

## Cuba

Exchange rate: US1.00 equals 0.92 peso.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1963 and 1964.

**Current law:** 1979, implemented in 1980.

**Type of program:** Social insurance and social assistance system.

#### Coverage

All wage earners.

Special systems for armed forces personnel, interior ministry staff, self-employed persons, artists, and members of agricultural cooperatives.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** 10% of declared earnings; certain artists contribute 12% of declared earnings.

There are no minimum or maximum monthly earnings for contribution purposes.

The above contributions also finance sickness and maternity benefits and work injury benefits.

**Employer:** 14% of gross payroll.

There are no minimum or maximum monthly earnings for contribution purposes.

The above contributions also finance sickness and maternity benefits and work injury benefits.

**Government:** Finances the cost of burial services and any deficit and guarantees minimum pensions; contributes as an employer.

There are no minimum or maximum monthly earnings for contribution purposes.

#### Qualifying Conditions

**Old-age pension:** Age 60 (men) or age 55 (women) with 25 years of work.

Age 55 (men) or age 50 (women) if the last 12 years or 75% of employment was in dangerous or arduous work.

Partial pension: Age 65 (men) or age 60 (women) with 15 years of work.

Early pension: There is no early pension.

Deferred pension: A deferred pension is possible, subject to the insured's physical and mental health.

Retirement is not necessary, but total income must not exceed former income.

The pension is not payable abroad.

**Old-age social assistance (means-tested):** Cash or in-kind benefits are payable to any person of pensionable age, subject to assessed needs.

**Disability pension:** The insured must be assessed with a partial, total, or severe disability. The full pension is paid if assessed as physically or mentally incapable of work.

The Expert Medical Labor Commission assesses the degree of disability.

Partial pension: If younger than age 23, the insured must be assessed as unable to perform usual work and have been employed when the disability began. If aged 23 or older, the number of years of employment needed to qualify increases with age. (A partial pension at age 28 or older requires 3 years of employment.)

The disability pension is not replaced by the old-age pension at pensionable age.

The pension is not payable abroad.

**Disability social assistance (means-tested):** Cash or in-kind benefits are payable to any person assessed as disabled, subject to assessed needs.

**Survivor pension:** The deceased was a pensioner at the time of death or employed 6 months before the date of death and for 75% of his or her adult life.

Eligible survivors are a widow (or partner), a needy widower (or partner) aged 60 or older or disabled, orphans younger than age 17 or disabled, and needy parents.

The pension is not payable abroad.

**Survivor social assistance (means-tested):** Cash or in-kind benefits are payable to any survivor, subject to assessed needs.

#### Old-Age Benefits

**Old-age pension:** The monthly pension is equal to 50% of average earnings (the portion of earnings exceeding 3,000 pesos a year is reduced by 50%) in the best 5 out of the last 10 years, plus 1% of earnings for each year of employment exceeding 25 years (1.5% for each year of dangerous or arduous work).

Partial pension: The monthly pension is equal to 40% of average earnings, plus 1% of earnings for each year of employment exceeding 15 years.

Deferred pension: The pension is increased by 1.5% to 4% for each year of deferral between ages 60 and 65 (men) and between ages 55 and 60 (women); thereafter, by 1% a year. The maximum pension is equal to 90% of the insured's salary.

The minimum monthly pension is 164 pesos.

The maximum pension is equal to 90% of the insured's average earnings, if average earnings were greater than 300 pesos.

**Old-age 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.

### **Permanent Disability Benefits**

**Disability pension:** For an assessed total disability, the monthly pension is equal to 50% of average annual earnings (the portion of earnings exceeding 3,000 pesos a year is reduced by 50%) if the insured has 25 years of work; 40% of average annual earnings with less than 15 years of work.

The minimum monthly pension is 164 pesos.

The maximum pension is equal to 90% of the insured's average earnings, if average earnings were greater than 300 pesos.

Partial disability: The pension is equal to between 30% and 50% of lost earnings, depending on the number of years of work up to a maximum of 25 years: 30% with less than 9 years; 40% with more than 9 years up to 14 years; 50% with more than 14 years. The pension is increased by 1% for each year of employment exceeding 25 years. During rehabilitation, the pension is equal to 70% of the insured's former earnings.

If the insured is unemployed as the result of a common disability, a pension is paid equal to 50% of former earnings in the first year; thereafter, 25% of former earnings.

**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:** If the deceased was employed at the time of death, the pension is equal to 100% of earnings for the first month and 50% of earnings for the next 2 months. If the deceased was a pensioner, then the pension is equal to 100% of the deceased's pension for 3 months; thereafter, 70%, 85%, or 100% of the deceased's pension for one, two, or three or more dependent survivors, respectively (80%, 90%, or 100% of the deceased's pension if the pension is less than 60 pesos a month). The pension is split equally among all eligible dependents.

Eligible survivors are a widow (or partner), a needy widower (or partner) aged 60 or older or disabled, orphans younger than age 17 or disabled, and needy parents.

The minimum monthly pension is 164 pesos.

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

Unemployed widows aged 40 or older receive the full pension. A nonworking widow younger than age 40 without dependents receives the full pension for a limited period of 2 years.

Free burial services are provided by the government for all residents of Cuba.

**Survivor 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.

### **Administrative Organization**

Ministry of Labor and Social Security administers the program through the National Institute of Social Security.

Municipal social security offices and work centers process applications.

Pensions are paid through the Popular Savings Bank.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1934 (maternity benefits).

**Current laws:** 1979 (sickness) and 2003 (maternity).

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

#### **Coverage**

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

**Medical benefits:** All residents of Cuba.

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

#### **Qualifying Conditions**

**Cash sickness benefits:** The insured must be currently employed or self-employed.

**Cash maternity benefits:** The insured must be currently employed with at least 75 days of employment 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 in Cuba.

### **Sickness and Maternity Benefits**

**Sickness benefit:** The benefit is equal to 60% of average daily earnings in the last 6 months; if hospitalized, 50% of earnings. The benefit is paid after a 3-day waiting period (if hospitalized, no waiting period) until medical certification expires (new certification by a medical committee is required every 26 weeks) or a disability pension is payable.

The minimum benefit is 1.5 pesos a day (80% of earnings if the wage is less than 1.65 pesos a day).

The maximum benefit is equal to 90% of earnings.

**Tuberculosis benefit:** The benefit is equal to 100% of earnings until cured.

**Maternity benefit:** The benefit is equal to 100% of earnings and is paid for 6 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, the benefit is equal to 60% of earnings if the mother is unable to work as the result of having to care for the child. The benefit is paid until the child is aged 12 months or earlier if the mother returns to work.

### **Workers' Medical Benefits**

Free medical services are provided by public medical centers. Benefits include medical, dental, and maternity care; prenatal and postnatal care; hospitalization; medicines during hospitalization; and rehabilitation. Benefits are provided until recovery.

### **Dependents' Medical Benefits**

Free medical services are provided by public medical centers. Benefits include medical, dental, and maternity care; prenatal and postnatal care; hospitalization; medicines during hospitalization; and rehabilitation. Benefits are provided until recovery.

### **Administrative Organization**

Ministry of Labor and Social Security administers the program through the National Institute of Social Security.

Work centers assume the costs and pay short-term cash benefits.

Ministry of Public Health supervises the administration of medical services provided by public medical and hospital centers.

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## **Work Injury**

### **Regulatory Framework**

**First law:** 1916.

**Current law:** 1979, implemented in 1980.

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

### **Coverage**

Employed persons, civilian personnel of the armed forces and interior ministry, self-employed persons, artists, and members of agricultural cooperatives.

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

### **Qualifying Conditions**

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

### **Temporary Disability Benefits**

The benefit is equal to 80% of the insured's earnings; if hospitalized, 70% of earnings. The benefit is paid from the first day of disability until medical certification expires (new certification by a medical committee is required every 26 weeks) or until a permanent disability pension is payable.

The minimum benefit is 1.5 pesos a day (80% of earnings if the wage is less than 1.65 pesos a day).

The maximum benefit is equal to 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:** The pension is equal to 50% of the insured's average earnings in the best 5 out of the last 10 years, plus 1% of earnings for each year of work exceeding 25 years.

**Work injury or occupational disease supplement:** Equal to 10% of the pension.

**Heroic act supplement:** Equal to 20% of the pension.

Constant-attendance allowance: Equal to 20% of the pension.

The minimum monthly pension is 164 pesos.

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

Partial disability: The pension is equal to between 30% and 50% of lost earnings, depending on the number of years of work up to a maximum of 25 years: 30% with less than 9 years; 40% with more than 9 years up to 14 years; 50% with more than 14 years. The pension is increased by 1% for each year of employment exceeding 25 years.

Work injury or occupational disease supplement: Equal to 10% of the pension.

During rehabilitation, the pension is equal to 70% of the insured's former earnings.

If the insured is unemployed as a result of a work-related disability, a pension is paid equal to 70% of former earnings in the first year; thereafter, 35% of former earnings.

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

### **Workers' Medical Benefits**

Free medical services are provided by public medical centers. Benefits include medical and dental care, hospitalization, medicines, appliances, and rehabilitation. Benefits are provided until recovery.

### **Survivor Benefits**

**Survivor pension:** If the deceased was employed at the time of death, the pension is equal to 100% of earnings for the first month and 50% of earnings for the next 2 months. If the deceased was a pensioner, the pension is equal to 100% of the deceased's pension for 3 months; thereafter, 70%,

85%, or 100% of the deceased's pension for one, two, or three or more dependent survivors, respectively (80%, 90%, or 100% of the deceased's pension if the pension is less than 60 pesos a month). The pension is split equally among all eligible survivors.

Eligible survivors are a widow (or partner), a needy widower (or partner) aged 60 or older or disabled, orphans younger than age 17 or disabled, and needy parents.

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

Unemployed widows aged 40 or older receive the full pension. A nonworking widow younger than age 40 without dependents receives the full pension for a limited period of 2 years.

Free burial services are provided by the government.

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

### **Administrative Organization**

Ministry of Labor and Social Security administers the program through the National Institute of Social Security.

Work centers assume the costs and pay short-term cash benefits.

Ministry of Public Health supervises the administration of medical services provided by public medical and hospital centers.

### **Family Allowances**

#### **Regulatory Framework**

Dependents of young workers conscripted into military service are eligible for assistance from the Social Security Fund.