

Kenya

Exchange rate: US\$1.00 equals 69.10 shillings.

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1965 (social security fund), with 1966, 1971, 1975, 1978, 1987, and 1997 amendments.

Type of program: Provident fund system.

Coverage

Employed persons, traders, self-employed persons, and some workers in the informal sector, including farmers.

Voluntary coverage is possible.

Exclusions: Some types of casual worker.

Special pension system for public-sector employees.

Source of Funds

Insured person: 5% of monthly earnings; a maximum flat rate of 200 shillings a month for insured persons with monthly earnings greater than 4,000 shillings. Voluntary contributors pay between 100 shillings and 1,000 shillings.

Self-employed person: 5% of monthly earnings.

There are no minimum monthly earnings for contribution purposes.

There are no maximum monthly earnings for contribution purposes.

Employer: 5% of monthly payroll.

There are no minimum monthly earnings for contribution purposes.

There are no maximum monthly earnings for contribution purposes.

Government: None.

Qualifying Conditions

Old-age benefit: Age 55 and retired from insured employment.

Drawdown payment: The benefit is payable at age 50 if not in insured employment or at any age if emigrating permanently.

Disability benefit: The fund member must be assessed as totally incapable of performing any work.

The disability is assessed by the fund member's doctor, a National Social Security Fund doctor, and the Director of Medical Services in the Ministry of Health.

Survivor benefit: Paid for the death of the fund member before retirement.

Eligible survivors are the spouse and orphans or, if none, other dependent relatives.

Funeral grant: The deceased fund member must have made at least 3 months' contributions. The grant is paid to a dependent named by the deceased.

Old-Age Benefits

A lump sum is paid equal to total employee and employer contributions, plus interest.

Drawdown payment: The maximum lump sum is equal to total employee and employer contributions, plus interest.

Permanent Disability Benefits

A lump sum is paid equal to total employee and employer contributions, plus interest.

Survivor Benefits

Survivor benefit: A lump sum is paid equal to total employee and employer contributions, plus interest.

Funeral grant: 2,500 shillings is paid.

Administrative Organization

Ministry of Labour and Human Resource Development (<http://www.labour.go.ke>) provides general supervision through a board of trustees.

National Social Security Fund (<http://www.nssfkenya.com>) administers the program.

Sickness and Maternity

Regulatory Framework

First and current law: 1966 (hospital insurance), with amendments.

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

Coverage

Employed persons and their dependents, including public-sector employees and self-employed persons, earning at least 1,000 shillings a month.

Voluntary coverage for persons earning less than 1,000 shillings a month.

Source of Funds

Insured person: A variable monthly contribution of 30 shillings up to a maximum of 320 shillings; voluntary contributors pay a flat rate of 160 shillings a month.

Self-employed person: A variable monthly contribution of 30 shillings up to a maximum of 320 shillings; voluntary contributors pay a flat rate of 160 shillings a month.

Employer: None.

Government: None.

Qualifying Conditions

Cash sickness and maternity benefits: No statutory benefits are provided.

Medical benefits: There is no qualifying period; voluntary contributors must have at least 60 days of coverage for medical benefits or at least 6 months of coverage for maternity medical care.

Sickness and Maternity Benefits

No statutory benefits are provided.

The 1976 Employment Act requires employers to pay 100% of earnings for up to 2 months of sick leave; some employers negotiate with trade unions to pay 100% of earnings for 1, 3, or 6 months, then 50% of earnings for a period of equal duration.

The 1976 Employment Act requires employers to pay 100% of earnings for up to 2 months of maternity leave. Some maternity medical benefits are also provided by employers.

Workers' Medical Benefits

Free care is provided in government hospitals for certain illnesses, including tuberculosis, sexually transmitted diseases, and AIDS.

The maximum duration of benefits is 180 days in 1 year; may be extended in the case of exceptional hardship.

Free inpatient treatment in government hospitals is provided to employed persons who are not covered by health insurance but who contribute to the National Social Security Fund. There are 367 approved hospitals in Kenya.

Cost sharing: A refund of expenses for hospital and medical treatment for insured persons, according to the schedule in law. The maximum reimbursement ranges between 200 shillings and 650 shillings a day, depending on the medical facility attended.

Medical services provided outside the country are reimbursed at 750 shillings a day.

Government employees receive subsidized care at government facilities.

Dependents' Medical Benefits

Dependent children are entitled to a maximum of 10 days of benefits up to age 18 (age 22 if still dependent).

Administrative Organization

Ministry of Health (<http://www.health.go.ke>) provides general supervision through a board of directors.

National Hospital Insurance Fund administers the program.

Work Injury

Regulatory Framework

First law: 1946.

Current laws: 1974 (workmen's compensation), with 1976 and 1987 amendments; and 1976 (employment), with 1977 amendment.

Type of program: Employer-liability system, normally involving insurance with a private carrier.

Coverage

Employed persons in the public and private sectors.

Exclusions: Nonmanual employees earning more than 4,000 shillings a month, casual workers, and family labor.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost is met through the direct provision of benefits or insurance premiums.

Government: None; the cost of benefits for government employees.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 50% of the insured's earnings, up to a maximum of 540 shillings. The benefit is paid after a 3-day waiting period; the benefit is paid retroactively if the incapacity lasts for more than 3 days.

The maximum total benefit payable for a temporary disability is 240,000 shillings.

The disability is assessed by the insured's doctor, a National Social Security Fund doctor, and the Director of Medical Services in the Ministry of Health.

Permanent Disability Benefits

A lump sum equal to 60 months of the insured's earnings is paid for a permanent partial disability.

The maximum total benefit payable for a permanent partial disability is 240,000 shillings.

The disability is assessed by the insured's doctor, a National Social Security Fund doctor, and the Director of Medical Services in the Ministry of Health.

Survivor Benefits

Survivor benefit: A lump sum equal to 60 months of the deceased's earnings is paid to survivors who were fully dependent on the deceased; in the absence of fully dependent survivors, a reduced benefit is paid to survivors who were only partially dependent.

The minimum benefit is 35,000 shillings.

The maximum benefit is 240,000 shillings.

Funeral grant: A lump sum equal to the cost of the funeral is paid to dependents; the employer pays 2,000 shillings if there are no dependents.

Administrative Organization

Ministry of Labour and Human Resource Development (<http://www.labour.go.ke>) enforces the law, approves settlements, and pays benefits from money deposited with it by employers.

Employers may insure against liability with private insurance companies.