

Kenya

Exchange rate: US\$1.00 equals 78.15 shillings.

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1965 (social security fund), with 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 workers.

Special pension system for public-sector employees.

Source of Funds

Insured person: 5% of monthly earnings. Voluntary contributors pay between 100 shillings and 1,000 shillings.

The maximum earnings for contribution calculation purposes are 4,000 shillings

Self-employed person: 5% of monthly earnings.

Employer: 5% of monthly payroll.

Government: None.

Qualifying Conditions

Old-age benefit: Age 60 and retired from insured employment.

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

Disability benefit: The fund member must be assessed with a total incapacity for 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; in the absence of a spouse and orphan, other dependent relatives.

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

Old-Age Benefits

Old-age benefit: A lump sum equal to total employee and employer contributions plus interest is paid.

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

Permanent Disability Benefits

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

Survivor Benefits

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

Funeral grant: 2,500 shillings is paid.

Administrative Organization

Ministry of Labour (<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 law: 1966 (hospital insurance), with amendments.

Current law: 1998 (hospital insurance).

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

Coverage

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

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 320 shillings; voluntary contributors pay a flat rate of 160 shillings a month.

Self-employed person: A variable monthly contribution of 30 shillings to 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 and at least 6 months of coverage for maternity medical care.

Sickness and Maternity Benefits

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 a 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 abroad are reimbursed at 750 shillings a day.

Government employees receive subsidized care at government facilities.

Dependents' Medical Benefits

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

Administrative Organization

Ministry of Health provides general supervision through a board of directors.

National Hospital Insurance Fund (<http://www.nhif.or.ke/healthinsurance>) administers the program.

Work Injury

Regulatory Framework

First law: 1946.

Current laws: 1974 (workmen's compensation), with amendments; 2007 (work injury); and 2007 (employment).

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, self-employed persons, 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 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 temporary disability benefit 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.

Benefit adjustment: Benefits are adjusted periodically by the Minister of Labor.

Permanent Disability Benefits

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

The maximum total permanent partial disability benefit 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.

Benefit adjustment: Benefits are adjusted periodically by the Minister of Labor.

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 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.

Benefit adjustment: Benefits are adjusted periodically by the Minister of Labor.

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.