



PRESIDENT
OF THE REPUBLIC OF INDONESIA

LAW OF THE REPUBLIC OF INDONESIA
NUMBER 24 YEAR 2011

ON

THE IMPLEMENTING AGENCY OF SOCIAL SECURITY

BY THE GRACE OF THE GOD ALMIGHTY
PRESIDENT OF THE REPUBLIC OF INDONESIA,

Consider : a. that the social security system shall be program of the state of which aimed to provide certainty in protection and social welfare for the entire people;
b. that for the purpose of realizing the objective of social security system, it is necessary to establish the implementing agency of which is legal entity based on the principles of togetherness, non-profit, transparent, carefulness, accountability, portability, mandatory participation, trustworthy fund, and overall revenue of the management of social security fund for the program development and for the greatest interest of the participants;
c. that based on Article 5 section (10 and Article 52 Law Number 40 Year 2004 on the National Social Security System, it should be established the Implementing Agency of the Social Security with the Law of which is the transformation of the four State Owned Enterprises to accelerate the implementation of social security system for the entire people of Indonesia;
d. that based on the consideration as set forth in point a, point b, and point c, it is necessary to enact Law on the Implementing Agency of Social Security.

In the view of : 1. Article 20, Article 21, Article 23A, Article 28H section (1), section (2), and section (3), Article 34 section (1) and section (2) of the Constitution of the State of the Republic of Indonesia Year 1945;
2. Law Number 40 Year 2004 on the National Social Security System (State Gazette of the Republic of Indonesia Year 2004 Number 150, Supplement of the State Gazette of the Republic of Indonesia Number 4456);

With the Joint Approval of

THE HOUSE OF REPRESENTATIVES OF THE REPUBLIC OF INDONESIA

and

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

BE IT HEREBY RESOLVED

To enact : LAW ON THE IMPLEMENTING AGENCY OF SOCIAL SECURITY

CHAPTER I



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GENERAL PROVISION

Article 1

The following definitions shall be applied in this Law:

1. The Implementing Agency of Social Security, hereinafter shall be abbreviated to BPJS, shall be the legal entity of which is established to implement social security programs.
2. Social Security means one of the social protections that given to guarantee the entire people in order to be capable in fulfilling their appropriate basic need.
3. Social Security Fund shall be the mandate fund belongs to the entire participants of which are the collection of dues along with its expansion of which managed by the BJPS for the payment of benefit to the participants and for financing the operational implementation of Social Security program.
4. Participant means anyone, including foreign citizen who works in Indonesia at least 6 (six) months, and has paid the dues.
5. Benefit means the advantage of the Social Security program of which is the right of participant and/ or its family member.
6. Due means sum of money to be paid regularly by the Participant, employer, and/ or the Government.
7. Assistance of Due means the due paid by the Government for the poor and incapable person as the Participant of Social Security program.
8. Employee means anyone who works for gaining salary, wage, or honorarium in other form.
9. Employer means any individual, businessman, legal entity, or other entities who employed manpower or the state administrator who employed the civil servant by paying the salary, wage, or honorarium in other form.
10. Salary or wage means entitlement of the employee of which is gained and stated in the form of money as the honorarium from the Employer to the Employee that is stipulated under working agreement, agreement, or law and regulation, including the allowance for the employee and family of a work and/ or the service of which have been completed or will be completed.
11. National Social Security Council, hereinafter shall be abbreviated to DJSN, shall be the council of which functions to assist the President during the general policy arrangement and the synchronization of implementation of the National Social Security.
12. Supervisory Board means an organ of the BPJS designated to carry out the supervision on the management implementation of BPJS by the directors and providing the directors advices in implementing the Social Security program.
13. Directors shall be an organ of the BPJS of which are authorized and fully responsible on the administration of BJPS, for the interest of BJPS, in accordance with the basis, objective and principles of BJPS, as well representing BJPS either inside or outside of the court in accordance with the provisions herein.
14. The Central Government hereinafter shall be called as the Government is the President of the Republic of Indonesia as set forth in the Constitution of the State of the Republic of Indonesia Year 1945.

Article 2

BPJS implements the national social security system based on the principles as follow:

- a. humanity;
- b. benefit; and
- c. social justice for the entire people of Indonesia.

Article 3



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BPJS aimed to realize the implementation of the provision of guarantee for the fulfilling of the appropriated basic need of life for each participant and/ or his/ her family member.

Article 4

BPJS implements the national social security system based on the principles as follow:

- a. togetherness;
- b. non-profit;
- c. transparent;
- d. carefulness;
- e. accountability;
- f. portability;
- g. mandatory participation;
- h. mandate fund; and
- i. overall revenue of the management of social security fund for the program development and for the greatest interest of the participants.

CHAPTER II

ESTABLISHMENT AND SCOPE

Part First

The Establishment

Article 5

- (1) BPJS shall be established under this Law.
- (2) BPJS as set forth in section (1) above shall be:
 - a. BPJS for Health; and
 - b. BPJS for Manpower.

Part Second

The Scope

Article 6

- (1) BPJS for Health as set forth in Article 5 section 2 point a carries out health security program.
- (2) BPJS for Manpower as set forth in Article 5 section 2 point b carries out the programs as follow:
 - a. working accident security;
 - b. retirement security;
 - c. pension security; and
 - d. death security.

CHAPTER III

STATUS AND DOMICILE

Part First

The Status



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Article 7

- (1) BPJS as set forth in Article 5 shall be the public legal entity under this Law.
- (2) BPJS as set forth in section (1) above shall be account to the President.

Part Second

The Domicile

Article 8

- (1) BPJS as set forth in Article 5 domiciled and its head office domiciled in the Capital City of the Republic of Indonesia.
- (2) BPJS as set forth in section (1) above could has representative offices in the province and branch offices in the regency/ municipality.

CHAPTER IV

FUNCTION, ASSIGNMENT, AUTHORITY, ENTITLEMENT, AND OBLIGATION

Part First

Function

Article 9

- (1) BPJS as set forth in Article 5 Section (2) point a, functions to carry out health security program.
- (2) BPJS as set forth in Article 5 Section (2) point a, functions to carry out working accident security, retirement security, pension security, and death security.

Part Second

Assignment

Article 10

During implementing its functions as set forth in Article 9, the BPJS assigned:

- a. implementing and/ or accepting the registration of Participants;
- b. taking and collecting Dues from the Participant and the Employer;
- c. accepting Assistance of Due from the Government;
- d. managing Social Security Fund for the interest of Participants;
- e. collecting and managing the Social Security Program Participant's data;
- f. paying the benefit and/ or financing the health services in accordance with the provision of the Social Security program;
- g. providing information regarding to the implementation of Social Security program to the Participant and the community.

Part Third

Authority

Article 11

During performing the tasks as set forth in Article 10, BPJS shall be authorized:



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- a. to invoice the payment of Due;
- b. to place the Social Security Fund for the short term and long term investment with due regard to the liquidity aspects, solvability, carefulness, fund security, and the appropriated results;
- c. to perform supervision and examination towards the compliance of the Employees and the Employers in fulfilling their obligation in accordance with law and regulation on the national social security;
- d. to make agreement with the health facilities concerned with the amount of payment of the health facilities of which refers to the standard stipulated by the Government;
- e. to make and to terminate the working contract with the health facilities;
- f. to impose the administrative sanction to the Employees and Employers who do not meet their obligation;
- g. to report the Employer to the authorized institution for the compliance in paying dues or fulfilling other obligation of which is in accordance with the provision of law and regulation; and
- h. to establish partnership with other parties for the purpose of the implementation of Social Security program.

Part Fourth

Entitlement

Article 12

During implementing its authority as set forth in Article 11, the BPJS shall be entitled to:

- a. obtain operational fund for the implementation of the Social Security program of which originates from Social Security Fund and/ or other sources in accordance with the provision of law and regulation; and
- b. obtain the monitoring and evaluation result on the implementation of Social Security program every 6 (six) months.

Part Fifth

Obligation

Article 13

During performing its tasks as set forth in Article 10, the BPJS shall be obliged for:

- a. providing a single identification number to the Participants;
- b. expanding the assets of Social Security Fund and assets of BPJS for the maximum interest of the Participants;
- c. providing information to the mass media regarding on the performance, financial condition of the BPJS, as well its wealth and its expansion;
- d. providing benefit to the entire of Participants in accordance with the provision of Law on the National Social Security System;
- e. providing information to the Participant regarding on the entitlement and obligation to comply with the applicable provisions;
- f. providing information to the Participant regarding on the procedures to obtain the entitlement and to fulfill the obligation;
- g. providing information to the Participant regarding on the balance of the retirement security and its expansion 1 (one) time within 1 (one) year;
- h. providing information to the Participant regarding on the amount of pension entitlement 1 (one) time within 1 (one) year;



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- i. making technical reserve in accordance with the common practice and generally applicable actuary;
- j. conducting records in accordance with the applicable accounting standard in the implementation of Social Security; and
- k. reporting the implementation of each program, including financial condition, periodically every 6 (six) months to the President with carbon copy to the DJSN.

CHAPTER V

PARTICIPANT REGISTRATION AND THE PAYMENT OF DUES

Part First

Participant Registration

Article 14

Anyone, including foreign citizen who works in Indonesia at least 6 (six) months, shall be obliged to be the Participant of the Social Security program.

Article 15

- (1) The Employer shall be obliged to register periodically him/ herself and him/ her Employees as the Participant to the BPJS in accordance with the Social Security to be taken.
- (2) The Employer, during performing registration as set forth in section (1) above, shall be obliged to provide personal information of him/ herself and him/ her Employees correctly and completely to the BPJS.
- (3) Periodic registration as set forth in section (1) above shall be regulated with the President Regulation.

Article 16

- (1) Anyone, other than the Employer, Employee, and the acceptor Assistance of Due, which meets the Participant requirements on the Social Security program, shall be obliged to register him/ herself and the family as the Participant to the BPJS, in accordance with the Social Security program to be taken.
- (2) Anyone, as set forth in section (1) shall be obliged to provide personal and family data correctly and completely to the BPJS.

Article 17

- (1) The Employer other than the state administrator who does not implement the provision set forth in Article 15 section (1) and section (2), and anyone who does not implement the provision as set forth in Article 16 shall be subject to administrative sanction.
- (2) Administrative sanction as set forth in section (1) above could be in the form of:
 - a. written remark;
 - b. fine; and/ or
 - c. not obtain certain public service.
- (3) The imposition of administrative sanction, as set forth in section (2) point a, and point b, shall be performed by the BJPS.
- (4) The imposition of administrative sanction, as set forth in section (2) point c, shall be performed by the Government or local government upon request the BPJS.
- (5) Further provision regarding on the imposition of administrative sanction shall be regulated with the Government Regulation.

Article 18



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- (1) The Government registers the acceptor of the Assistance of Dues and the family to the BJPS.
- (2) The acceptor of the Assistance of Dues shall be obliged to provide personal and family data correctly and completely to the Government to be submitted to the BJPS.

Part Second

The Payment of Dues

Article 19

- (1) The Employer shall be obliged to charge Dues of which becomes the burden of the Participants from his/ her Employees and submitted to the BPJS.
- (2) The Employer shall be obliged to pay and to submit the Dues of which become him/ her responsibility to the BPJS.
- (3) The Participant who is not an Employee and not an acceptor of Assistance of Dues shall be obliged to pay and to submit the Dues of which become him/ her responsibility to the BPJS.
- (4) The Government pays the Dues for the acceptor of Assistance of Dues to the BJPS.
- (5) Further provision regarding on:
 - a. amount and payment procedures of the health security program shall be regulated by the President Regulation; and
 - b. amount and payment procedures of other than the health security program shall be regulated by Government Regulation.

CHAPTER VI

THE ORGAN OF BPJS

Part First

The Structure

Article 20

The organ of BPJS consists of Supervisory Board and Directors.

Part Second

Supervisory Board

Article 21

- (1) Supervisory Board consists of 7 (seven) professional persons.
- (2) Supervisory Board as set forth in section (1) above consists of 2 (two) persons from the element of Government, 2 (two) elements of the Employee, 2 (two) elements of the Employer, and 1 (one) element of the public figure.
- (3) Member of the Supervisory Board as set forth in section (1) above shall be appointed and dismissed by the President.
- (4) One of the member of the Supervisory Board as set forth in section (1) above shall be established as the Chairman of the Supervisory Board by the President.
- (5) Member of the Supervisory Board as set forth in section (1) above shall be appointed for the tenure of 5 (five) years and could be recommended to be re-appointed for 1 (one) time next tenure.



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Article 22

- (1) Supervisory Board functions to perform supervision on the task implementation of BPJS.
- (2) In performing its function as set forth in section (1) above, the Supervisory Board designated for:
 - a. performing supervision on the implementation of the management policy of BPJS and the performance of Directors ;
 - b. performing supervision on the implementation of the policy of management and expansion of the Social Security Fund by the Directors;
 - c. providing suggestion, advise, and consideration to the Directors regarding to the policy and management implementation of BPJS; and
 - d. submitting the supervisory report on the implementation Social Security as the part of BPJS' report to the President with carbon copy to the DJSN.
- (3) In implementing the tasks as set forth in section (2) above, the Supervisory Board shall be authorized to:
 - a. establish the annual budget working plan of the BPJS;
 - b. obtain and/ or to request for the report from the Directors;
 - c. access data and information regarding on the implementation of BPJS; and
 - d. provide suggestion and recommendation to the President regarding to the performance of the Directors.
- (4) Provisions regarding to the implementation of function, tasks, and authority of the Supervisory Board as set forth in section (1), section (2), and section (3) shall be regulated with the Regulation of the Supervisory Board.

Part Third

Directors

Article 23

- (1) The Directors consists of at least 5 (five) members of which originate from the elements of professional person.
- (2) Member of the Directors shall be appointed and dismissed by the President.
- (3) The President shall be appointed one of the members of the Directors as the managing director.
- (4) Member of the Directors shall be appointed for the tenure of 5 (five) years and could be recommended to be re-appointed for 1 (one) time next period of tenure.

Article 24

- (1) The Directors function to carry out the implementation of operational activities of the BPJS of which guarantee the Participants to obtain the Benefit in accordance with him/ her entitlement.
- (2) In performing its tasks as set forth in section (1) above, the Directors designated to:
 - a. carry out the management of BPJS of which includes planning, execution, supervision, and evaluation;
 - b. represent BPJS inside and outside of the court; and
 - c. ensure the access availability for the Supervisory Board to implement the tasks.
- (3) In performing its tasks as set forth in section (2) above, the Directors shall be authorized for:
 - a. implementing the authority of BPJS;
 - b. establishing the organizational structure along with the principal tasks and functions, organizational procedures, and personnel system;



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- c. implementing personnel management of the BPJS includes appointing, transfer, and dismissing the employees of the BPJS as well stipulating the income of the employee;
 - d. proposing to the president the salary for the Supervisory Board and Directors;
 - e. establishing the provisions and procedures of the procurement of goods and services in the context of task implementation of the BPJS with due regard to the principles of transparency, accountability, efficiency, and effectiveness;
 - f. performing transfer of permanent asset of the BPJS for no more than Rp100.000.000.000, 00 (one hundred billion rupiahs) upon the approval of the Supervisory Board;
 - g. performing transfer of permanent asset of the BPJS for more than Rp100.000.000.000, 00 (one hundred billion rupiahs) up to Rp500.000.000.000, 00 (five hundred billion rupiahs) upon the approval of the President;
 - h. performing transfer of permanent asset of the BPJS for more than Rp500.000.000.000, 00 (five hundred billion rupiahs) upon the approval of the House of Representatives.
- (4) Provisions regarding on the implementation of functions, tasks, and authority of the Directors as set forth in section (1), section (2), and section (3) shall be regulated with the Regulation of Directors.

CHAPTER VII

REQUIREMENTS, PROCEDURES OF ELECTION AND ESTABLISHMENT, AND DISMISSAL OF MEMBER OF SUPERVISORY BOARD AND MEMBER OF DIRECTORS

Part First

Requirements for the Member of Supervisory Board and Member of Directors

Paragraph 1

General Requirements

Article 25

- (1) In order to be appointed as member of the Supervisory Board or member of the Directors, the candidate in question should meet requirements as follow:
- a. Indonesian Citizen;
 - b. belief in the God Almighty;
 - c. healthy mentally and physically;
 - d. possessing good integrity and graceful character;
 - e. possessing quality and competency of which is in accordance with the management of Social Security program;
 - f. at least 40 years old and no more than 60 years old when being promoted;
 - g. not being the member or the officials of political party;
 - h. not being a suspect or a defendant in a court process;
 - i. never been punished with imprisonment based on the court ruling of which has permanent legal power due to committing a crime of which is subject to imprisonment for 5 (five) years or more; and/ or
 - j. never been member of the directors, commissioners, or supervisory board on a legal entity of which is stated bankruptcy due to the mistake of the candidate in question.



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- (2) During the service as member of Supervisory Board or member of Directors shall not allowed to concurrent the position in any other position either in the Government or in other legal entities.

Paragraph 2

Special Requirements

Article 26

Other than should meet the requirements as set forth in Article 25 above, the candidate member of Supervisory Board should also meet the special requirement that is, possessing the competency and experience in management, particularly in supervision at least 5 (five) years.

Article 27

Other than should meet the requirements as set forth in Article 25 above, the candidate member of the Directors should also meet the special requirement that is, possessing the competency concerned with the position of director and managerial experience for at least 5 (five) years.

Part Second

The Procedures of Election and Establishment of the Member of Supervisory Board
and the Member of Directors

Article 28

- (1) For the purpose of establishing the member of Supervisory Board and the member of Directors, the President establishes selection committee who designated to carry out the provisions regulated herein.
- (2) The membership of the selection committee as set forth in section (1) above consists of 2 (two) elements of the Government and 5 (five) elements of the community.
- (3) The membership of the selection committee as set forth in section (2) above shall be established with the Presidential Decree.

Article 29

- (1) Selection committee as set forth in Article 28 announces the recruitment registration of the candidate member of the Supervisory Board and Member of Directors within no more than 5 (five) working days after being established.
- (2) The registration and selection of the candidate member of the Supervisory Board shall be carried out within 10 (ten) consecutive days.
- (3) Selection committee announces the names of the candidate member of the Supervisory Board and Member of Directors to the community for obtaining the feedback within 5 (five) working days after the registration is closed.
- (4) The feedback as set forth in section (3) above shall be submitted to the selection committee within no more than 15 (fifteen) working days since the announced date.
- (5) Selection committee stipulates the names of candidate member of the Supervisory Board and Member of Directors to be submitted to the President as much as 2 (two) times amount of the required position within no more than 10 (ten) working days since feedback submission period is closed.



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Article 30

- (1) The President selects and establishes the member of the Supervisory Board who originates from the elements of Government and member of the Directors as recommended by the selection committee.
- (2) The President proposes the names of candidate members of the Supervisory Board who originates from the element of Employee, the element of Employer, and the element of public figure to the House of Representatives as much as 2 (two) times of the required position, within no more than 10 (ten) working days since the list of candidates is accepted from the selection committee.
- (3) The House of Representatives selects the member of the Supervisory Board who originates from the element of Employee, the element of Employer, and the element of public figure as set forth in section (2) above, within 20 days since the acceptance date of the President's proposal.
- (4) The chairman of the House of Representatives of the Republic of Indonesia conveys the names of elected candidates as set forth in section (3) to the President, within no more than 5 (five) days since the end of selection date.
- (5) The President establishes the elected candidates as set forth in section (4) within no more than 10 (ten) working days since the date acceptance of the letter from the chairman of the House of Representatives of the Republic of Indonesia.
- (6) The establishment of the member of Supervisory Board who originate from the element of Government shall be performed jointly with the establishment of the member of Supervisory Board as set forth in section (5).

Article 31

Further provision concerned with the procedures of selection and establishment of the member of Supervisory Board and Member of Directors as set forth in Article 28, Article 29, and Article 30 shall be regulated with the Presidential Regulation.

Part Third

Dismissal

Article 32

The member of Supervisory Board and Member of Directors terminated from their position due to:

- a. passed away;
- b. the tenure ends; or
- c. being dismissed.

Article 33

- (1) The member of Supervisory Board and Member of Directors could be terminated temporary from his/ her position in the event that:
 - a. illness for 3 (three) consecutive months as result he/ she incapable to perform the obligation;
 - b. determined to be a suspect; and/ or
 - c. imposed with administrative sanction of temporary dismissal.
- (2) In the event that member of the Supervisory Board and member of Directors are temporary dismissed as set forth in section (1) above, the President appoints interim officials by considering the recommendation from DJSN.
- (3) Member of the Supervisory Board and member of Directors, as set forth in section (1) above, shall be restored to the position in the event that he or she has



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- been stated being healthy again to carry out the tasks or in the event that the status as suspect has been revoked, or administrative sanction of temporary dismissed has been revoked.
- (4) Restoration of the position as set forth in section (3) above shall be implemented within no more than 30 (thirty) days since stated being healthy, status as defendant has been revoked, or administrative sanction of temporary dismissed has been revoked.
 - (5) The temporary dismissal of the member of Supervisory Board and member of Directors as set forth in section (1) and the restoration of position as set forth in section (3) shall be performed by the President.

Article 34

Member of the Supervisory Board and member of the Directors shall be dismissed from the position in the event that:

- a. illness for 6 (six) continuous months as result incapable to carry out the tasks;
- b. does not carry out the tasks as member of the Supervisory Board or member of the Directors for 3 (three) consecutive months due to reasons other than as set forth in point a above;
- c. ruining the BPJS and the interest of the Participants of Social Security Program due to blunder in making a policy;
- d. being a defendant due to committing crime;
- e. performing disgraceful deed;
- f. no longer meets the requirements as member of the Supervisory Board and member of Directors; and/ or
- g. proposing resignation in written upon his/ her personal request.

Article 35

In the even that member of the Supervisory Board or member of Directors terminates from the position as set forth in Article 32 point a, or be terminated as set forth in section 34, the President appoints the substitute member of Supervisory Board or substitute member of Directors to continue the remaining tenure of the replaced position.

Article 36

- (1) In the event that there is a vacant position of member of the Supervisory Board and/ or member of Directors, the President establishes the selection committee to select the candidate of inter-period substitute member.
- (2) Procedures regarding on the selection of the inter-period substitute member as set forth in section (1) above, shall be implemented referring to the provision as set forth in section 28, section 29, section 30, and section 31.
- (3) In the event that the remaining tenure of the vacant position as set forth in section (1) above less than 18 (eighteen) months, the President establishes the inter-period substitute member upon recommendation of the DJSN.
- (4) DJSN proposes recommendation as set forth in section (3) above based on the rank of the selection.
- (5) Further provisions regarding on the procedures selection for the inter-period substitute member as set forth in section (1), section (2), section (3), and section (4) shall be regulated with the Regulation of the President.

CHAPTER VIII

ACCOUNTABILITY



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Article 37

- (1) BPJS shall be obliged to deliver accountability on the implementation of the tasks in the form of program management report and financial report of which have been audited by the public accountant to the President with carbon copy delivered to DJSN at no more than 30th June of the next year.
- (2) The period of program management report and financial report as set forth in section (1) above starting from 1st January up to 31st December.
- (3) Format and content of the program management report as set forth in section (1) above shall be proposed by the BPJS after consulting the DJSN.
- (4) Financial report of BPJS as set forth in section (1) above shall be prepared and presented in accordance with the applicable financial accounting standard.
- (5) The program management report and financial report as set forth in section (1) shall be published in the form of exclusive summary through electronic mass media and at least 2 (two) printing media of which have circulation nationally, no more than 31st July of the next year.
- (6) Format and content of the publication as set forth in section (5) shall be determined by the Directors upon approval of the Supervisory Board.
- (7) Provisions regarding on the format and content program management report as set forth in section (3) shall be regulated by the Regulation of the President.

Article 38

- (1) The Directors shall be responsible collectively on the financial loss resulted from the mismanagement of the Social Security Fund.
- (2) At the end of the tenure, the member of Supervisory Board and member of Directors shall be obliged to deliver the accountability on the implementation of the tasks to the President with carbon copy presented to DJSN.

CHAPTER IX

SUPERVISION

Article 39

- (1) Supervision towards BPJS shall be conducted both externally and internally.
- (2) The internal supervision of BPJS shall be conducted by the supervisory organ of BPJS of which consists of:
 - a. Supervisory Board; and
 - b. Internal supervisory unit.
- (3) The external supervision of BPJS shall be conducted by:
 - a. DJSN; and
 - b. independent supervisory institution.

CHAPTER X

ASSETS

Part First

Asset Separation

Article 40

- (1) BPJS manages:
 - a. BPJS' assets; and
 - b. Social Security Fund.
- (2) BPJS shall be obliged to separate the BPJS' assets and Social Security Fund.



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- (3) Asset of the Social Security Fund shall not be the asset of the BPJS.
- (4) BPJS shall be obliged to deposit and to administrate the Social Security Fund to the bank of custody of which is the state owned enterprise.

Part Second

BPJS' Assets

Article 41

- (1) BPJS' assets sourced from:
 - a. initial capital from the Government, which is the wealth of the state of which is separated and not divided on shares;
 - b. revenue of transfer assets of the State Owned Enterprise that manages the Social Security program;
 - c. revenue of the BPJS' assets expansion;
 - d. operational fund of which is taken from the Social Security Fund; and/ or
 - e. other sources of which is in accordance with the provision of law and regulation.
- (2) BPJS' assets could be utilized for the purpose of:
 - a. operational cost for the implementation of Social Security program;
 - b. procurement cost for procuring goods and services utilized for supporting the implementation of the Social Security program;
 - c. cost for the improvement of the service; and
 - d. investment in the investment instrument of which is in accordance with the provision of law and regulation.
- (3) Further provisions regarding to the source and utilization of the BPJS' assets as set forth in section (1) and section (2) shall be regulated in the Government Regulation.

Article 42

Initial capital for the BPJS for Health and BPJS for Manpower, as set forth in Article 41 section (1) point a, shall be determined for each of BPJS no more than Rp2.000.000.000.000, 00 (two trillion rupiahs), which sourced from the State Revenue and Expenditure Budget.

Part Third

Social Security Fund's Assets

Article 43

- (1) Social Security Fund's assets sourced from:
 - a. Dues of Social Security, including Assistance of Dues;
 - b. revenue of the expansion of Social Security Fund;
 - c. revenue of the assets transfer of the Social Security program of which becomes the entitlement of the Participants from the State Owned Enterprise that manages social security program; and
 - d. other sources of which is in accordance with the provision of law and regulation.
- (2) Social Security Fund assets shall be utilized for:
 - a. payment of the benefit or the finance of the Social Security services;
 - b. operational cost for the implementation of Social Security program; and
 - c. investment in the investment instrument of which is in accordance with the provision of law and regulation.
- (3) Further provision regarding to the source and utilization of Social Security Fund's assets as set forth in section (1) and section (2) shall be regulated in the Regulation of the Government.



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Part Fourth

Operational Cost

Article 44

- (1) Operational cost of the BPJS consists of personnel cost and non-personnel cost.
- (2) Personnel as set forth in section (1) above consist of Supervisory Board, Directors, and employees.
- (3) Personnel cost includes Salary or Wage and other additional Benefits.
- (4) Supervisory Board, Directors, and employees receive Salary or Wage and other additional Benefit of which is in accordance with the authority and/ or responsibility in implementing the tasks in the BPJS.
- (5) Salary or Wage and other additional Benefits as set forth in section (4) with due regard to the applicable level of fairness.
- (6) Supervisory Board, Directors, and employees could receive incentive in accordance with the performance of the BPJS of which is paid from the result of its expansion.
- (7) Provision regarding on the Salary or Wage and other additional Benefit as well the incentive for the employees shall be established by the Directors.
- (8) Provision regarding on the Salary or Wage and other additional Benefit as well the incentive for the Supervisory Board and Directors shall be established by the President.

Article 45

- (1) Operational fund as set forth in Article 41 section (1) point d shall be determined based on percentage of the received Dues and/ or from the result of expansion fund.
- (2) Further provision regarding on the percentage of the expansion fund as set forth in section (1) shall be regulated in the Government Regulation.

CHAPTER XI

THE DISSOLUTION OF BPJS

Article 46

The Law shall be the only one of which can dissolve the BPJS.

Article 47

BPJS could not be bankrupted based on the provision of the law on bankruptcy.

CHAPTER XII

DISPUTE SETTLEMENT

Part First

Settlement of the Complaint

Article 48

- (1) BPJS shall be obliged to establish the quality control unit and Participant complaint handling.



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- (2) BPJS shall be obliged to process the complaint within no more than 5 (five) days since the complaint received.
- (3) Further provision regarding to the quality control unit and Participant complaint as set forth in section (1) above shall be regulated in the Regulation of BPJS.

Part Second

Dispute Settlement through Mediation

Article 49

- (1) The ruined party whose complaint has not been able to be settled by the unit as set forth in Article 48 section (1); its settlement could be performed through mediation mechanism.
- (2) Mediation mechanism as set forth in section (1) above shall be performed through the assistance of mediator who has been mutually agreed in written by both parties.
- (3) The dispute settlement through mediation shall be performed within no more than 30 (thirty) working days since the signing of agreement by both parties as set forth in section (2) above.
- (4) Dispute settlement through mediation mechanism, after reaching the agreement in written by the both parties, shall be binding and final.
- (5) Further provision regarding on the procedures of dispute settlement through mediation mechanism shall be performed in accordance with the provision of law and regulation.

Part Third

Dispute Settlement through the Court

Article 50

In the event that the quality control unit and Participant cannot settle the complaint through mediation mechanism, the settlement could be proposed to the district court of the Region in which the applicant domiciled

CHAPTER XIII

RELATION WITH OTHER INSTITUTION

Article 51

- (1) For the purpose of improving the service of Social Security program, BPJS cooperates with the Governmental institutions.
- (2) During performing the tasks, BPJS could cooperate with the domestic or international organization/ or institution.
- (3) BPJS could represent the State of the Republic of Indonesia as a member of the international organization/ institution in the event that there is provision that the member of such organization/ or institution should be on behalf of the state.
- (4) Further provision regarding on the procedures of inter-institutions relation shall be regulated in the Government Regulation.

CHAPTER IX

PROHIBITION

Article 52



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Member of the Supervisory Board and member of the Directors shall be prohibited:

- a. possessing the kinship up to the third degree among members of the Supervisory Board, among members of the Directors, and among members of the Supervisory Board and members of the Directors;
- b. possessing business of which has relationship with the implementation of the Social Security program.
- c. performing disgraceful deed;
- d. concurrent the position in political party, official of the community organization or social organization, non-governmental organization of which related to the Social Security program, structural official in the Government institution, official in the business entity and other legal entities;
- e. making or taking decision that contains conflict of interest;
- f. establishing or possessing overall or partially of the business entity of which related to the Social Security program;
- g. leaving out or does not include or causing the deletion a report in the record book or in a report, document, or business activity report, transaction report of BPJS and/ or Social Security Fund;
- h. misusing and/ or embezzling the asset of BPJS and/ or the Social Security Fund;
- i. committing cross subsidy inter-program;
- j. placing the investment of the BPJS and/ or Social Security Fund in type of investment of which is unlisted in the Government Regulation;
- k. making investment except in certain securities and/ or the improvement human resources quality and social welfare investment;
- l. making or causing a false report in the record book or business activity report, or transaction report of BPJS and/ or Social Security Fund; and/ or
- m. changing, obscuring, hiding, omitting, or leaving out a record in the account or in the report or document or business activity report, transaction report or damaging the record of the BPJS account and/ or Social Security Fund.

Article 53

- (1) Member of the Supervisory Board and member of the Directors who violate the provision of prohibition as set forth in Article 52 point a, point b, point c, point d, point e, and point f shall be subject to administrative sanction.
- (2) The imposition of administrative sanction as set forth in section (1) shall be performed by the President or the appointed official.
- (3) Administrative sanction as set forth in section (1) shall be in the form of:
 - a. written warning;
 - b. temporary dismissal;
 - c. permanent dismissal.
- (4) The further provision regarding to the procedures of imposition on the administrative sanction shall be regulated with the Government Regulation.

CHAPTER XV

CRIMINAL PROVISION

Article 54

Member of the Supervisory Board and member of the Directors who violate the provision of prohibition as set forth in Article 52 point g, point h, point i, point j, point k, and point m subject to imprisonment for no more than 8 (eight) years and subject to fine as much as no more than Rp1.000.000.000, 00 (one billion rupiahs).

Article 55



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The Employer who violates the provisions as set forth in Article 19 section (1) and section (2) shall be subject to imprisonment for no more than 8 (eight) years or fine for no more than Rp1.000.000.000, 00 (one billion rupiahs).

CHAPTER XVI

MISCELLANEOUS PROVISION

Article 56

- (1) At any time, the President could request for the financial report and BPJS performance report as the consideration material in the policy-making of the Government of which related to the Social Security program.
- (2) In the event that there is the fiscal and monetary policy of which affects the solvability level of BPJS, the Government could take special policy to assure the continuity of Social Security program.
- (3) In the event that financial crisis and certain condition that incriminate the Government economy is occurred, the Government could perform special measures to maintain financial health and the continuity of the implementation of Social Security program.

CHAPTER XVII

TRANSITIONAL PROVISIONS

Article 57

When this Law begins to be in effect:

- a. Perusahaan Perseroan (Persero) PT Asuransi Kesehatan Indonesia or abbreviated to PT Askes (Persero) of which was established with the Government Regulation Number 6 Year 1992 on the Transformation of Perusahaan Umum (Perum) Bhakti Husada to be Perusahaan Perseroan (Persero) (State Gazette of the Republic of Indonesia Year 1992 Number 16), the existence is recognized and remains implementing the health security program, including receive new participants, until the new BPJS operates;
- b. Ministry of Health remains implementing operational activity on the implementation of the community health security program for its Participants, including receive new participants, until the new BPJS operates;
- c. Ministry of Defense, Indonesian National Force, and Indonesian National Police remain implementing operational activity on the implementation of the community health security program for its Participants, including receive new participants, until the new BPJS operates.
- d. Perusahaan Perseroan (Persero) PT Jaminan Sosial Tenaga Kerja or abbreviated to PT Jamsostek (Persero) of which was established with Government Regulation Number 36 Year 1995 on the Establishment of Implementing Agency of the Social Security for the Manpower (State Gazette of the Republic of Indonesia Year 1995 Number 59), based on Law Number 3 Year 1992 on the Social Security for the Manpower (State Gazette of the Republic of Indonesia Year 1992 Number 14, Supplement of the State Gazette of the Republic of Indonesia Number 3468) remains implementing the operational activities as follow:
 1. health maintaining program, including receive new participants, until the new BPJS for the Health operates; and
 2. the program of working accident security, retirement security, pension security, and death security, including receive new participants, until the new BPJS for the Manpower operates.
- e. Perusahaan Perseroan (Persero) PT ASABRI or abbreviated to PT ASABRI (Persero) of which was established with the Government Regulation Number 68 Year 1991 on the Transformation of Perusahaan Umum (Perum) Asuransi Sosial



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Angkatan Bersenjata Republik Indonesia to be Perusahaan Perseroan (State Gazette of the Republic of Indonesia Year 1991 Number 88), based on Law Number 6 Year 1966 on the Provision of Pension, Allowance in nature of Pension, and Allowance for the Voluntary Military (State Gazette of the Republic of Indonesia Year 1966 Number 33, Supplement of the State Gazette of the Republic of Indonesia Number 2812), Law Number 11 Year 1969 on the Retirement and widow/ widower of the Retirement (State Gazette of the Republic of Indonesia Year 1969 Number 42, Supplement of the State Gazette of the Republic of Indonesia Number 2906), Law Number 8 Year 1976 on the Principles of Personnel (State Gazette of the Republic of Indonesia Year 1974 Number 55, Supplement of the State Gazette of the Republic of Indonesia Number 3041) as has been amended with Law Number 43 Year 1999 (State Gazette of the Republic of Indonesia Year 1999 Number 169, Supplement of the State Gazette of the Republic of Indonesia Number 3890), Law Number 2 Year 1988 on the Soldier of the Armed Forces of the Republic of Indonesia (State Gazette of the Republic of Indonesia Year 1988 Number 4, Supplement of the State Gazette of the Republic of Indonesia Number 3369), the Government Regulation Number 36 Year 1968 on the Provision of Pension to the Family of Retirement, Allowance for the Orphan of the Voluntary Military (State Gazette of the Republic of Indonesia Year 1969 Number 61, Supplement of the State Gazette of the Republic of Indonesia Number 2863), and the Government Regulation Number 67 Year 1991 on the Social Insurance of the Armed Forces of the Republic of Indonesia (State Gazette of the Republic of Indonesia Year 1991 Number 87, Supplement of the State Gazette of the Republic of Indonesia Number 3455) remains carry out the operational activity on the implementation of Social Security program for the Armed Forces of the Republic of Indonesia and the pension payment program for its participants, including the addition of new participants, until being transferred to BPJS for the Manpower.

- f. Perusahaan Perseroan (Persero) PT DANA TABUNGAN DAN ASURANSI PEGAWAI NEGERI or abbreviated to PT TASPEN (Persero), which was established with the Government Regulation Number 26 Year 1981 on the Transformation of Perusahaan Umum Dana Tabungan dan Asuransi Pegawai Negeri to be Perusahaan Perseroan (Persero) (State Gazette of the Republic of Indonesia Year 1981 Number 38), based on Law Number 11 Year 1969 on the Retirement and widow/ widower of the Retirement (State Gazette of the Republic of Indonesia Year 1969 Number 42, Supplement of the State Gazette of the Republic of Indonesia Number 2906), Law Number 8 Year 1976 on the Principles of Personnel (State Gazette of the Republic of Indonesia Year 1974 Number 55, Supplement of the State Gazette of the Republic of Indonesia Number 3041)) as has been amended with Law Number 43 Year 1999 (State Gazette of the Republic of Indonesia Year 1999 Number 169, Supplement of the State Gazette of the Republic of Indonesia Number 3890) and the Government Regulation Number 25 Year 1981 on Social Insurance for the Civil Servant (State Gazette of the Republic of Indonesia Year 1981 Number 37, Supplement of the State Gazette of the Republic of Indonesia Number 3200) remains carry out the operational activity of implementation retirement saving program and pension payment program for its participants, including the addition of new participant until being transferred to BPJS for Manpower.

CHAPTER XVIII

CLOSING PROVISIONS



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Article 58

When this Law is applicable, the Board of Commissioners and Directors of PT Askes (Persero) until BPJS for Health in operation are assigned to prepare:

- a. the operational of BPJS for Health for the health security program in accordance with the provisions in Article 22 up to Article 28 Law Number 40 Year 2004 on National Social Security System (State Gazette of the Republic of Indonesia Year 2004 Number 150, Supplement of the State Gazette of the Republic of Indonesia Number 4456).
- b. the transfer of assets, liability, personnel, as well right and obligation of PT Askes (Persero) to the BPJS for Health.

Article 59

For the first time, the Board of Commissioners and Directors of PT Askes (Persero) are appointed as the Supervisory Board and Directors of BPJS for Health for the period no more than 2 (two) years since BPJS for Health begins to operate.

Article 60

- (1) BPJS for Health begins to operate implementing the health security program on 1st January 2014.
- (2) Since BPJS for Health in operation, as set forth in section (1) above:
 - a. Ministry of Health no longer implements public health security program;
 - b. Ministry of Defense, Armed Forces of the Republic of Indonesia, and National Police of the Republic of Indonesia no longer implement health service program for the participants, except for certain health service related to its operational activity of which is set with the Regulation of President; and
 - c. PT Jamsostek (Persero) no longer implements health care security program.
- (3) Since BPJS for Health begins to operate as set forth in section (1) above:
 - a. PT Askes (Persero) shall be stated dissolved without liquidation and all assets, liability as well entitlement and legal liability of PT Akkes (Persero) become assets, liability as well entitlement and legal liability of BPJS for Health;
 - b. all employees of PT Askes (Persero) become the employees of BPJS for Health; and
 - c. Minister of the State Owned Enterprise as the General Meeting of Shareholders legalized the closing position of financial report PT Askes (Persero) after being audited by the public accountant office and Finance Minister legalized the opening position of financial report of BPJS for health and the opening position of financial report of the health security fund.

Article 61

When this Law is applicable, the Board of Commissioners and Directors of PT Jamsostek (Persero), until PT Jamsostek (Persero) changes to be BPJS for Manpower, assigned to prepare:

- a. transferring the health security program to the BPJS for Health;
- b. the operational of BPJS for Manpower for the program of working accident security, retirement security, pension security, and death security;
- c. the transfer of assets, liability, personnel, as well right and obligation of the health care security program PT Jamsostek (Persero) related to the implementation of health care security program to the BPJS for Health; and
- d. the transfer of assets liability, personnel, as well right and obligation of PT Jamsostek (Persero) to BPJS for Manpower.

Article 62

- (1) PT Jamsostek (Persero) changes to be BPJS for Manpower on 1 January 2014.



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- (2) When PT Jamsostek (Persero) changes to be BPJS for Manpower as set forth in section (1):
- a. PT Jamsostek (Persero) shall be stated *dissolved* without liquidation and all assets, liability as well entitlement and legal liability of PT Jamsostek (Persero) become assets, liability as well entitlement and legal liability of BPJS for Manpower;
 - b. all employees of PT Askes (Persero) become the employees of BPJS for Health;
 - c. Minister of the State Owned Enterprise as the General Meeting of Shareholders legalized the closing position of financial report PT Jamsostek (Persero) after being audited by the public accountant office and Finance Minister legalized the opening position of financial report of BPJS for Manpower and the opening position of financial report of the manpower security fund; and
 - d. BPJS for Manpower implements the program of working accident security, retirement security, pension security, and death security of which so far implemented by PT Jamsostek (Persero), including receive the new Participants, until BPJS for Manpower operates of which is in accordance with Article 29 up to Article 38 and Article 43 up to Article 46 Law Number 40 Year 2004 on National Social Security System (State Gazette of the Republic of Indonesia Year 2004 Number 150, Supplement of the State Gazette of the Republic of Indonesia Number 4456), no more on 1st July 2015.

Article 63

For the first time, the Board of Commissioners and Directors of PT Jamsostek (Persero) are appointed as the Supervisory Board and Directors of BPJS for Manpower for the period no more than 2 (two) years since BPJS for Manpower begins to operate.

Article 64

BPJS for Manpower begins to operates for implementing the program of working accident security, retirement security, pension security, and death security for the participants, other than the participants who are managed by PT TAPEN (Persero) and PT ASABRI (Persero), in accordance with the provision Article 29 up to Article 46 Law Number 40 Year 2004 on National Social Security System (State Gazette of the Republic of Indonesia Year 2004 Number 150, Supplement of the State Gazette of the Republic of Indonesia Number 4456), no more on 1st July 2015.

Article 65

- (1) PT ASABRI (Persero) completes the transfer the program of Insurance for the Armed Forces of the Republic of Indonesia and pension payment program to BPJS for Manpower in no more than 2029.
- (2) PT TASPEN (Persero) completes the transfer the program of retirement saving and pension payment program from PT TASPEN (Persero) to BPJS for Manpower in no more than 2029.

Article 66

Provision regarding on the procedures of transfer the program of Insurance for the Armed Forces of the Republic of Indonesia and pension payment program from PT ASABRI (Persero) and the transfer the program of retirement saving and pension payment program from PT TASPEN (Persero) to BPJS for Manpower shall be regulated with the Government Regulation.

Article 67



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Provision of the Article 142 section (2) point a Law Number 70 Year 2007 on the Limited Liability Company (State Gazette of the Republic of Indonesia Year 2007 Number 106, Supplement of the State Gazette of the Republic of Indonesia Number 4756) and Article 64 section (1) Law Number 19 Year 2003 on the State Owned Enterprise (State Gazette of the Republic of Indonesia Year 2003 Number 70, Supplement of the State Gazette of the Republic of Indonesia Number 4297) shall not be applicable to the dissolution of PT Askes (Persero) and PT Jamsostek (Persero) as set forth in Article 60 section (3) point a and Article 62 section (2) point a.

Article 68

When PT Jamsostek (Persero) changes to be BPJS for Manpower as set forth in Article 62 section (1) herein:

- a. The Government Regulation Number 36 Year 1995 on the Establishment of the Implementing Agency of the Manpower Social Security Program (State Gazette of the Republic of Indonesia Year 1995 Number 59) shall be revoked and shall be inapplicable; and
- b. provision of Article 8 up to Article 15 Law Number 3 Year 1992 on the Manpower Social Security (State Gazette of the Republic of Indonesia Year 1992 Number 14, Supplement of the State Gazette of the Republic of Indonesia Number 3468) shall be stated remain applicable until the operation of BPJS for Manpower as set forth in section 64.

Article 69

When the BPJS for Manpower begins to operate as set forth in Article 64 herein, Law Number Year 1992 on the Manpower Social Security (State Gazette of the Republic of Indonesia Year 1992 Number 14, Supplement of the State Gazette of the Republic of Indonesia Number 3468) shall be revoked and shall be stated inapplicable anymore.

Article 70

Implementing Regulation of this Law should be stipulated:

- a. 1 (one) year for the regulation that supports the operation of BPJS for Health; and
- b. 2 (two) year for the regulation that supports the operation of BPJS for Manpower;

Article 71

This Law shall come into force since the enactment date.

For the public cognizance, it is ordered to promulgate this Law by placing it in the State Gazette of the Republic of Indonesia.

Stipulated in Jakarta

On November 25th, 2011

PRESIDENT OF THE RPUBLIC OF INDONESIA

Signed,

DR. H. SUSILO BAMBANG YUDHOYONO

Promulgated in Jakarta

On November 25th, 2011

MINISTER OF JUSTICE AND HUMAN RIGHT OF
THE REPUBLIC OF INDONESIA



PRESIDENT
OF THE REPUBLIC OF INDONESIA

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Signed,

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2011 NUMBER 116

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THE MINISTRY OF STATE
SECRETARIAT OF THE REPUBLIC OF
INDONESIA

Assistant to the Deputy of Statutory
Legislation,

Department of Politics and People's
Welfare

Wisnu Setiawan



PRESIDENT
OF THE REPUBLIC OF INDONESIA

THE EXPLANATION

OF

LAW OF THE REPUBLIC OF INDONESIA
NUMBER 24 YEAR 2011

ON

THE IMPLEMENTING AGENCY OF SOCIAL SECURITY

I. GENERAL

In the preamble of the Constitution of the State the Republic of Indonesia Year 1945 included that the objective of the state shall be to improve the welfare of the people. In the Fourth Amendment of the Constitution of the State the Republic of Indonesia Year 1945, such objective is getting emphasized of which is through developing social security for the welfare of the entire people.

Social Security System shall be state's program of which aims to provide the certainty protection and social welfare for the entire people as mandated in Article 28H section (1), section (2), and section (3) and Article 34 section (1) and section (2) of the Constitution of the State the Republic of Indonesia Year 1945. In addition, in the Stipulation of the People's Consultative Assembly Number X/MPR/2001, the President was assigned to establish national social security program for the purpose of providing social protection for the society of which is more overall and integrated.

Through the stipulation of Law Number 40 Year 2004 on the National Social Security System, people of Indonesia have possessed the Social Security system for the entire people. For the purpose of realizing the objective of the national social security system, the implementing agency in the form of public legal entity is necessary to be established of which based on the principles of togetherness, non-profit, transparent, carefulness, accountability, portability, mandatory participation, trustworthy fund, and overall revenue of the management of social security fund for the program development and for the greatest interest of the participants.

The stipulation of Law on the Establishment of the Implementing Agency of Social Security shall be the implementation of Law Number 40 Year 2004 on the National Social Security System, after the decision of the Supreme Constitution Court towards the case Number 007/ PUU/ III/ 2005, for providing the legal certainty for the establishment of BPJS for improving the social security in the entire of Indonesia. This Law shall be the implementation of Article 5 section (1) and Article 52 Law Number 40 Year 2004 on the National Social Security System of which mandates the establishment of the Implementing Agency of Social Security and Institutional Transformation on PT Askes (Persero), PT Jamsostek (Persero), PT TASPEN (Persero), and PT ASABRI (Persero) to be the Implementing Agency of Social Security (BPJS). Such transformation shall be followed with the transfer of participant, program, assets and liability, personnel, as well entitlement and obligation.

Through this Law, it is established 2 (two) BPJS, which is BPJS for Health and BPJS for Manpower. BPJS for Health implements the health security program, while BPJS for Manpower implements the program of working accident security, retirement security, pension security, and death security. Through the establishment of BPJS the coverage of participation of the program of social security shall be broaden gradually.

II. ARTICLE BY ARTICLE



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Article 1

Self-explanatory

Article 2

Point a

The principle of humanity means the principle related to the honor toward the dignity of human.

Point b

The principle of benefit means the principle of which is operational in nature, it defines the efficient and effective management.

Point c

The principle of social justice for the entire people of Indonesia shall be the principle of which is fair in nature.

Article 3

In this Article, basic need of life means the essential need of each people to remain alive appropriately, for the purpose the realization of welfare for the entire Indonesian people.

Article 4

Point a

The principle of togetherness means the togetherness among Participants in bearing the charge of Social Security cost of which is realized with the obligation of each Participant to pay the Dues in accordance with the level of Salary, Wage, or the income.

Point b

The principle of non-profit means the business operational principle of which prioritizes revenue of the fund expansion to provide the maximum Benefit for the entire Participants.

Point c

The principle of transparent means the principle of easing the access of information of which is complete, correct, and clear for each Participant.

Point d

The principle of carefulness means the fund management principle of which is carefully, watchfully, and orderly.

Point e

The principle of accountability means the program management principle and financial management of which is accurate and accountable.

Point f

The principle of portability means the principle in providing sustainable guarantee although the Participants change their occupation or move their domicile within the territory of the Republic of Indonesia.

Point g

The principle of mandatory participation means the principle that obliges the entire people to be the Participant of Social Security of which implemented gradually.



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Point h

The principle of mandate fund means that the Dues and the revenue of its expansion shall be the mandate fund from the Participant for maximally utilized for the interest of Social Security Participants.

Point i

Self-explanatory

Article 5

Self explanatory

Article 6

Self explanatory

Article 7

Self explanatory

Article 8

Self explanatory

Article 9

Self explanatory

Article 10

Self-explanatory

Article 11

Point a

In this Article, *to invoice* means requesting for the payment in the event the arrear, stoppage, or deficiency payment of Dues is occurred.

Point b

Self-explanatory

Point c

Self-explanatory

Point d

The Government stipulates standard tariff after obtaining the recommendation from the BPJS along with health facility association, either national level or regional level.

Amount of tariff in certain region (regional) could be different with the amount of tariff in the other regions (regional) in accordance with the local level of price, as result the effective and efficient finance of health facility could be achieved.

Point e

Self-explanatory

Point f

Self-explanatory

Point g

Other obligation means such as obligation to register his/ herself and his/ her Employees as the Participant, reporting the Participant's data includes the change of Salary or Wage, number of Employees and the family, employees' address, as well employees' status.



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The provision of law and regulation means Law on the National Social Security System.

Point h

Partnership with other parties shall be made in relation with the charging and collection of the Dues from the Participants and the Employees as well the acceptor of Assistance of Dues, made with the Governmental institution and local government, state owned enterprise, or local government owned enterprise.

Article 12

Point a

Operational fund means the part of accumulation of the Social Security Dues and its expansion of which could be utilized by the BPJS to finance the operational activity of the Social Security program.

Point b

Self-explanatory

Article 13

Point a

The single identification number means number, which is particularly given by the BPJS to each Participant to assure administrative order upon right and obligation of each Participant. Single identity number shall be applicable for all Social Security program.

Point b

Self-explanatory

Point c

Information regarding on the performance, financial condition of the BPJS includes information concerned with assets and liabilities, revenues, and expenditure of each Social Security Fund, and/ or amount of asset and liability, revenue and expenditure of BPJS.

Point d

Self-explanatory

Point e

Self-explanatory

Point f

Self-explanatory

Point g

Self-explanatory

Point h

Self-explanatory

Point i

Self-explanatory

Point j

Self-explanatory

Point k

Self-explanatory



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Article 14

Self-explanatory

Article 15

Section (1)

In this section, the Social Security to be taken means the 5 (five) Social Security program in the Law Number 40 Year 2004 on the National Social Security System.

Section (2)

In this section, the data means personal data of the Employer and the Employee along with their family member, including its change.

Section (3)

Periodic registration of which is regulated in the President Regulation are of which is based on number of employee, type/ scale of business.

Article 16

Self-explanatory

Article 17

Section (1)

Self-explanatory

Section (2)

Point a

Self-explanatory

Point b

Self-explanatory

Point c

“Certain public services” mean the services such as business license processing, construction license, ownership of land and building entitlement evidence.

Section (3)

Self-explanatory

Section (4)

“In this section, “the Government and local government” mean public service unit of which provided by the Government and local government.

Section (5)

Self-explanatory

Article 18

Self-explanatory

Article 19

Self-explanatory

Article 20

Self-explanatory

Article 21

Section (1)



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Self-explanatory

Section (2)

Candidate member of the Supervisory Board from the element of Employee shall be proposed by Employee organization in national level.
Candidate member of the Supervisory Board from the element of Employer shall be proposed by entrepreneur organization in national level.

Section (3)

Self-explanatory

Section (4)

Self-explanatory

Section (5)

In this section, "*could be recommended to be re-appointed*" means re-nominated through selection process.

Article 22

Self-explanatory

Article 23

Section (1)

Member who originates from the element of professional shall be person who is skilled and/ or having particular knowledge in Social Security affairs.

Section (2)

Self-explanatory

Section (3)

Self-explanatory

Article 24

Section (1)

Self-explanatory

Section (2)

Point a

Planning includes the arrangement of working plan of annual budget of BPJS.

Point b

Self-explanatory

Point c

Self-explanatory

Section (3)

Point a

Self-explanatory

Point b

Self-explanatory



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Point c
Income means salary or wage and other additional benefits.

Point d
Self-explanatory

Point e
Self-explanatory

Point f
Self-explanatory

Point g
Self-explanatory

Point h
Self-explanatory

Section (4)
Self-explanatory

Article 25

Section (1)

Point a
Self-explanatory

Point b
Self-explanatory

Point c
Self-explanatory

Point d
Self-explanatory

Point e
Qualification criteria of the candidate member of the Supervisory Board and candidate member of the Directors shall be measured from the level of formal education.

Competency criteria of the candidate member of the Supervisory Board and candidate member of the Directors shall be measured based on the experience, skill, and knowledge in accordance with their tasks.

Point f
Self-explanatory

Point g
Self-explanatory

Point h
Self-explanatory

Point i
Self-explanatory

Point j



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Self-explanatory

Section (2)

In this section, ‘concurrent the position’ means after being appointed as the member of the Supervisory Board or member of the Directors, the candidate in question release its position in the government, including in state institution or other legal entity.

Article 26

Self-explanatory

Article 27

Competence criteria of the candidate member of the Directors shall be measured on the basis of experience, skill, and experience in accordance with his/ her tasks such as economy, finance, banking, actuary, insurance, pension fund, information technology, risk management, health management, working accident and illness due the work, and/ or law of which could be evidenced through competence certificate.

Article 28

Self-explanatory

Article 29

Self-explanatory

Article 30

Self-explanatory

Article 31

Self-explanatory

Article 32

Self-explanatory

Article 33

Section (1)

Self-explanatory

Section (2)

To execute the implementation of tasks of the member of the Supervisory Board who temporary dismissed, the interim official of which is proposed by the DJSN shall be selected by among members of the Supervisory Board.

To execute the implementation of tasks of the member of the Directors who temporary dismissed, the interim official of which is proposed by the DJSN shall be selected by among members of the Directors.

Section (3)

In this section, “... *has been stated being healthy again*” means in the event that he/ she is stated being healthy by the doctor who is assigned in the government owned hospital.

While, “*status as suspect has been revoked*” means in the event that investigation process has been terminated by the investigator.

Section (4)

Self-explanatory

Section (5)

Self-explanatory



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Article 34

Self-explanatory

Article 35

Self-explanatory

Article 36

Self-explanatory

Article 37

Self-explanatory

Article 38

Self-explanatory

Article 39

Section (1)

Self-explanatory

Section (2)

Self-explanatory

Section (3)

Point a

DJSN performs monitoring and evaluation on the implementation of Social Security program.

Point b

The independent supervisory institution shall be the Financial Service Authority. In certain condition in accordance with its authority, Audit Board of the Republic of Indonesia could conduct examination.

Article 40

Self-explanatory

Article 41

Self-explanatory

Article 42

Self-explanatory

Article 43

Section (1)

Point a

Self-explanatory

Point b

Self-explanatory

Point c

Assets of the Social Security program could be in the form of money, securities, as well land and building.

Point d

Self-explanatory

Section (2)



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Self-explanatory

Section (3)
Self-explanatory

Article 44
Self-explanatory

Article 45
Self-explanatory

Article 46
Self-explanatory

Article 47
Self-explanatory

Article 48
Self-explanatory

Article 49
Section (1)
Self-explanatory

Section (2)
Self-explanatory

Section (3)
Self-explanatory

Section (4)
Self-explanatory

Section (5)
In this section, “*the provision of law and regulation*” means Law on
Arbitrary and Alternative Dispute Settlement.

Article 50
Self-explanatory

Article 51
Section (1)
Self-explanatory

Section (2)
Partnership with organization or institution, either domestic or
international shall be made for the purpose of improving the quality of
BPJS and quality of the service for the Participants.

Section (3)
The membership of BPJS in the international organization/ institution
shall be made by remaining comply with the provision of law and
regulation.

Section (4)
Self-explanatory

Article 52
Point a



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Kinship means family relationship due to blood relation or relation by marriage.

Point b
Self-explanatory

Point c
In this Article, Performing disgraceful deed means doing actions of which degrade the dignity and honor of the BPJS.

Point d
Self-explanatory

Point e
Self-explanatory

Point f
Self-explanatory

Point g
Self-explanatory

Point i
Self-explanatory

Point j
Self-explanatory

Point k
Self-explanatory

Point l
Self-explanatory

Point m
Self-explanatory

Article 53
Self-explanatory

Article 54
Self-explanatory

Article 55
Self-explanatory

Article 56
Article (1)
Self-explanatory

Article (2)
Self-explanatory

Article (3)
Certain condition that incriminate the Government economy could be in the form of the high level of inflation, post disaster condition that caused the utilization the most of state economic resources, and so on.



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Special measures to maintain financial health and the continuity of the implementation of Social Security program could be in the form of such as the adjustment of Benefit, Dues, and/ or retirement age as the last effort.

Article 57

Point a

Self-explanatory

Point b

Self-explanatory

Point c

Self-explanatory

Point d

Self-explanatory

Point e

The program of Social Insurance of the Armed Forces of the Republic of Indonesia consist of insurance help, help of insurance cash value, death risk help, funeral cost help, particular death risk help, help for disabled due to assignment, help for disabled due to non-assignment, help for the funeral of husband/ wife, and help for the funeral of children.

Point f

Retirement saving program consists of Dwiguna insurance and death insurance.

Article 58

Point a

Operational preparation of BPJS for Health includes:

- a. preparing system and operational procedures of which are required to run BPJS for Health;
- b. performing socialization to all stakeholders of health security;
- c. determining the health security of which is in accordance with the provision of the Law on the National Social Security System for the Participants of PT Askes (Persero);
- d. coordinating with the Ministry of Defense, the Armed Forces of the Republic of Indonesia, the National Police of the Republic of Indonesia for transferring the implementation of health service program for the member of TNI/ POLRI and Civil Servant of the Ministry of Defense, the Armed Forces of the Republic of Indonesia, the National Police of the Republic of Indonesia along with the family to the BPJS for Health; and
- e. coordinating with PT Jamsostek (Persero) for transferring the health care security program to the BPJS for Health.

Point b

Preparation activity for the transfer of assets, liability, personnel, as well right and obligation of PT Askes (Persero) to the BPJS for Health includes:

- a. appointing public accountant office to conduct audit on the closing financial report of PT Askes (Persero), opening position of financial report BPJS for Health, and opening position of financial report of health security fund; and
- b. preparing the closing financial report of PT Askes (Persero), opening position of financial report BPJS for Health, and opening position of financial report of health security fund.

Article 59



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Self-explanatory

Article 60

Self-explanatory

Article 61

Point a

Self-explanatory

Point b

Operational preparation of BPJS for Manpower for the program of working accident security, retirement security, pension security, and death security includes:

- a. preparing system and operational procedures of which are required to run BPJS for Manpower; and
- b. performing socialization to all stakeholders of working accident security, retirement security, pension security, and death security.

Point c

Self-explanatory

Article 62

Self-explanatory

Article 63

Self-explanatory

Article 64

Self-explanatory

Article 65

Section (1)

PT ASABRI (Persero) completes the arrangement of transformation roadmap in no more than 2014 of which includes such as the program of Social Insurance of the Armed Forces of the Republic of Indonesia and the Pension payment program to the BPJS for Manpower.

Section (2)

PT TASPEN (Persero) completes the arrangement of transformation roadmap in no more than 2014 of which includes such as the program of retirement saving and pension payment program to the BPJS for Manpower.

Article 66

The program of Insurance for the Armed Forces of the Republic of Indonesia and pension payment program from PT ASABRI (Persero) and the transfer the program of retirement saving and pension payment program from PT TASPEN (Persero) to BPJS for Manpower shall be part of the program that is in accordance with Law on the National Social Security System.

PT ASABRI (Persero) and PT TASPEN (Persero) completes the arrangement of transformation roadmap in no more than 2014 of which includes the transfer of the program of Insurance for the Armed Forces of the Republic of Indonesia and pension payment program and the transfer the program of retirement saving and pension payment program to BPJS for Health.

Article 67

Self-explanatory

Article 68



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Self-explanatory

Article 69

Self-explanatory

Article 70

Self-explanatory

Article 71

Self-explanatory

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