

## Kenya

Exchange rate: US\$1.00 = 80.90 shillings.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current law:** 1965 (social security fund).

**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 available.

Exclusions: Certain casual workers.

Special pension system for public-sector employees.

#### Source of Funds

**Insured person:** 5% of monthly earnings. Voluntary contributors pay at least 100 shillings a month.

The maximum earnings used to calculate contributions are 4,000 shillings.

There are no maximum earnings used to calculate voluntary contributions.

**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 if the insured has contributed for at least three years and leaves insured employment or emigrates permanently.

**Disability benefit:** The insured must be assessed with a total incapacity for performing any work.

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

**Survivor benefit:** Paid if the insured dies before retirement.

Eligible survivors are the spouse and orphans; if there is no surviving spouse or child, the benefit is paid to other dependent relatives.

**Funeral grant:** The deceased must have contributed for at least three months. The grant is paid to a dependent named by the deceased.

### Old-Age Benefits

**Old-age benefit:** A lump sum of the total employee and employer contributions plus interest is paid.

Drawdown payment: The maximum lump sum is the total employee and 50% of the employer contributions plus interest.

### Permanent Disability Benefits

**Disability benefit:** A lump sum of the total employee and employer contributions plus interest is paid.

### Survivor Benefits

**Survivor benefit:** A lump sum of the 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 administers the program.

### Sickness and Maternity

#### Regulatory Framework

**First law:** 1966 (hospital insurance).

**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:** From 30 shillings to 320 shillings a month. Voluntary contributors pay a flat rate of 160 shillings a month.

**Self-employed person:** From 30 shillings to 320 shillings a month. 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 six months of coverage for maternity 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 two months; some employers negotiate with trade unions to pay 100% of earnings for one, three, or six 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 two months of maternity leave. Employers also provide some obstetric benefits.

Accredited government and certain private and faith-based hospitals provide comprehensive maternity care to members of the National Health Insurance Fund and their dependents.

### **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.

Cost sharing: A refund of expenses for inpatient hospital and medical treatment for insured persons and their dependents up to 396,000 shillings a year, according to a schedule in law. The amount of the refund varies according to three categories of hospitals accredited by the National Health Insurance Fund. Government hospitals provide free comprehensive inpatient care. Certain private and faith-based hospitals may charge a co-payment of up to 15,000 shillings for treatment requiring surgery. All other private hospitals may charge unlimited co-payments.

Medical services provided abroad are reimbursed at 750 shillings a day.

Government employees receive subsidized care at government facilities.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as for the insured.

### **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), 2007 (work injury), and 2007 (employment).

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

### **Coverage**

Public- and private-sector employees.

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

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

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

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

### **Permanent Disability Benefits**

**Permanent disability benefit:** A lump sum of 60 months of the insured's earnings is paid for a permanent partial disability, up to 240,000 shillings.

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

---

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

### **Survivor Benefits**

**Survivor benefit:** A lump sum of 60 months of the deceased's earnings is paid to survivors who were fully dependent on the deceased; if there are no 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 of 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.

Employers may insure against liability with private insurance companies.