal (medical benefits):* Not applicable.

*Mandatory health insurance (medical benefits):* Self-employed persons pay 100% of a premium set based on medical underwriting (commercial insurance), B\$429.24 a month (Health Insurance Plan), or B\$500.14 a month (B\$1,498.48 a month for persons who do not meet residency requirements; Future Care). Children up to age 18 (age 21 if a full-time student) may be voluntarily insured for supplemental benefits for B\$190 a month (Health Insurance Plan).

*Employer liability (cash benefits):* Not applicable.

*Social assistance (medical benefits):* None.

### Employer

*Universal (medical benefits):* None.

*Mandatory health insurance (medical benefits):* For employees and their nonemployed spouses, 50% of a premium set based on medical underwriting (commercial insurance), B\$214.62 a month (Health Insurance Plan), or B\$250.07 a month (Future Care; B\$749.24 a month for persons who do not meet residency requirements).

*Employer liability (cash benefits):* The total cost.

*Social assistance (medical benefits):* None.

### Government

*Universal (medical benefits):* 70% of the total cost for residents aged 65 to 74; 80% of the total cost for residents aged 75 or older; and 100% of the total cost for residents up to age 18 (age 21 for full-time students).

*Mandatory health insurance (medical benefits):* Subsidizes the cost of premiums for supplemental benefits for children up to age 18 (age 21 if a full-time student), and residents aged 65 or older who have lived in Bermuda for at least 10 consecutive years in the last 20 years with no more than three months of absence in any year.

*Employer liability (cash benefits):* None; contributes as an employer.

*Social assistance (medical benefits):* The total cost.

### Qualifying Conditions

**Cash sickness benefit (employer liability):** Must have at least one year of continuous employment.

**Cash maternity benefit (employer liability):** Must have at least one year of continuous employment with the same employer, provide a medical certificate specifying the expected date of childbirth, and submit an application to the employer at least four weeks before the expected date the leave will begin.

**Medical benefits (universal):** Residents aged 65 or older must have lived in Bermuda for at least 10 consecutive years in the last 20 years with no more than 3 months of absence in any year. There is no minimum qualifying period for residents up to age 18.

**Medical benefits (mandatory employment-related insurance):** There is no minimum qualifying period, except for a 10-month waiting period for maternity care.

Insurance through public plans is terminated after 60 days of nonpayment of premiums.

Eligible dependents include a nonemployed spouse, and dependent children up to age 18 (age 21 if a full time student) who are living with the insured.

**Medical benefits (social assistance, income tested):** Must be of Bermudian status or have resided in Bermuda for at least 10 years. There is no minimum qualifying period.

### Sickness and Maternity Benefits

**Sickness benefit (employer liability):** 100% of the employee's daily wages is paid for up to eight days a year.

**Maternity benefit (employer liability):** 100% of the employee's wages is paid for eight weeks (13 weeks as of January 1, 2020). The employee is entitled to an additional four weeks of unpaid leave (discontinued as of January 1, 2020). If the employee has less than one year of continuous employment, up to eight weeks (13 weeks as of January 1, 2020) of unpaid leave is provided.

### Workers' Medical Benefits

**Medical benefits (universal and social assistance):** Beneficiaries receive a basic set of benefits defined by a schedule in law, including inpatient and outpatient services; nursing; pharmaceuticals provided in the hospital; surgery; diagnostic, laboratory and therapeutic services; and orthopedic appliances.

Cost sharing: Needy residents and residents up to age 18 (age 21 if a full-time student) receive free basic health care services.

**Medical benefits (mandatory employment-related insurance)**

*Commercial medical benefits:* Benefits include inpatient and outpatient services; nursing, preventive, diagnostic, laboratory, ambulance, air ambulance, air travel, room and board, specialist, and doctor services; surgery; appliances;

## Bermuda

---

prescription drugs; dental and vision care; and at-home nursing services.

**Health Insurance Plan:** Benefits include inpatient and outpatient services; nursing, diagnostic, laboratory, ambulance, specialist, and doctor services; surgery; appliances; medicine; basic dental care; and health and wellness visits.

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

Cost sharing: Copayments are required under all plans.

### **Dependents' Medical Benefits**

**Medical benefits (universal and social assistance):** Benefits for dependents are the same as for the worker.

**Medical benefits (mandatory employment-related insurance):** Benefits for insured dependents are the same as for the insured.

### **Administrative Organization**

Department of Workforce Development (<http://www.dwd.bm/>), under the Ministry of Home Affairs, administers cash benefits.

Ministry of Health (<https://www.gov.bm/ministry/health/>) provides general supervision of medical benefits.

Health Insurance Department (<https://www.gov.bm/department/health-insurance/>) administers and collects contributions for the Health Insurance Plan and the Future Care medical benefits.

Private carriers administer the private insurance medical benefits program and collect contributions.

### **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.

Exclusions: Self-employed persons, casual labor, part-time workers, temporary employees, students, and voluntary workers.

Special system for military personnel.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** The total cost (pays insurance premiums or provides benefits directly to employees).

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

### **Qualifying Conditions**

Must have an incapacity for work due to a work-related injury or occupational disease lasting at least three days. Occupational diseases are specified by law.

### **Temporary Disability Benefits**

50% of the employee's lost earnings is paid for up to eight years.

The maximum weekly temporary disability benefit is B\$170.

The benefit may be paid as a lump sum, which is calculated based on the expected duration of the disability.

The total temporary disability benefit must not exceed the permanent disability benefit the employee would be entitled to receive.

### **Permanent Disability Benefits**

For a total (100%) loss of earning capacity for any work, four years of the employee's earnings before the disability began, or four years of the average annual per capita income, whichever is less, is paid.

The average annual per capita income is B\$98,125 (2017).

Constant-attendance supplement: 25% of the permanent disability benefit is paid if the employee requires the constant attendance of others to perform daily functions.

Partial disability: A percentage of the full permanent disability benefit is paid based on the assessed loss of earning capacity.

A registered medical practitioner assesses the 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 the deceased's earnings, or three years of the average annual per capita income, whichever is less, minus the value of any permanent disability benefits paid to the deceased, is paid.

The average annual per capita income is B\$98,125 (2017).

Eligible survivors include persons who were totally dependent on the deceased.

**Partial survivor grant:** A lump sum is paid to those who were partially dependent on the deceased.

**Funeral grant and medical expenses:** If there are no dependents, a lump sum of up to B\$2,000 is paid.

### **Administrative Organization**

Department of Workforce Development (<http://www.dwd.bm/>), under the Ministry of Home Affairs, provides general supervision.

Supreme Court administers the lump-sum benefits.

Courts supervise the agreement between an employer and the insured on the amounts paid.

Employers insure work injury liability through private carriers or provide benefits directly to employees or dependent survivors.

## **Unemployment**

### **Regulatory Framework**

Under the labor law (2000), employers are required to provide severance pay to employees with at least one year of continuous service in cases of redundancy, insolvency, death of the employer, and death of the employee due to a work injury. The payment amount is at least two weeks of the employee's wages for each year of service up to 10 years plus three weeks of wages for each year of service exceeding 10 years, up to 26 weeks of wages.

## **Family Allowances**

### **Regulatory Framework**

**First and current laws:** 2001 (Financial Assistance Act) and 2008 (Child Day Care Allowance Act).

**Type of program:** Social assistance system.

### **Coverage**

Needy persons of Bermudian status.

## **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

## **Qualifying Conditions**

**Child day care allowance (income tested):** Paid to the primary caregiver of a child younger than age 4 who is not in an approved or registered child care provider. The child must not have begun preschool education.

Income test: Annual household income must not exceed a certain limit.

**Financial assistance (means tested):** Paid to individuals and families unable to meet the cost of food, accommodation, utilities, transportation, laundry, adult day care, home care, health insurance, medication, or medical equipment. Must have resided in Bermuda for at least one year.

## **Family Allowance Benefits**

**Child day care allowance (income tested):** The cost of child care, up to B\$800 a month for each eligible child, is paid for three months. The benefit may be extended upon review.

**Financial assistance (means tested):** Assistance is paid for up to a total of five years, up to maximums defined in a schedule in law.

## **Administrative Organization**

Department of Financial Assistance (<https://www.gov.bm/departments/financial-assistance/>), under the Ministry of Social Development and Sports, administers the program.