Social Security System in Thailand

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Policy and Planning Division
Social Security Office
Social Security Scheme in Thailand: Introduction and Historical Background

Administration of the SSO

Social Security Fund & Workmen’s Compensation Fund
- Administration
- Source of funds
- Benefits
Social Security Scheme in Thailand: Introduction & Historical Background

1954: Social Security Act (not to implement)

1956: Labour Act
- Employer provides for employee:
  - employment injury, maternity and sickness

1958: Ministerial Decree
- Employer pays 30 days sick and maternity leave
1974 : The first insurance scheme was implemented  
Workmen’s Compensation Fund  
- Coverage (Compulsory)  
1994 : Workmen’s Compensation Act
Social Security Act

Sep., 1990 : Social Security Act was implemented
  - Compulsory
  - Non work-related

Coverage & Benefits

Stage 1: 1991 - enterprises with 20 or more employees
  - 4 types (sickness, maternity, invalidity, death)

Stage 2: 1993 - enterprises with 10 or more employees
  1998 - old-age pension, child allowance

Stage 3: 2002 - enterprises with 1 or more employees
  2004 - unemployment

Social Security Office, Thailand

Sep., 1990 : Social Security Act was implemented
  - Compulsory
  - Non work-related
Legislation

- Workmen’s Compensation Act 1994
Administration

Ministry of Labour

Social Security Office (SSO) – Sep 1990

Secretary - General

Social Security Fund

- Social Security Committee
- Medical Committee
- Appeal Committee

Workmen’s Compensation Fund

- Workmen’s Compensation Committee
- Medical Committee
Objective: to guarantee benefits for insured persons to relief difficulties

- Sickness
- Maternity
- Child allowance
- Invalidity
- Death
- Old – age pension
- Unemployment

Social Security Fund (SSF)
Coverage

• Enterprises with 10 or more employees throughout the country (Since 1993)

• Extend the coverage to enterprises with 1 or more employees throughout the country (Since 1 April 2002)
Administration of SSF

1. Social Security Committee (15 members)
   - 5 representatives (employer/ employee/ gov.)
   - 5 extraordinary experts
   **Major Duty**: to advice on policy and administration to the SSO

2. Medical Committee (16 members)
   - Extraordinary experts in medical services
   **Major Duty**: to advise on medical care
Administration of SSF

3. Appeal Committee (13 members)

→ Extraordinary experts in legal affairs, medical services, social security administration, labour affairs and 3 representatives from employers and employees

**Major Duty**: to consider and make decision on the claim submitted by IPs who dissatisfied with the order of the competent official
Source of Fund (SSF)

Employers

Employees

Government
## Contribution Rates

<table>
<thead>
<tr>
<th>Categories</th>
<th>Employers</th>
<th>Employees</th>
<th>Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sickness</td>
<td>1.5 %</td>
<td>1.5 %</td>
<td>1.5 %</td>
</tr>
<tr>
<td>Maternity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invalidity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Death</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Allowance</td>
<td>3 %</td>
<td>3 %</td>
<td>1 %</td>
</tr>
<tr>
<td>Old Age Pension</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment</td>
<td>0.5 %</td>
<td>0.5 %</td>
<td>0.25 %</td>
</tr>
</tbody>
</table>

(Contributions are calculated from wage base 1,650-15,000 baht / month)

50 USD – 455 USD
Current Benefits

- Sickness
- Maternity
- Invalidity
- Death
- Child allowance
- Old age pension
- Unemployment
## Current Benefits

### Sickness

<table>
<thead>
<tr>
<th>Qualifying Conditions</th>
<th>Medical Care</th>
<th>Cash Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 months contribution within last 15 months</td>
<td>Free of charge at registered hospital (includes prescribed medicines)</td>
<td>50% of wages 90 days each time max. 180 days/year max. 365 days for chronic cases</td>
</tr>
</tbody>
</table>

Social Security Office, Thailand
Medical Care Provision

- Payment by capitation system
  - Flat rate: 1,404 Baht/person/year (monthly payment)
  - Utilization rate
  - High cost care
  - Risk adjusted capitation

Social Security Office, Thailand
Medical Care Provision

241 main contracted hospitals in 2014

- Public 156
- Private 85
- Subcontracted Hospitals/Networks 2,234
# Current Benefits

## Maternity

<table>
<thead>
<tr>
<th>Qualifying Conditions</th>
<th>Medical Care</th>
<th>Cash Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 months contribution within last 15 months</td>
<td>13,000 Baht cash (max. 2 confinements for each insured person)</td>
<td>50% of wages 90 days (max. 2 confinements for each insured person)</td>
</tr>
</tbody>
</table>
## Current Benefits

### Invalidity

<table>
<thead>
<tr>
<th>Qualifying Conditions</th>
<th>Medical Care</th>
<th>Cash Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 months contribution within last 15 months</td>
<td>Reimbursement up to 4,000 Baht/month</td>
<td>50% of wages for the whole life</td>
</tr>
<tr>
<td>Qualifying Conditions</td>
<td>Cash Benefit</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------</td>
<td>---------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>1 month contribution within 6 months before death</td>
<td>1. funeral grant 40,000 baht</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. grant fund for survivor</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● contribution $\geq$ 10 yrs.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>receive grant fund of</td>
<td></td>
</tr>
<tr>
<td></td>
<td>5 month wages</td>
<td></td>
</tr>
<tr>
<td></td>
<td>● contribution 3 - 9 yrs.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>receive grant fund of</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.5 month wages</td>
<td></td>
</tr>
</tbody>
</table>
## Current Benefits

### Child allowance

<table>
<thead>
<tr>
<th>Qualifying Conditions</th>
<th>Cash Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 months contribution within last 36 months</td>
<td>lump sum 400/month/child</td>
</tr>
<tr>
<td></td>
<td>* children age $\leq 6$</td>
</tr>
<tr>
<td></td>
<td>* not more than 2 children at a time</td>
</tr>
</tbody>
</table>
## Current Benefits

### Old age pension

<table>
<thead>
<tr>
<th>Qualifying Conditions</th>
<th>Cash Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Retirement age 55 year</td>
<td></td>
</tr>
<tr>
<td>• Contribute more than 180 months</td>
<td>• Pension 20% of average wage of the last 60 months and 1.5% per additional 12 months of contributions above 180 months</td>
</tr>
<tr>
<td>• Contribute more than 12 months but less than 180 months</td>
<td>• Lump sum equal to contribution from employee and employer plus interest</td>
</tr>
<tr>
<td>• Contribute less than 12 months</td>
<td>• Lump sum equal to contribution from employee</td>
</tr>
</tbody>
</table>

Social Security Office, Thailand
## Current Benefits

### Unemployment

<table>
<thead>
<tr>
<th>Qualifying Conditions</th>
<th>Cash Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 6 months contribution within 15 months before unemployment</td>
<td>• laid off insured persons receive 50% of wages up to 180 days within 1 year</td>
</tr>
<tr>
<td>• must register at the Public Employment Office as job seeker within 30 days after being unemployed</td>
<td>• voluntarily resign receive 30% of wages up to 90 days within 1 year</td>
</tr>
</tbody>
</table>
Enterprises & Insured Persons

as of 31 May 2014

Enterprises: 418,272

Insured Persons: 12,628,020

(Article 33, 39 and 40)
## SSF Establishments & Insured Persons

<table>
<thead>
<tr>
<th>Year</th>
<th>Establishment (places)</th>
<th>Insured Persons (million persons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>348,277</td>
<td>8.03</td>
</tr>
<tr>
<td>2005</td>
<td>362,559</td>
<td>8.22</td>
</tr>
<tr>
<td>2006</td>
<td>375,706</td>
<td>8.53</td>
</tr>
<tr>
<td>2007</td>
<td>381,506</td>
<td>9.18</td>
</tr>
<tr>
<td>2008</td>
<td>382,170</td>
<td>9.29</td>
</tr>
<tr>
<td>2009</td>
<td>389,506</td>
<td>9.33</td>
</tr>
<tr>
<td>2010</td>
<td>391,192</td>
<td>9.39</td>
</tr>
<tr>
<td>2011</td>
<td>403,687</td>
<td>10.56</td>
</tr>
<tr>
<td>2012</td>
<td>409,977</td>
<td>11.71</td>
</tr>
<tr>
<td>2013</td>
<td>417,011</td>
<td>12.43</td>
</tr>
</tbody>
</table>
Workmen’s Compensation Fund (WCF)

Objectives

- To guarantee compensation, for employees to relief difficulties in cases of accident and disease from work-related

- To provide rehabilitation so that workers suffering from disability can earn their living

- To be a measure of occupational safety promotion
Administration Committee of WCF

- Workmen’s Compensation Fund
  - Workmen’s Compensation Committee (14 members)
  - Medical Committee (15 members)
Source of Fund (WCF)

Employer solely pay contributions

➢ 1st – 4th year: contribution rate varies from 0.2 - 1.0% of payroll per year depending on the risk classification or types of business

➢ 5th year: contribution rate depends on experience rate and degree of loss
WCF BENEFITS

1. Medical Services 45,000 Baht
   (additional cost up to another 300,000 Baht on some condition)

2. Cash Benefits 60%
   2.1 Temporary disability (1 yr)
   2.2 Partially disability (10 yrs)
   2.3 Totally disability (15 yrs)
   2.4 Death (8 yrs) + funeral grant

3. Funeral grant 100 times highest minimum daily wage (300 Baht) = 30,000 Baht

4. Rehabilitation Services
   → Medical and vocational rehabilitation (Max. of 20,000 Baht)
   → Operation charge (Max. of 20,000 baht)
Thank you for attention

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