

## Kenya

Exchange rate: U.S.\$1.00 equals 77.40 shillings.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1965.

**Type of program:** Provident fund system.

#### Coverage

Employed persons.

Exclusion: Casual workers.

Special pension system for public-sector employees.

#### Source of Funds

**Insured person:** 5% of earnings.

**Employer:** 5% of payroll.

**Government:** None.

The maximum monthly earnings for contribution purposes are 4,000 shillings.

#### Qualifying Conditions

**Old-age benefit:** Age 55 and substantial retirement from regular employment. The benefit is payable at age 50 if not in insured employment or at any age if emigrating permanently.

**Disability benefit:** Total incapacity for any work.

**Survivor benefit:** The death of the fund member prior to retirement.

#### Old-Age Benefits

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

#### Permanent Disability Benefits

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

#### Survivor Benefits

A lump sum equal to total employee and employer contributions, plus interest. The benefit is payable to the spouse and children or, if none, to other dependent relatives.

### Administrative Organization

Ministry of Labor provides general supervision through a board of trustees.

National Social Security Fund administers the program.

### Sickness and Maternity

#### Regulatory Framework

**First and current law:** 1966.

**Type of program:** Social insurance system. Hospital benefits only.

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

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

#### Coverage

Employed persons, including public-sector employees and the self-employed, earning 1,000 shillings or more a month.

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

#### Source of Funds

**Insured person:** A graduated monthly contribution, from a minimum of 30 shillings up to a maximum of 320 shillings; voluntary contributors pay a fixed rate of 60 shillings a month.

**Employer:** None.

**Government:** None.

#### Qualifying Conditions

**Hospital benefits:** There is no qualifying period. There are 367 approved hospitals where contributors and their families can seek medical attention.

Voluntary contributors qualify for benefits after 60 days; in the case of maternity care, after 6 months.

#### Sickness and Maternity Benefits

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

#### Workers' Medical Benefits

**Hospital benefits:** A refund of expenses for hospital and medical treatment for insured persons, as prescribed by regulation.

The maximum reimbursement ranges between 200 and 650 shillings a day, depending on the type and grade of medical facility attended.

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

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

Government employees receive subsidized care at government facilities.

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.

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

### **Dependents' Medical Benefits**

**Hospital benefits for dependents:** 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 provides general supervision through a board of directors.

National Hospital Insurance Fund administers the program.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1946.

**Current law:** 1974.

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

#### **Coverage**

Employed persons.

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

#### **Source of Funds**

**Insured person:** None.

**Employer:** Total cost, met through the direct provision of benefits or insurance premiums.

**Government:** None. (The cost of benefits for government employees injured while in service.)

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

### **Temporary Disability Benefits**

50% of earnings, up to a maximum of 540 shillings. The benefit is payable after a 3-day waiting period (waived if the disability exceeds 3 days).

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

### **Permanent Disability Benefits**

A lump sum equal to 60 months of the insured's earnings in the case of permanent partial disability.

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

### **Survivor Benefits**

**Survivor benefit:** A lump sum of 60 months' earnings, payable to dependent survivors or, if none, in a reduced amount 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 covering the cost of the funeral. (The employer pays 2,000 shillings if there are no dependents.)

### **Administrative Organization**

Ministry of Labor enforces the law, approves settlements, and pays benefits from money deposited with it by employers.

Employers may insure the assessed liability with private insurance companies.