

Marshall Islands

Exchange rate: Currency is the US dollar (US\$).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1967.

Current law: 1990 (social security), with amendment.

Type of program: Social insurance system.

Coverage

Gainfully employed persons, including the self-employed.

Exclusions: Casual labor under certain circumstances.

Source of Funds

Insured person: 7% of earnings.

The maximum earnings for contribution and benefit purposes are US\$5,000 a quarter.

Self-employed person: 14% of 3/4 of gross income.

The maximum earnings for contribution and benefit purposes are US\$5,000 a quarter.

Employer: 7% of payroll; employers in small businesses contribute 14% of twice the salary of the highest-paid employee.

The maximum earnings for contribution and benefit purposes are US\$5,000 a quarter.

Government: None; except for the contributions as an employer.

Qualifying Conditions

Old-age pension: Age 60 with 1 quarter of coverage for each year after June 30, 1968 (or since age 21, if later), with at least 12 quarters of coverage.

Early pension: Age 55 with at least 80 quarters of coverage.

Deferred pension: A deferred pension is possible.

Disability pension: Incapacity for usual work. One quarter of coverage for each year after June 30, 1968 (or since age 21, if later), with at least 12 quarters of coverage and 6 quarters of coverage during the last 40 quarters.

Survivor pension: The deceased had 1 quarter of coverage for each year after June 30, 1968 (or since age 21, if later), or at least 6 quarters of coverage in the 40 quarters before death.

Income test: The pension is reduced by US\$1 for each US\$3 of earnings above US\$1,500 a quarter for pensioners who are younger than age 62.

Pensions are payable abroad to noncitizens for 6 months only, unless reciprocity exists.

Lump-sum survivor benefit: Payable when all eligible survivors no longer qualify for survivor benefits as a result of death, remarriage, or age conditions.

Old-Age Benefits

Old-age pension: 2% of indexed covered earnings, plus 14.5% of the first US\$11,000 of cumulative covered earnings, plus 0.7% of cumulative covered earnings in excess of US\$11,000 up to a maximum of US\$44,000.

Early pension: The pension is reduced by 0.5% for each month the pension is taken before age 60.

Deferred pension: The pension is increased by 0.5% for each month the pension is deferred after age 60.

The minimum old-age pension is US\$128.99 a month.

Permanent Disability Benefits

Disability pension: 2% of indexed covered earnings, plus 14.5% of the first US\$11,000 of cumulative covered earnings, plus 0.7% of cumulative covered earnings in excess of US\$11,000 up to a maximum of US\$44,000.

The minimum disability pension is US\$128.99 a month.

Survivor Benefits

Survivor pension: 100% of the deceased's pension, payable to a widow(er) at any age.

Orphan's pension: 25% of the deceased's pension for each orphan younger than age 18 (age 22 if a student, no limit if disabled before age 22).

The minimum survivor pension is US\$128.99 a month.

The maximum survivor pension is 100% of the deceased's pension.

Lump-sum survivor benefit: A lump sum equal to 4% of cumulative covered earnings minus the total value of benefits already paid.

Administrative Organization

Marshall Islands Social Security Administration administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1991 (health fund).

Current law: 2002 (health fund administration).

Type of program: Social insurance program. Medical benefits only.

Coverage

Gainfully employed persons, including the self-employed.

Exclusions: Casual labor under certain circumstances.

Source of Funds

Insured person: 3.5% of earnings.

Self-employed person: 10% of 3/4 of gross income.

Employer: 3.5% of payroll; employers in small businesses contribute 10% of twice the salary of the highest-paid employee.

Government: None; except for the contributions as an employer.

The maximum earnings for contribution and benefit purposes are US\$5,000 a quarter.

Qualifying Conditions

Cash sickness and maternity benefits: No information is available.

Medical benefits: An insured employee or insured citizen.

Sickness and Maternity Benefits

No information is available.

Workers' Medical Benefits

General medical services are delivered through a public hospital and a private clinic in Majuro and through a public hospital in Ebeye.

Dependents' Medical Benefits

No information is available.

Administrative Organization

Ministry of Health Services administers the Social Security Health Fund.