

## Cuba

Exchange rate: U.S.\$1.00 equals 1 peso.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1963 and 1964.

**Current law:** 1979.

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

Note: This information is from 1999.

#### Coverage

All wage earners.

Special system for members of armed forces, interior ministry staff, the self-employed, artists, and members of agricultural cooperatives.

#### Source of Funds

**Insured person:** None. (The self-employed contribute 10% of earnings.)

**Employer:** 14% of payroll.

**Government:** Any deficit and contributes as an employer. The cost of burial services.

All of the above contributions also finance sickness and maternity benefits and work injury benefits.

#### Qualifying Conditions

**Old-age pension:** Age 60 (men) or age 55 (women) with 25 years of employment. 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 employment. Retirement is not necessary, but total current income cannot exceed former income.

The pension is not payable abroad.

**Disability pension:** For the full pension, assessed as physically or mentally incapable of work.

Partial pension: Assessed inability to perform usual work, employed at the onset of disability, and under age 23. If age 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.

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

#### Old-Age Benefits

**Old-age pension:** 50% of average earnings (the portion of earnings above 3,000 pesos a year is reduced by 50%) during the best 5 out of the last 10 years, plus 1% of earnings for every year of employment beyond 25 years (1.5% in the case of dangerous or arduous work).

Deferred pension: Increments of 1.5% to 4% for every year of deferral between ages 60 and 65 (men) and between ages 55 and 60 (women); thereafter, 1% a year.

Partial pension: 40% of average earnings, plus 1% of earnings for every year of employment beyond 15 years.

The minimum pension is 59 pesos a month, or 79 pesos a month, or 80% of wages, depending on average earnings and the number of years of employment.

The maximum pension is 90% of average earnings.

#### Permanent Disability Benefits

**Disability pension:** 40% of average earnings (the portion of earnings above 3,000 pesos a year is reduced by 50%) during the best 5 out of the last 10 years, plus 1% of earnings for every year of employment beyond 15 years.

The minimum pension is 59 pesos a month, or 79 pesos a month, or 80% of wages, depending on average earnings and the number of years of employment.

The maximum pension is 90% of average earnings.

Partial disability: 30% to 50% of lost earnings, depending on the number of years of employment up to 25 years. The pension is increased by 1% for every year of employment above 25 years. During rehabilitation the pension is 70% of former earnings.

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

#### Survivor Benefits

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

Eligible dependents: Widow or a female partner, a needy widower or a male partner aged 60 or disabled, orphans under age 17 or disabled, and needy parents.

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

A nonworking widow under age 40 and without dependents receives the full pension for 2 years.

Unemployed widows aged 40 or older receive the full pension.

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

### **Administrative Organization**

Ministry of Labor and Social Security administers the program through its Social Security and Social Assistance Directorate.

Municipal social security offices and work centers process applications.

Pensions are paid through the Popular Savings Bank.

### **Sickness and Maternity**

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#### **Regulatory Framework**

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

**Current laws:** 1974 (maternity) and 1979 (sickness).

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

#### **Coverage**

**Cash sickness and maternity benefits:** Employed persons, members of agricultural cooperatives, and members of special systems.

**Medical benefits:** All residents.

#### **Source of Funds**

**Insured 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. Also covers the cost of medical services.

#### **Qualifying Conditions**

**Cash sickness benefits:** Currently employed.

**Cash maternity benefits:** Currently employed with 75 days of employment in the 12 months preceding maternity leave.

**Medical benefits:** Resident in Cuba.

#### **Sickness and Maternity Benefits**

**Sickness benefit:** 60% of earnings; if hospitalized, 50% of earnings. The benefit is payable after a 3-day waiting period until medical certification expires (new certification by a medical committee is required every 26 weeks) or a disability pension is granted.

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 90% of earnings.

**Tuberculosis benefit:** 100% of earnings until cured.

**Maternity benefit:** 100% of earnings, payable 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, 60% of earnings if the mother is unable to work because she has to care for the child. The payment is made until the child is aged 6 months.

#### **Workers' Medical Benefits**

Free medical services are provided to patients 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 to patients 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 its Social Security and Social Assistance Directorate.

Work centers assume the costs and pay cash benefits.

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

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1916.

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

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

#### **Coverage**

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

#### **Source of Funds**

**Insured 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.

## Temporary Disability Benefits

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

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 90% of earnings.

## Permanent Disability Benefits

**Permanent disability pension:** 50% of average earnings during the best 5 out of the last 10 years, plus 1% of earnings for every year of employment beyond 25 years.

Work injury supplement: 10% of the pension.

Constant-attendance allowance: 20% of the pension.

The minimum pension is 59 pesos a month, or 79 pesos a month, or 80% of wages, depending on average earnings and the number of years of employment.

The maximum pension is 90% of average earnings.

Partial disability: 40% to 60% of lost earnings, depending on the number of years of employment up to 25 years. The pension is increased by 1% for every year of employment above 25 years. During rehabilitation the pension is 70% of former earnings.

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

## Workers' Medical Benefits

Free medical services are provided to patients 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 100% of earnings for the first month and 50% of earnings for the next 2 months; if the deceased was a pensioner, 100% of the insured's pension for 3 months. Thereafter, 70%, 85%, or 100% of the insured's pension for one, two, or three or more dependent survivors, respectively (80%, 90%, or 100% of the insured's pension if the pension is less than 60 pesos a month). The pension is divided equally among all eligible dependents.

Eligible dependents: Widow or a female partner, a needy widower or a male partner aged 60 or disabled, orphans under age 17 or disabled, and needy parents.

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

A nonworking widow under age 40 and without dependents receives the full pension for 2 years.

Unemployed widows aged 40 or older receive the full pension.

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

## Administrative Organization

Ministry of Labor and Social Security administers the program through its Social Security and Social Assistance Directorate.

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.