

Taiwan

Exchange rate: U.S.\$1.00 equals
33.95 Taiwan dollars (NT\$).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1950.

Current law: 1958, with 1988, 1994, 2000, and 2001 amendments.

Type of program: Social insurance system providing lump-sum benefits only.

Coverage

Employees of firms in industry and commerce, mines, and plantations with 5 or more workers; wage-earning public employees; public-utility employees; fishermen; and some self-employed persons in service occupations.

Special systems for farmers, salaried public employees, and the staff of private schools.

Voluntary program for employees in firms with fewer than five workers and the self-employed (except for self-employed persons in service occupations with compulsory coverage, above).

Source of Funds

Insured person: 1.3% of earnings; the self-employed, 3.3%.

Employer: 4.55% of payroll.

Government: 0.65% of employee wages (self-employed, 2.2%) and the cost of administration.

Maximum monthly earnings for contribution and benefit purposes are NT\$42,000.

All of the above contributions also finance cash sickness and maternity benefits and part of the cost of unemployment benefits.

Qualifying Conditions

Old-age grant: Age 60 (men) or 55 (women) with at least 1 year of coverage; age 55 (men) with 15 years of coverage or age 55 (miner) with 5 years of coverage; age 50 with 25 years of coverage.

Retirement from covered employment is necessary.

Disability grant: Permanent total or partial incapacity and the payment of any contributions.

Survivor grant: The payment of any contributions.

Old-Age Benefits

Old-age grant: A lump sum equal to 1 month's average earnings in the 36 months before retirement per year of contributions for the first 15 years, plus 2 months' earnings per year of contributions beyond 15 years.

The maximum grant is 45 months' earnings.

Old-age increment: An increment of 1 month's earnings is paid for each year of continued work and contributions after age 60 up to a maximum of 5 months' earnings.

Permanent Disability Benefits

Disability grant: If totally disabled, a lump sum equal to 40 months' average earnings in the 6 months before the onset of disability.

Partial disability: A lump sum varying from 1 to 33.3 months' earnings, according to the assessed degree of incapacity.

Survivor Benefits

Survivor grant: A lump sum equal to 30 months of the insured's average earnings in the 6 months before death; 20 months' earnings if less than 2 years but more than 1 year of contributions or 10 months' earnings if less than 1 year of contributions.

Eligible survivors (in order of priority): Spouse and children, parents, dependent grandparents, grandchildren, and brothers and sisters.

Funeral grant: A lump sum equal to 5 months of the insured's earnings.

Administrative Organization

Labor Insurance Department of the Council of Labor Affairs provides general supervision.

Under the direction of the tripartite Labor Insurance Commission and its director general, the Labor Insurance Bureau administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1950.

Current laws: 1958 (cash benefits for sickness and maternity), with 1988 amendment, and 1994 (national health insurance), implemented in 1995.

Type of program: Social insurance system providing limited cash benefits.

Coverage

Resident for at least 4 months, including foreign nationals with a resident permit. Terms for employees and their dependents vary according to whether they are covered under labor

insurance (for employees in industry and commerce) or under plans for government service (including public- and private-school teachers), the self-employed, the unemployed, or other covered groups.

Special system for military personnel.

Source of Funds

Insured person (labor insurance plan)

Cash benefits for sickness and maternity: See Old Age, Disability, and Survivors, above.

Medical benefits: 1.275% of wages, plus an additional 1.275% of wages for each dependent up to 6.375% of wages for five or more dependents.

Contribution rates vary for other plans.

Employer (labor insurance plan)

Cash benefits for sickness and maternity: See Old Age, Disability, and Survivors, above.

Medical benefits: 2.55% of payroll, plus an additional 2.244% of payroll for dependents, regardless of number.

Contribution rates vary for other plans.

Government (labor insurance plan)

Cash benefits for sickness and maternity: See Old Age, Disability, and Survivors, above.

Medical benefits: 0.425% of wages, plus any deficit.

Contribution rates vary for other plans.

Qualifying Conditions

Cash sickness benefit: Incapacity due to a nonoccupational accident or illness. There is no specified minimum qualifying period.

Cash maternity benefit: 280 days of contributions before childbirth and 181 days of contributions for a premature childbirth.

Medical benefits: Nonoccupational accidents or sicknesses (excluding various infectious diseases and maternity care).

Sickness and Maternity Benefits

Sickness benefit (for nonoccupational accident or illness only): 50% of earnings. Benefit is payable after a 3-day waiting period for up to 12 months; 6 months if less than 1 year of contributions.

Maternity grant: A lump sum equal to 1 month's earnings for normal and premature childbirths, payable to insured women.

Workers' Medical Benefits

Medical care is provided by private and public clinics and hospitals under contract with, and paid directly by, the National Health Insurance Bureau. Benefits include preventive

and prenatal care, inpatient and outpatient hospital treatment, surgery, and medicines.

There is no limit to duration.

Cost-sharing: Ambulatory and emergency care at clinics, 20% of scheduled fees; between 30% and 50% for hospital visits (according to the type of hospital and if without a doctor's referral); for inpatient care for short-term illnesses, from 10% of the cost for the first 30 days up to 30% from the 61st day and thereafter, depending on the duration of hospitalization; for inpatient care for chronic long-term illnesses, from 5% for the first 30 days up to 30% from the 181st day and thereafter. There is no cost-sharing in the case of specified catastrophic illnesses.

Dependents' Medical Benefits

Same as for the insured person.

Administrative Organization

Cash sickness and maternity benefits: Labor Insurance Department of the Council of Labor Affairs provides general supervision. Labor Insurance Bureau administers the program.

Medical benefits: National Health Insurance Bureau administers the program. Medical care is provided by contracted private and public clinics and hospitals.

Work Injury

Regulatory Framework

First laws: 1929 and 1950.

Current law: 1958, with 1988, 1994, 2000, and 2001 amendments.

Type of program: Social insurance system.

Coverage

Employees of firms in industry and commerce, mines, and plantations with five or more workers; wage-earning public employees; public-utility employees; fishermen; and some self-employed persons in service occupations.

Special systems for salaried public employees and the staff of private schools.

Source of Funds

Insured person: None.

Employer

Cash benefits: 0.07% to 3.0% of payroll, according to the assessed risk of the industry. The average rate is 0.33%.

Medical care: See medical benefits under Sickness and Maternity, above.

Government

Cash benefits: None.

Medical care: See medical benefits under Sickness and Maternity, above.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

70% of earnings for the first 12 months; 50% of earnings thereafter. Benefit is payable after a 3-day waiting period for up to 24 months.

Permanent Disability Benefits

If totally disabled, a lump sum equal to 60 months' earnings.

Partial disability: A lump sum equal to 1.5 to 50 months' earnings, according to the assessed degree of disability.

Workers' Medical Benefits

See workers' medical benefits under Sickness and Maternity, above.

Survivor Benefits

Survivor benefit: A lump sum equal to 40 months of the insured's earnings.

Eligible survivors (in order of priority): Spouse and children, parents, dependent grandparents, grandchildren, and brothers and sisters.

Funeral grant: A lump sum equal to 5 months of the insured's earnings.

Administrative Organization

Labor Insurance Department of the Council of Labor Affairs provides general supervision.

Labor Insurance Bureau administers contributions, cash benefits, and medical benefits for employment injury.

National Health Insurance Bureau administers medical benefits.

Unemployment

Regulatory Framework

First and current law: 1968, implemented in 1999, with 2000 and 2001 amendments.

Type of program: Social insurance system providing limited cash benefits.

Coverage

Employees between ages 15 and 60 of firms in industry and commerce, mines, and plantations with five or more workers; wage-earning public employees; public-utility employees; and fishermen.

Exclusion: Self-employed persons.

Source of Funds

Insured person: 0.2% of earnings.

Employer: 0.7% of payroll.

Government: 0.1% of employee wages; the cost of administration.

Funds are allocated also from contributions paid under Old Age, Disability, and Survivors insurance, above.

Qualifying Conditions

Unemployment benefit: At least 1 year of coverage; unemployment is not due to voluntary leaving; currently registered at a public employment office as being capable of, and willing to, work; no suitable job offer or not recommended for occupational training.

Unemployment Benefits

60% of covered earnings. Benefit is payable after a 7-day waiting period for up to 6 months.

Administrative Organization

Labor Insurance Department of the Council of Labor Affairs provides general supervision.

Under the direction of the tripartite Labor Insurance Commission and its director general, the Labor Insurance Bureau administers the program.