



NATIONAL INSURANCE AND YOU

Your Guide to Benef

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NATIONAL INSURANCE SCHEME

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MISSION STATEMENT

To create a Comfortable Social Security Environment
for the People of Grenada, Carriacou and Petite

"Serving You Because We Care"



Contents

2	.....	Why this Booklet
3	.....	Historical Overview of the National Insurance Scheme
4	.....	Short-Term Benefits
5	.....	Sickness Benefit
7	.....	Maternity
9	.....	Employment Injury
10	.....	Medical Expenses
10	.....	Funeral Grant
12	.....	Long-Term Benefits
13	.....	Disablement Benefit
13	.....	Constant Attendance
14	.....	Invalidity Benefit
14	.....	Invalidity Pension
14	.....	Invalidity Grant
16	.....	Survivor's Benefit
16	.....	Survivor's\Death Pension
18	.....	Survivors Grant
19	.....	Age Benefit
19	.....	Age Pension
20	.....	Age Grant

Why This Booklet

This booklet has been published to provide relevant information on the Grenada National Insurance Scheme. This publication only gives general guidance and must not be treated as a complete authoritative statement of the law. A full copy of the law is available for sale at our offices;

Melville Street, St. George's
Victoria Street, Grenville, St. Andrew's
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The following Benefits are available to eligible insured persons under the National Insurance Scheme:

- Sickness Benefit
- Maternity Benefit
- Employment Injury Benefit
- Invalidity Benefit
- Age Benefit
- Survivors Benefit
- Funeral Grant

The information contained in this booklet is based on the Laws and Regulations in effect at the date of publication. There may be differences in the future as the benefits and contributions rate are reviewed and updated periodically.

Historical Overview of the National Insurance Scheme

Social Security was started in the Caribbean as early as 1966 when the Jamaica National Insurance was established. Shortly thereafter, Provident Funds were set up in many other countries.

In 1970, the first Social Security package was introduced to Grenada with the proclamation of the Agricultural Workers Provident Fund. Employers were required to contribute fifteen (15) cents to the fund on behalf of each worker for every day worked. Money generated through this fund were used to pay benefits to persons covered by the fund, who were primarily agricultural workers.

In the years following its establishment it was realized that the scope of coverage provided by the fund was limited and inadequate. As a result, the International Labour Organisation was contracted as part of a Caribbean-wide project to look into the establishment of a more comprehensive Social Security Program.

This resulted in the setting up of National Insurance Schemes in several countries including Grenada. The Act which brought this into force provides for an actuarial review every three years, mainly for a review and improvements of benefits paid.

The National Insurance of Grenada, Carriacou and Petite Martinique came into force on the 4th of April 1983 by N.I.S. Law 14|1983. National Insurance is equivalent to what is referred to in other countries as “Social Security”. It is the protection which society provides for its members through a series of public measures against economic and social distress that would be caused by the stoppage or substantial reduction of earnings resulting from occurrences such as sickness, invalidity, childbirth, aging or death.

The law provides for the collection of contributions and payment of benefits to insured persons. Benefits paid are Sickness, Maternity, Funeral, Age, Invalidity, Survivors and Employment Injury.

Short-Term Benefits

Consist of the Following:

- Sickness Benefit
- Maternity Benefit
- Employment Injury Benefit
- Funeral Grant

Sickness Benefit



What is Sickness Benefit

Sickness Benefit is designed to supplement wages lost by an insured person who is incapable of work due to bodily or mental illness, except in the case of injury or disease received on the job.

How to claim Sickness Benefit

The claim for a sickness benefit is made on an Employment Injury/Sickness form which can be obtained from your Employer, the Doctor or the National Insurance Scheme. The medical certificate must be completed by a registered Medical Doctor.

When to claim for Sickness Benefit

A claim for Sickness Benefit must be made within four days from the date your illness began.

Who qualifies for a Sickness Benefit?

The claimant must:

- Be between the ages of 16 and 60
- Have been rendered temporarily incapable of work because of illness (physical or mental)
- Have been in insurable employment at the time the illness began
- Have been insured for not less than 13 weeks and paid at least 8 weeks contributions immediately prior to sick leave.
- Must be losing earnings from the Employer

Sickness Benefit is only payable if the person is sick for four days or more; payment will be made from the first day of the sick leave provided it is not the last day worked.

What is the rate of Sickness Benefit?

The rate of sickness benefit is 65% of your average weekly insurable earnings in the 13-week period before the illness began.

What is the duration of Sickness Benefit?

Sickness Benefit is payable initially for up to a maximum period of 26 weeks. A further 26 weeks may be payable if the insured person had been engaged in employment for at least 150 contribution weeks and in the last three complete contribution years has 75 paid or credited contributions.

Sundays are excluded when calculating a sickness benefit but all public holidays are included.

Disqualification

An insured person may be disqualified from receiving a sickness benefit if he/she:

- Is unable to work through his/her own misconduct;
- Fails to comply with a notice in writing by the Director of the NIS requiring him/her to take a medical or other examination;
- Behaves without good reason in a manner calculated to retard his or her recovery;
- Is undergoing imprisonment or detention in legal custody
- Undertakes work for which remuneration is or would ordinarily be payable;
- Fails without good cause to answer any queries made by an officer of the Board designed to ascertain the person's continuing entitlement to benefit.

Maternity Benefit



What is Maternity Benefit?

Maternity Benefit is payable to insured women while they are off work during the advanced stage of pregnancy and in the period immediately following confinement or to a husband whose wife cannot qualify on her own.

Maternity Benefit is divided into two categories:

- Maternity Allowance
- Maternity Grant

Maternity Allowance

Maternity Allowance is paid at a rate of **65%** of the woman's average insurable earnings during the 30 weeks immediately before the week that payment of the benefit commences. This benefit is payable for a period of **twelve (12)** weeks but not earlier than six weeks before expected confinement.

Maternity Grant

A Maternity Grant is \$522.00 and is payable after confinement. This benefit is paid to the husband of a woman who does not qualify for a benefit. The husband must satisfy the same qualifying conditions as if it had been the woman making the claim for the Maternity benefit.

How to claim Maternity Benefit

A certificate of confinement or expected confinement confirming the actual date of delivery or the expected date of delivery from a registered doctor must accompany a claim for a Maternity Allowance. A midwife can also certify the claim form but only in confinement cases.

A claim for a Maternity Grant is made on the same form as that for a Maternity Allowance. Only the information relevant to receiving a Maternity Grant must be completed.

Qualifying conditions for Maternity Allowance

Claimant must:-

- Be registered with the Scheme for at least 30 weeks
- Have paid contributions for at least 20 weeks in the 30-week period immediately preceding the week of confinement
- Be between the ages of 16 and 60

Circumstances which may affect Maternity Benefit

If you return to work prior to the end of the 12 week period payable for Maternity Benefit you should immediately inform the National Insurance Scheme. Payment will cease immediately when you return to work.

An insured person may be disqualified from receiving a Maternity Benefit if she:

- Works in any week for which payment will ordinarily be made.
- Fails without good cause to take care of her health or to answer reasonable queries made by an officer of the National Insurance Board designed to ascertain continuing entitlement to the Benefit.
- Fails without good cause to comply with a notice in writing by the Director to undergo medical or other examination.
- Claim is not filed within the time limit specified without a valid reason.

Claims for Maternity Benefit must be filed not earlier than the 8th week before expected confinement or not later than 3 weeks after the date of confinement.

Employment Injury

What is Employment Injury Benefit?

It is a payment to insured persons who are incapable of work because of an injury sustained as a result of an accident occurring on the job, or certain types of diseases which one may contract as a result of the work which he or she is required to perform. Benefits included under the employment injury are disablement, constant attendance, medical expenses, injury, funeral and death



It is mandatory for all employers to contribute 1 % for all employees (regardless of age) for employment injury coverage. All Self-employed persons regardless of the age are covered for employment injury benefits. Those age 60 and over are required to contribute only 1%.

How to claim Employment Injury Benefit

- Report the accident to your employer or Supervisor immediately
- Visit your doctor immediately, or go to the hospital. Ask the doctor to certify your injury on the Employment Injury Form
- Complete and sign the claim form and submit to the National Insurance Scheme as soon as possible
- Employers are required to investigate the circumstances of an alleged accident and submit a written report to the Board as soon as possible.

Duration of Employment Injury Benefit

Injury Benefit is paid up to a maximum period of 26 weeks from the date of incapacity, as long as the incapacity exists. After that period a medical doctor must re-assess the disability to determine eligibility for the Disablement Benefit.

What is the Daily Rate of Benefit?

The daily rate of Injury Benefit is 70% of average weekly insurable earnings of the insured person divided by six.

Medical Expenses

A person qualifies for a refund of expenses reasonably incurred in the treatment of an employment injury or a prescribed disease.

What Payments are Made?

- Medical, surgical, dental and hospital treatment, skilled nursing services and the supply of medicines.
- The supply of, fitting, maintenance, repair and renewal of artificial limbs, dentures, spectacles and other apparatus and appliances.
- The cost of traveling for the purpose of obtaining any of the above.
- Fees for airfares, costs of hospitalization and operations undertaken abroad will be paid only if prior approval was received from the National Insurance Board. If this is not done, the claim will be restricted to EC\$1000.
- The amount of any such fees and charges that may be refunded under this part in any case shall be determined by the Director.

How to Claim Medical Expenses

All original receipts for medication, doctor's fees, traveling, hospitalization etc., must be submitted with your claim. Details of the nature of treatment which was received must be indicated on the form.

Direct Payment for Medical Expenses by the Board

The Board may pay directly to a Medical Practitioner or Institution instead of refunding the insured person.

Funeral Grant

What is a Funeral Grant?

A Funeral Grant is a one-time payment intended to assist with the funeral expenses of:-

- An insured
- The spouse of an insured person or
- A dependant child of an insured person up to the age of 16 or 18 if still in school

The Funeral Grant is paid to the individual who is responsible for or is liable to meet the cost of the funeral of the deceased person.

In the event that an insured person dies from a job related injury or accident a Funeral Grant is paid on their behalf.

How to make a claim for a Funeral Grant?

A Funeral Grant claim form must be completed and submitted to the National Insurance Scheme no later than **SIX MONTHS** after the death of the insured person.

Late claims may be disqualified unless exceptional circumstances prevented the claim from being made on time.

The Funeral Grant form must be submitted with the following:

- An original bill/receipt from the funeral agency
- Death certificate of the deceased (as proof of death)
- Birth certificate (in the case of death of child of insured)
- Marriage certificate (where spouse of insured is the deceased)

Qualifying conditions for the Funeral Grant

The Funeral Grant is paid if at the time of death the insured person was:

- Receiving a Sickness, Employment Injury or Maternity benefit or
- Would have been entitled to receive a Sickness, Employment Injury or Maternity benefit but for the fact of death or
- Had received or qualified for an Age, Invalidity or Disablement benefit.

Important Facts

Where death occurred at sea and the deceased person was buried at sea, or the person who met the cost of the funeral cannot be found or the cost of the funeral was less than the amount of the Grant, the Director of the NIS may make the payment or remainder of the payment to such person or persons as he decides.

Long-Term Benefits

Consist of the following:-

- Disablement Benefit
- Constant Attendance Benefit
- Death Benefit
- Invalidity Benefit
- Survivors Benefit
- Age Benefit

Disablement Benefit

What is Disablement Benefit?

This benefit is paid to a person who has exhausted his or her entitlement to Injury benefits and suffers from a loss of physical or mental faculty which amounts to not less than 1%.

What is the Duration of the Benefit?

The benefit may be paid as a Pension or a Grant, depending on the Doctor's assessment of the degree of disablement. Thirty percent (30%) or more is equivalent to a Pension and less than 30% is equivalent to a Grant.

What is the Rate of the Benefit?

The rate of benefit is 70% of the weekly insurable earning times the percentage degree of disablement.

Constant Attendance

What is Constant Attendance Benefit

This is a benefit that is paid in the instance where the degree of disablement is 100% and if the Director is satisfied that as a result of the relevant loss of faculty the beneficiary requires the constant attendance of another person.

What is the Rate of the Benefit?

The rate of pension payable shall increase by 50%. No such increase shall be payable in respect of a period for which the beneficiary is receiving medical treatment as an in-patient in a hospital or in a similar institution.

Invalidity Benefit

What is Invalidity benefit?

This benefit is paid to a person who has exhausted his or her entitlement to Sickness Benefit or where having been examined by a doctor, has been diagnosed as being permanently incapable of work. The benefit may be paid as a Pension or a Grant, depending on the number of contributions paid into the National Insurance Scheme. How do I qualify to receive Invalidity benefit?



Invalidity benefit is paid to an insured person who:

- Is under the age of 60
- Has become permanently incapable of work because of some physical or mental illness and is medically certified as being likely to remain incapacitated
- Is not in receipt of Sickness benefits or has exhausted all entitlement to Sickness benefit

Invalidity Pension

To qualify for a Pension, an insured person must have at least 150 weeks paid contributions and be under the age of 60. This is a monthly payment as long as the invalidity last.

Invalidity Grant

To qualify for a Grant, an insured person must have at least 50 weeks paid contributions and be under the age of 60.

Invalidity grant is a lump sum payment and is paid at 5 times the average weekly insurable earnings for every 50 contributions.

How do I Claim Invalidity Benefit?

If after a year of Sickness benefit, a medical doctor assesses that you are medically unfit for work and is likely to remain incapacitated permanently you are required to complete the Invalidity Benefit claim form. The claim form must be signed by a registered Medical Doctor and then submitted to the National Insurance Scheme.

A claim for Invalidity benefit must be filed within three months from the date on which the person became eligible to receive the benefit.

What is the Benefit Rate?

Invalidity Pension is paid at an annual rate of:

- 30% of a person's average annual insurable earnings during the best four years, (if pension commences in 2007) or the best five years (if pension commences in 2008 and thereafter) of the entire period of the person's working life.
- Supplemented by 1% of the average annual insurable earnings for each unit of 50 contributions in excess of the first 500 contributions
- Subject to a minimum pension of \$46.40 per week.
- The maximum amount which can be awarded as an Invalidity Pension is 60% of a person's average annual insurable earnings.

Benefit Disqualifications

An insured person who is entitled to receive Invalidity benefit may be disqualified from receiving such benefit if the claimant:-

- Becomes unable to work through his or her own misconduct
- Fails without good cause to comply with any notice by the Director to attend or submit one's self for medical or other examination
- Fails without good cause to attend a course of rehabilitation training following a written notice by the Director
- Fails without good cause to observe the following rules of behaviour:
 - To refrain from behaviour calculated to retard his or her recovery or to answer reasonable questions by an officer of the Board
 - Not to absent one's self from one's place of residence without leaving word where you may be found

- 15 ● To engage in work for which wages would normally be paid.

Survivors Benefit

What is Survivors Benefit?

Survivors benefit is an amount payable to the widow or widower, children and a dependant parent of an insured person in the event he or she dies. Payment can be either in the form of a pension or a grant. A pension is a monthly payment whereas a grant is a lump sum payment

*Where death occurs as a result of a job related injury or accident, a **DEATH BENEFIT** is payable.*

How do I Claim Survivors/Death Benefit?

Complete the Survivors benefit claim form and submit it to the National Insurance Scheme. This claim form must be accompanied with the birth certificate of the spouse and children of the deceased. In cases of adoption all the legal documents must accompany the claims.

Where there is a change of name please ensure that all supporting documents are presented. These include marriage certificate, affidavit, deed poll and any other supporting document.

Survivors/Death Pension

How can someone become entitled to a Survivors/Death Pension?

This benefit is paid to a surviving spouse, dependant children and parent of an insured person who has died. Children are paid until the **age of sixteen (16) and up to eighteen (18)** if they are still at school.

Any other person who was financially wholly or mainly dependant upon the deceased for the provisions of the ordinary necessities of life shall be entitled to **Death Benefit**.

What is the benefit rate?

Of the maximum pension available for payment to survivors, the rate of Survivors pension payable is as follows:

- Spouse - three fourths (3/4).
- Children- one-fourth (1/4).
- In the case of an orphan or an invalid child - one half (1/2)
- Parent- one-fourth (1/4).
- Any other dependant person- (1/4) { where the claimant was wholly maintained by the deceased the amount shall be one-half (1/2)}.

The minimum weekly pension for a spouse is \$46.40, and for a child \$9.90. In the case of an orphan or invalid child, the minimum weekly amount shall be \$19.70.

When is the pension payable?

The pension is calculated at a weekly rate and is paid monthly. All cheques can be forwarded directly to the claimant's bank account.

Duration of pension

A Survivors pension can be paid to a widow or widower for either one year or for life. To receive a survivors benefit for life, the widow or widower must be age fifty (50) or over and has been married to the deceased spouse for three (3) years or more. However, if the widow or widower was under the age of fifty the pension payable would be for one (1) year.

In circumstances where the widow or widower was an invalid at the time of the death of the insured person, then the pension would be payable as long as the invalidity continues.

N.B. There are no age restrictions for a widow or widower where a death benefit is payable.

Survivors Grant

To qualify for a Grant, the deceased insured person must have paid **at least 50** weeks contributions into the National Insurance Scheme.

Survivors Grant is paid at 5 times the average weekly insurable earnings for every 50 contributions. This is a Lump Sum payment.

Please Note

- In addition to his or her age pension a widow or widower can also receive fifty percent (50%) of the Survivors benefit.
- Spouse includes persons in common-law relationship. Children include illegitimate, adopted or stepchildren.
- The dependant parent would receive the benefit only if the maximum amount payable to the children and spouse is not exhausted.
- Survivors benefit ceases on remarriage or cohabitation.



Age Benefits

What is an Age Benefit?

An age benefit is a payment made payable to an insured person who has attained the age of sixty years. Payment can be either in the form of a pension or a grant. A pension is a monthly payment whereas a grant is a lump sum payment



How do I Claim Age Benefit?

Complete the Age Benefit claim form before or upon attaining your 60th birthday and submit it to the National Insurance Scheme. This claim form must be accompanied with your birth certificate to verify your age. If the name you worked with is not the same with that on your birth certificate then an affidavit or any other legal supporting document must accompany the claim.

Age Pension

How can someone become entitled to an age pension?

This benefit is paid to an insured person who has attained the age of sixty years and paid at least five hundred (500) weeks contributions to the Scheme. The is equivalent to approximately 10 years contributions

What is the Benefit Rate?

Age Pension is paid at an annual rate of:

- If the pension commences in 2007-30% of a person's average annual insurable earnings of the entire period of the person's working life during the best four years

- If the pension commences in 2008 and thereafter- 30% of a person's average annual insurable earnings of the entire period of the person's working life during the best **five** years

The rate is supplemented by 1% of the average annual insurable earnings for each unit of 50 contributions in excess of the first 500 contributions.

- The minimum pension payable is \$46.40 per week.
- If the month carries five (5) Mondays, the weekly rate is multiplied by five (5) and if the month carried four (4) Mondays, the weekly rate is multiplied by four (4)
- The maximum amount which can be awarded as an Age Pension is 60% of a person's average annual insurable earnings.

When is the Pension Payable?

The pension is calculated at a weekly rate and is paid monthly throughout the lifetime of the pensioner. In the event that the pensioner dies, the pension will cease. All cheques can be forwarded directly to the claimant's bank account.

Age Grant

To qualify for a Grant, an insured person must have at **least 50 weeks** paid into the National Insurance Scheme and be 60 years and over.

Age Grant is paid at 5 times the average weekly insurable earnings for every 50 contributions. This is a Lump Sum payment.

Please Note

In the event that a person retires before attaining his or her 60th birthday he or she can make voluntary contributions. If however, he or she is Self-employed then contribution has to be paid in this regard.