

LAW 87-01 REGARDING SOCIAL SECURITY IN THE DOMINICAN REPUBLIC

The LAW REGARDING SOCIAL SECURITY WAS PROMULGATED MAY 9TH OF THE YEAR 2001. IT ARISES AS A RESPONSE TO THE ECONOMIC, SOCIAL AND POLITICAL TRANSFORMATIONS THAT THE DOMINICAN REPUBLIC HAS EXPERIENCED IN THE LAST DECADES AND AS A WAY TO REDUCE POVERTY, SOCIAL INEQUALITY, TO PROTECT THE ABANDONED AND DISABLED, AND ALSO WITH A VIEW TO RAISE THE SOCIAL AND ECONOMIC DEVELOPMENT. IT'S MAIN OBJECTIVE IS TO REGULATE AND DEVELOP THE RIGHTS AND DUTIES AT THE SAME TIME WITH THE STATE AND THE CITIZENS, WITH REGARD TO THE FINANCING FOR THE PROTECTION OF THE POPULATION AGAINST THE RISKS OF THE ELDERLY, INCAPACITY, UNEMPLOYMENT FOR ADVANCED AGE, SICKNESS, MATERNITY, LABOR RISKS AND ALSO FOR THE PROTECTION OF INFANTS. ON THE OTHER HAND, THIS LAW CONTRIBUTES TO IMPROVING THE PRODUCTIVITY OF COMPANIES AND THE COMPETITIVENESS OF THE COUNTRY; IT ALSO STRENGTHENS THE LABOR PEACE AND SOCIAL STABILITY.

The beneficiaries of this system are:

- THE DOMINICAN CITIZENS
- THE LEGAL RESIDENTS OF THE DOMINICAN REPUBLIC
- THE DOMINICAN RESIDENTS IN THE EXTERIOR

THE AFFILIATION TO THIS SYSTEM IS OBLIGATORY, EVERY PERSON THAT WORKS AS AN EMPLOYEE, WHETHER THE JOB IS IN THE PUBLIC OR PRIVATE SECTOR, HAS TO BE AFFILIATED BY HIS EMPLOYER TO THE DOMINICAN SOCIAL SECURITY SYSTEM, REGARDLESS OF HIS SALARY; A WORKMAN, A NURSE, A BUSINESSMAN AND EVEN THE PRESIDENT OF THE REPUBLIC MUST BE AFFILIATED.

The Dominican Social Security System will be integrated by three financial regimens:

- THE CONTRIBUTING REGIME, THIS WILL INCLUDE THE WAGE EARNERS FROM THE PRIVATE AND PUBLIC SECTOR, AND THE EMPLOYERS, INCLUDING THE STATE AS AN EMPLOYER. THIS REGIMEN WILL COVER AS A MINIMUM, THE INSURANCE FOR THE ELDERLY, DISABILITY AND SURVIVAL; THE FAMILY HEALTH INSURANCE AND THE INSURANCE FOR LABOR RISKS BY WORK ACCIDENTS AND PROFESSIONAL DISEASES.



- THE SUBSIDIARY REGIMEN, WHICH WILL PROTECT THE WORKERS BY THEIR OWN CHOICE, WHICH PERCEIVE AN UNSTABLE INCOME OR INFERIOR TO THE MINIMUM NATIONAL SALARY, AS WELL AS THE UNEMPLOYED, DISABLED OR INDIGENT; THIS WILL BE FINANCED PRIMARILY BY THE DOMINICAN STATE.
- v THE SUBSIDIARY CONTRIBUTING REGIMEN, THIS WILL PROTECT THE PROFESSIONALS AND INDEPENDENT TECHNICAL PERSONNEL AND THE WORKERS BY THEIR OWN CHOICE WITH AN AVERAGE INCOME, SAME OR SUPERIOR TO THE MINIMUM NATIONAL INCOME, WITH CONTRIBUTIONS FROM THE WORKER AND A STATE SUBSIDY, TO COVER THE EMPLOYEES PART.

REGARDING THESE LAST TWO REGIMENS, THE SAME WILL COVER MINIMALLY THE FOLLOWING: INSURANCE FOR THE ELDERLY, DISABILITY AND SURVIVAL, AND THE FAMILY HEALTH INSURANCE.

THE THREE REGIMENS WILL COUNT WITH SEPARATED FUNDS AND INDEPENDENT ACCOUNTS. IF A PERSON RECEIVES AN INCOME SIMULTANEOUSLY FOR ACTIVITIES THAT CORRESPOND TO TWO OR REGIMENS THAT ARE FINANCED, THAT PERSON IS OBLIGATED TO QUOTE IN THE REGIMEN WITH A BIGGER CONTRIBUTING AMOUNT.

IN AGREEMENT TO THE LAW, THE EMPLOYERS WILL COVER 70% OF THE FINANCING OF THE CONTRIBUTING REGIMEN, IN THE INSURANCE FOR THE ELDERLY, DISABILITY AND SURVIVAL, AS WELL AS THE FAMILY HEALTH INSURANCE, THE WORKER WILL COVER THE REMAINING 30%. THE EMPLOYER WILL COVER THE INSURANCE FOR LABOR RISKS IN IT'S TOTALITY. ADDITIONALLY, THE EMPLOYEE WILL CONTRIBUTE THE 0.4% OF HIS QUOTABLE SALARY TO COVER THE FUND FOR SOCIAL SECURITY OF THE PROVISIONAL SYSTEM.



CONFORMATION OF THE DOMINICAN SOCIAL SECURITY SYSTEM:

- ✓ NATIONAL COUNCIL FOR SOCIAL SECURITY, RESPONSIBLE OF REGULATING THE FUNCTION OF THE SYSTEM. www.cnss.gov.do
- ✓ TREASURY OF THE SOCIAL SECURITY, ENTITY RESPONSIBLE FOR THE COLLECTION, DISTRIBUTION AND PAYMENT OF THE FINANCIAL RESOURCES. www.tss.gov.do
- ✓ DIRECTION OF INFORMATION AND DEFENSE OF THE POLICYHOLDERS, DIDA, ORIENTS THE AFFILIATED ABOUT THEIR RIGHTS AND DUTIES. www.dida.gov.do
- ✓ SUPERINTENDENCY OF PENSIONS, ENTITY IN CHARGE OF SUPERVISING THIS BRANCH. www.sipen.gov.do
- ✓ THE ADMINISTRATIVE OF PENSION FUNDS, THESE ADMINSTRATE THE PERSONAL ACCOUNTS OF THE AFFILIATED. THEY GRANT PENSIONS FOR THE ELDERLY.
- ✓ THE ADMINISTRATIVE OF HEALTH RISKS, OFFERS AND ADMINSTRATE THE HEALTH SERVICES OF THE PUBLIC OR PRIVATE EMPLOYEES. www.sisalril.gov.do
- ✓ PROVIDER OF HEALTH SERVICES, THE PUBLIC HOSPITALS, PRIVATE CLINICS AND ANY OTHER INSTITUTION THAT OFFERS HEALTH SERVICES.
- ✓ THE DOMINICAN INSTITUTE FOR SOCIAL SECURITY, RESPONSIBLE FOR THE CHILD CARE CENTERS; ADMINISTRATOR AND SERVICE LENDER FOR HEALTH SERVICES FOR EMPLOYEES. www.idss.gov.do

CHILD CARE CENTERS: THIS IS ONE OF THE MANY ADVANTAGES THAT THIS NEW LAW OFFERS. THE CARE CENTERS ARE CREATED WITH THE PURPOSE OF TAKING CARE OF THE CHILDREN OF THE AFFILIATED TO THE SOCIAL SECURITY SYSTEM; THESE CHILDREN WILL INCLUDE THE AGES OF 45 DAYS OF BEING BORN UP TO 5 YEARS OF AGE, AND WILL BE PROVIDED WITH THE SERVICES OF APPROPRIATE FEEDING, INFANTILE HEALTH CARE, PRE-SCHOOL EDUCATION AND RECREATION.

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