

Indonesia

Exchange rate: US\$1.00 = 9,075 rupiah.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1977 (government regulation).

Current laws: 1992 (employees' social security), 2004 (social security system; not yet implemented), and 2011 (social security organizing agency; not yet implemented).

Type of program: Provident fund and social insurance system.

Note: The 2004 law established a National Social Security Board charged with making recommendations for the development of new old-age, survivors, health insurance, and work injury programs. The 2011 law creates a Social Security Organizing Agency to replace the Employees' Social Security System (Jamsostek) and administer these programs by 2015. Both laws have not been implemented.

Coverage

Employees of firms with 10 or more employees or a monthly payroll of at least 1 million rupiah. Employees with contracts of less than three months are covered for social insurance death benefits only.

Voluntary coverage for self-employed persons.

Special systems for public-sector employees and military personnel.

Source of Funds

Insured person

Provident fund: 2% of gross monthly earnings.

Social insurance: None.

Self-employed person

Provident fund: At least 2% of gross monthly declared earnings.

Social insurance: 1% of gross monthly declared earnings.

Employer

Provident fund: 3.7% of monthly payroll.

Social insurance: 0.3% of monthly payroll.

Government: None.

Qualifying Conditions

Old-age benefit (provident fund): Age 55. Retirement is not required.

The benefit may be deferred. There is no maximum age for deferral.

Drawdown payments: At any age if emigrating permanently, if starting work as a public employee or beginning military service, or if unemployed for at least six months after at least five years of fund membership.

Disability benefit (provident fund): Younger than age 55 with a total permanent incapacity for work as a result of a work injury. A medical doctor must certify the incapacity.

Survivor benefit (provident fund): The deceased was younger than age 55 at the time of death or older than age 55 and receiving a periodic pension at the time of death. The benefit is paid to the spouse or, if there is no spouse, to dependent children.

Death grant and funeral grant (social insurance): Paid when the insured dies.

Old-Age Benefits

Old-age benefit (provident fund): A lump sum of total employee and employer provident fund contributions plus interest is paid. Members with more than 50 million rupiah in their provident fund account may opt for a periodic pension.

Drawdown payments: The maximum lump sum is total employee and employer provident fund contributions plus interest.

Permanent Disability Benefits

Disability benefit (provident fund): A lump sum of total employee and employer provident fund contributions plus interest is paid. Members with more than 50 million rupiah in their provident fund account may opt for a periodic pension.

Survivor Benefits

Survivor benefit (provident fund): A lump sum of total employee and employer provident fund contributions plus interest is paid. Eligible survivors of deceased members who had more than 50 million rupiah in their provident fund account may opt for a periodic pension.

If the deceased was receiving a periodic pension, the survivor benefit is the total employee and employer provident fund contributions plus interest minus the amount already paid to the deceased member.

Death grant and funeral grant (social insurance): A lump-sum death grant of 10 million rupiah and a lump-sum funeral grant of 2 million rupiah are paid.

Eligible survivors (in order of priority) are the spouse, children, parents, grandchildren, grandparents, siblings, or parents-in-law. If there are no eligible survivors, the benefit is paid to a person named by the deceased; if there

is no named survivor, only the funeral benefit is paid to the person who pays for the funeral.

Benefit adjustment: Social insurance benefits are adjusted every two years.

Administrative Organization

Ministry of Manpower and Transmigration (<http://www.depnakertrans.go.id>) provides general supervision.

Employees Social Security System (Jamsostek) (<http://www.jamsostek.co.id>) collects contributions, administers benefits, and manages the investment of funds.

Sickness and Maternity

Regulatory Framework

First law: 1957.

Current laws: 1992 (employees' social security), 2004 (social security system; not yet implemented), and 2011 (social security organizing agency; not yet implemented).

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

Note: The 2004 law established a National Social Security Board charged with making recommendations for the development of new old-age, survivors, health insurance, and work injury programs. The 2011 law creates a Social Security Organizing Agency to replace the Employees' Social Security System (Jamsostek) and administer these programs by 2015. Both laws have not been implemented.

Coverage

Employees of firms with 10 or more employees or a monthly payroll of at least 1 million rupiah.

Employees with employer-provided benefits that are more comprehensive than those provided by the Jamsostek program are exempt.

Exclusions: Employees with labor contracts of less than three months.

Voluntary coverage for self-employed persons.

Special system for civil servants, civil service pensioners, military and police pensioners, veterans, and national independence pioneers.

Source of Funds

Insured person: None.

Self-employed person: 3% (if single) or 6% (if married) of monthly declared earnings.

Employer: 3% (if single) or 6% (if married) of monthly payroll.

The maximum monthly earnings used to calculate contributions are 1 million rupiah.

Government: None.

Qualifying Conditions

Cash sickness and maternity benefits: No benefits are provided.

Medical benefits: Must be currently covered.

Sickness and Maternity Benefits

Sickness benefit: No benefits are provided.

Maternity benefit: No benefits are provided.

Workers' Medical Benefits

Medical benefits include primary and specialist outpatient care; hospitalization; medicine; and emergency, dental, and eye care. The cost of eyeglasses, hearing aids, and prostheses are reimbursed, up to a maximum.

Insured persons must register with a primary care provider who is under contract with Jamsostek. A doctor's referral is required for access to specialist and inpatient care (except for emergencies).

The cost of maternity care for up to three children, up to 500,000 rupiah each, is paid.

Inpatient care is provided for up to 60 days a year.

Dependents' Medical Benefits

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

Eligible dependents include the dependent spouse and up to three dependent children (unmarried and unemployed) younger than age 21.

Administrative Organization

Ministry of Manpower and Transmigration (<http://www.depnakertrans.go.id>) provides general supervision.

Employees Social Security System (Jamsostek) (<http://www.jamsostek.co.id>) collects contributions and contracts with health care providers for medical benefits.

Public- and private-sector contractors provide medical services.

Work Injury

Regulatory Framework

First law: 1951 (workmen's compensation).

Current law: 1992 (employees' social security).

Type of program: Social insurance system.

Coverage

Employees of firms with 10 or more employees or a monthly payroll of at least 1 million rupiah.

Voluntary coverage for self-employed persons.

Special system for public-sector employees.

Source of Funds

Insured person: None.

Self-employed person: 1% of monthly declared earnings.

Employer: The total cost; contributions vary according to five classes of risk: 0.24% of monthly payroll (class I); 0.54% (class II); 0.89% (class III); 1.27% (class IV); or 1.74% (class V).

Government: None.

Qualifying Conditions

Work injury benefits: Must be assessed with a partial or total disability before age 55. There is no minimum qualifying period.

Temporary Disability Benefits

100% of the insured's wage in the month before the disability began is paid for the first four months; 75% for the next four months; 50% thereafter until rehabilitation or the determination of permanent disability.

Jamsostek assesses the degree of disability based on a health examination by a medical doctor.

Permanent Disability Benefits

Permanent disability benefit: A lump sum of 70% of 80 months of the insured's wage in the month before the disability began is paid, plus 200,000 rupiah a month for 24 months.

Partial disability: A lump sum is paid of 80 months of the insured's wage in the month before the disability began multiplied by the assessed degree of disability according to a schedule in law.

Jamsostek assesses the degree of disability based on an examination by a medical doctor.

Workers' Medical Benefits

Medical benefits include medical treatment, hospital care, dental and eye care, and prostheses.

The maximum cost of medical treatment and hospital expenses is 12 million per accident.

Transportation costs from the place of the accident to the hospital are provided up to 1,500,000 rupiah depending on the method of transport used.

Survivor Benefits

Survivor benefit: A lump sum of 60% of 80 months of the deceased's wage in the month before death is paid, plus 200,000 rupiah a month for 24 months.

Eligible survivors (in order of priority) are the spouse, children, parents, grandchildren, grandparents, siblings, and parents-in-law. If there are no eligible survivors, the benefits are paid to a person named by the deceased; if there is no named survivor, only the funeral grant is paid to the person who pays for the funeral.

Funeral grant: A death grant of 10 million rupiah and a funeral grant of 2 million rupiah are paid to the survivor eligible for the survivor benefit; if there is no eligible survivor, the funeral grant is paid to the person who pays for the funeral.

Administrative Organization

Ministry of Manpower and Transmigration (<http://www.depakertrans.go.id>) provides general supervision.

Employees Social Security System (Jamsostek) (<http://www.jamsostek.co.id>) collects contributions, administers benefits, and contracts with health care providers for medical services.