

Ukraine

Exchange rate: US\$1.00 = 28.15 hryvnias.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922.

Current laws: 1991 (pensions), implemented in 1992; 1993 (qualifying conditions); 1996 (social protection); 2003 (mandatory state pension insurance), implemented in 2004; 2004 (social assistance); 2010 (single contribution); and 2011 (social insurance).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Residents and stateless persons employed under labor agreements or under civil law agreements, including those who work abroad; and self-employed persons.

Voluntary coverage is available.

Special systems for civil servants, legislators, judges, National Bank employees, diplomats, journalists, scientists, local governors, and victims of the Chernobyl disaster.

Social assistance: Citizens of Ukraine.

Source of Funds

Insured person

Social insurance: None.

Social assistance: None.

Self-employed person

Social insurance: 22% of the legal monthly minimum wage.

The legal monthly minimum wage is 3,723 hryvnias.

The maximum monthly earnings used to calculate contributions is 15 times the legal monthly minimum wage (55,845 hryvnias).

The self-employed person's contributions also finance sickness, maternity, work injury, and unemployment benefits.

Social assistance: None.

Employer

Social insurance: 22% of covered payroll.

The maximum monthly earnings used to calculate contributions is 15 times the legal monthly minimum wage (55,845 hryvnias).

The employer's contributions also finance sickness, maternity, work injury, and unemployment benefits.

Social assistance: None.

Government

Social insurance: Provides subsidies as needed from central and local governments; contributes as an employer.

The government's contributions also finance cash sickness and maternity benefits, work injury, and unemployment benefits.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (social insurance): Age 60 with at least 35 years of coverage (men) or age 58 (women, rising to age 60 in 2021) with at least 30 years of coverage.

The qualifying conditions are reduced for certain persons with disabilities; for women with five or more children or a child with a disability; for persons who worked under hazardous or dangerous conditions; and for certain persons affected by the Chernobyl disaster.

Coverage may include years spent in higher education, the armed services, caring for persons with disabilities or children younger than age 3, or being unemployed and seeking a job.

Partial pension: Age 60 (men) or age 58 (women, rising to age 60 in 2021) with at least 25 years of coverage (gradually rising by one year each year until reaching 35 years in 2038) and does not meet the contribution requirements for a full pension; age 63 with at least 15 years of coverage (gradually rising by one year each year until reaching 25 years in 2038) and does not meet the contribution requirements for a full pension.

Deferred pension: The pension may be deferred from one to 10 years after the normal retirement age.

The pension is payable abroad under reciprocal agreement, otherwise a lump-sum of six months of the old-age pension is paid the month the pensioner leaves the country.

Old-age caregiver's allowance (social insurance): Paid to an unpaid caregiver of a person older than age 80 in need of constant attendance.

Old-age social pension (social assistance, income tested): Age 63 (men) or age 60 and 6 months (women, gradually rising by six months a year until reaching age 63 in 2021) who do not meet the qualifying conditions for the old-age pension.

Social pension supplement: Paid to supplement the old-age social pension.

Disability pension (social insurance): Must be assessed with a Group I (incapacity for any work and requires constant attendance), Group II (incapacity for any work and does not require constant attendance), or Group III

(incapacity for usual work) disability. For a Group I disability, the insured must have from one year of coverage (if aged 25 or younger) to 10 years of coverage (if aged 54 to 59) when the disability began. For a Group II or Group III disability, the insured must have from one year of coverage (if aged 23 or younger) to 14 years of coverage (if aged 56 to 59) when the disability began. There is no coverage requirement if the disability occurred during fixed-term military service or during certain public protests.

Insured persons with Group III disabilities who have at least 35 years (men) or 30 years (women) of coverage may opt to receive the old-age pension instead.

Disability caregiver's allowance (social insurance): Paid to an unpaid caregiver of a person with a Group I disability.

Disability social pension (social assistance, income tested): Must be assessed with a disability and not meet the qualifying conditions for a disability pension or work injury benefit.

Social pension supplement: Paid to supplement the disability social pension.

Survivor pension (social insurance): The deceased had at least one to 15 years of coverage, depending on the deceased's age at the time of death.

Eligible survivors include nonworking dependents, including a widow(er), father, and mother of pensionable age or disabled; children younger than age 18 (age 23 if a student or a full orphan; no limit if disabled before age 18). In the absence of a widow(er), the pension is paid to a parent, sibling, or grandparent, if they are not employed and care for the deceased's dependent child younger than age 8.

Survivor pension supplement: Paid if the survivor pension is less than 100% (for one survivor), 120% (for two survivors), or 150% (for three survivors) of the minimum monthly subsistence level for persons with disabilities.

The minimum monthly subsistence level for persons with disabilities is 1,373 hryvnias (1,435 hryvnias as of July 1, 2018).

Funeral grant (social insurance): Paid when an employee, student, unemployed person, or his or her dependent; or a pensioner, including a military pensioner, dies.

Eligible survivors include nonworking dependents, including a widow(er); children, siblings, or grandchildren younger than age 18 (age 23 if a student; no limit if disabled before age 18); and parents or grandparents.

Old-Age Benefits

Old-age pension (social insurance): 1% (1.35% in practice) of the average monthly wage base is paid for each full year of coverage.

The average monthly wage base is based on the average national wage in the 36 months before the year of retirement and the insured's earnings.

The minimum monthly old-age pension is 1,452 hryvnias if younger than age 65; 40% of the legal monthly minimum wage if aged 65 or older.

The legal monthly minimum wage is 3,723 hryvnias.

The maximum monthly old-age pension is 10 times the minimum monthly subsistence level for persons with disabilities.

The minimum monthly subsistence level for persons with disabilities is 1,373 hryvnias (1,435 hryvnias as of July 1, 2018).

Partial pension: The pension is proportionally reduced for each year of coverage less than 35 years (men) or 30 years (women).

Deferred pension: The pension is increased by 0.5% for each month of deferral for the first 60 months after the normal retirement age; by 0.75% for each additional month of deferral, up to 120 months.

Old-age caregiver's allowance (social insurance): A monthly allowance is paid.

Old-age social pension (social assistance, income tested): The monthly pension varies from 30% to 100% of the minimum monthly subsistence level for persons with disabilities.

The minimum monthly subsistence level for persons with disabilities is 1,373 hryvnias (1,435 hryvnias as of July 1, 2018).

Social pension supplement: The difference between the social pension and the minimum monthly subsistence level for persons with disabilities is paid.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and inflation.

Permanent Disability Benefits

Disability pension (social insurance): 100% of the old-age pension is paid for a Group I disability; 90% for a Group II disability; 50% for a Group III disability.

The minimum monthly disability pension is 1,452 hryvnias.

The minimum monthly partial disability pension is the monthly disability social pension.

Disability caregiver's allowance (social insurance): A monthly allowance is paid.

Disability social pension (social assistance, income tested): 100% of the minimum monthly subsistence level for persons with disabilities is paid for a Group I disability; 80% for a Group II disability; 60% for a Group III disability.

The minimum monthly subsistence level for persons with disabilities is 1,373 hryvnias (1,435 hryvnias as of July 1, 2018).

Social pension supplement: The difference between the social pension and the minimum monthly subsistence level for persons with disabilities is paid.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and inflation.

Survivor Benefits

Survivor pension (social insurance): 50% of the old-age pension the deceased would have been entitled to receive is paid for one survivor; 100% for two or more survivors.

Survivor pension supplement: The difference between the survivor pension and 100% (for one survivor), 120% (for two survivors), or 150% (for three survivors) of the minimum monthly subsistence level for persons with disabilities is paid.

The minimum monthly subsistence level for persons with disabilities is 1,373 hryvnias (1,435 hryvnias as of July 1, 2018).

Funeral grant (social insurance): A lump sum of 2,200 hryvnias is paid for the funeral of an employee, student, unemployed person, or his or her dependent; two months of the old-age pension the deceased would have been entitled to receive is paid for the funeral of a pensioner; three months for a military pensioner.

The minimum funeral grant is the minimum monthly subsistence level for able-bodied people.

The minimum monthly subsistence level for able-bodied people is 1,762 hryvnias (1,841 hryvnias as of July 1, 2018).

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and inflation.

Administrative Organization

Ministry of Social Policy (<https://www.msp.gov.ua/>) is responsible for policy and provides general coordination.

Regional and local social protection departments administer the program.

Pension Fund (<http://www.pfu.gov.ua/>) administers pensions.

State Fiscal Service (<http://sfs.gov.ua/>) collects contributions.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 1999 (compulsory insurance) and 2010 (collection and contributions).

Type of program: Universal (medical benefits), social insurance (cash benefits), and social assistance (parental leave) system.

Coverage

Universal and social assistance (medical benefits and parental leave): Residents of Ukraine.

Social insurance (cash sickness benefits): Employed persons, including employees on leave to pursue education or training; registered unemployment persons and persons unemployed as a result of closed businesses; and military personnel.

Social insurance (cash maternity benefits): Employed persons.

Source of Funds

Insured person

Universal (medical benefits): None; may purchase a voluntary medical insurance policy.

Social insurance (cash benefits): None.

Social assistance (parental leave): None.

Self-employed person

Universal (medical benefits): None.

Social insurance (cash benefits): See source of funds under Old Age, Disability, and Survivors.

Social assistance (cash benefits): None.

Employer

Universal (medical benefits): None.

Social insurance (cash benefits): See source of funds under Old Age, Disability, and Survivors.

Social assistance (cash benefits): None.

Government

Universal (medical benefits): The total cost.

Social insurance (cash benefits): See source of funds under Old Age, Disability, and Survivors.

Social assistance (cash benefits): Central and local governments pay the cost of maternity cash benefits for the uninsured.

Qualifying Conditions

Cash sickness, maternity, and medical benefits (social insurance): There is no minimum qualifying period.

Cash parental leave (social assistance, income tested): Paid to a woman who was employed or studying prior to maternity leave and who is caring for a child younger than age 3. Parental leave may be transferred to the father, grandparent, adoptive parent, foster parent, guardian, or any other relative caring for the child.

Sickness and Maternity Benefits

Sickness benefit (social insurance): 50% of the insured's average gross earnings in the last three months is paid with less than three years of work; 60% with at least three but less than five years; 70% with at least five but less than eight years; and 100% with at least eight years or for a person injured in the Chernobyl disaster, a person caring for a child up to age 14 who was injured in the Chernobyl disaster, a WWII veteran, a surviving spouse of a veteran or soldier killed in combat, or a blood donor. The benefit is paid after a five-day waiting period until recovery or certification of permanent disability (the employer pays benefits for the first five days).

Maternity benefit (social insurance): 100% of the insured's earnings is paid to employed women for 70 days before and 56 days after (70 days for a complicated birth or multiple births) the expected date of childbirth; for 90 days before and 90 days after the expected date of childbirth for women injured in the Chernobyl disaster.

Parental leave (social assistance, income tested): The monthly benefit is based on the number of children, the minimum monthly subsistence level for able-bodied people, and average family income.

The minimum monthly parental leave benefit is 860 hryvnias.

The maximum monthly parental leave benefit is the minimum monthly subsistence level for able-bodied people.

The minimum monthly subsistence level for able-bodied people is 1,762 hryvnias (1,841 hryvnias as of July 1, 2018).

Workers' Medical Benefits

Government health providers offer medical services directly to patients. Benefits include preventive, general, specialist, dental, and maternity care; hospitalization; laboratory services; and transportation. Care in sanatoria and nursing homes may also be provided, with preference given to workers who pay part of the cost.

Cost sharing: The patient usually pays part of the cost of dental appliances and glasses.

Free medication is provided during hospitalization, for all children younger than age 1, for children younger than age 16 with disabilities, and for pensioners receiving the minimum pension.

Dependents' Medical Benefits

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

Administrative Organization

Ministry of Social Policy (<https://www.msp.gov.ua/>) and Social Insurance Fund for Temporary Disability (<http://www.fse.gov.ua/>) provide general oversight of the program for cash benefits.

Ministry of Social Policy (<https://www.msp.gov.ua/>) and social protection departments of local governments administer benefits.

Ministry of Health (<http://www.moz.gov.ua/>) and health departments of local governments provide general supervision and coordinate medical benefits.

State Fiscal Service (<http://sfs.gov.ua/>) collects contributions.

Work Injury

Regulatory Framework

First law: 1912.

Current laws: 1999 (work injury) and 2010 (collection and contributions).

Type of program: Universal (medical benefits) and social insurance (cash benefits) system.

Coverage

Universal (medical benefits): Residents of Ukraine.

Social insurance (cash benefits): Employed persons, students, and apprentices.

Voluntary coverage is available.

Special provisions for victims of the Chernobyl disaster.

Source of Funds

Insured person: See source of funds under Sickness and Maternity.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors; subsidizes the cost for miners.

Qualifying Conditions

Must be assessed with a work injury or occupational disease.

Temporary Disability Benefits

100% of the insured's average earnings is paid after a five-day waiting period (the employer pays the first five days), until recovery or certification of a permanent disability.

Permanent Disability Benefits

Permanent disability pension: 70% of the insured's average monthly earnings in the last six months is paid for a Group I disability (incapacity for any work and requires constant attendance); 60% for a Group II disability (incapacity for any work and does not require constant

attendance); and 40% for a Group III disability (incapacity for usual work).

Permanent disability settlement: A lump sum is paid for an assessed loss of work capacity at least a 5%. The benefit is based on the assessed loss of working capacity multiplied by 17 times the minimum monthly subsistence level for able-bodied people on the day of benefit entitlement.

The minimum monthly subsistence level for able-bodied people is 1,762 hryvnias (1,841 hryvnias as of July 1, 2018).

Workers' Medical Benefits

Government health providers offer medical services directly to patients. Benefits include preventive, general, specialist, dental, and maternity care; hospitalization; laboratory services; transportation; and the full cost of appliances and medicine.

Survivor Benefits

Survivor pension and funeral grant (social insurance): See Old Age, Disability, and Survivors.

Death grant: A lump sum of five times the deceased's monthly earnings is paid for the funeral of an employee, plus 12 months of the deceased's monthly earnings for each eligible dependent and for children of the deceased born within 10 months of the date of death.

Administrative Organization

Social Insurance Fund (<http://www.fssu.gov.ua/>) supervises temporary disability benefits and pays benefits to employees.

Ministry of Social Policy (<https://www.msp.gov.ua/>) and social protection departments of local governments administer benefits.

Ministry of Health (<http://www.moz.gov.ua/>) and health departments of local governments provide general supervision and coordinate medical benefits.

Ministry of Health and local health departments administer medical services through clinics, hospitals, maternity homes, and other facilities.

State Fiscal Service (<http://sfs.gov.ua/>) collects contributions.

Unemployment

Regulatory Framework

First law: 1921.

Current laws: 2000 (unemployment), 2010 (single contribution), 2012 (employment), and 2013 (collection and contributions).

Type of program: Social insurance system.

Coverage

Employed persons, including casual workers and military personnel; and self-employed persons.

Special provisions for Chernobyl workers, persons unemployed as a result of military reform, women with children younger than age 6, single mothers with children younger than age 14 or disabled, and certain other categories.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors; provides subsidies as needed.

Qualifying Conditions

Must have at least 26 weeks of work in the 12 months before unemployment began, be registered at an employment office, be able and willing to work, and have income less than the legal monthly minimum wage. The benefit may be reduced, suspended, or terminated if the worker is discharged for violating work rules, leaving employment without good cause, violating conditions for job placement or vocational training, or filing a false or fraudulent claim.

The legal monthly minimum wage is 3,723 hryvnias.

Unemployment Benefits

50% of the insured's average earnings is paid after a 7-day waiting period (90-day period if voluntarily unemployed) with less than two years of covered employment; 55% with two to six years; 60% with seven to 10 years; and 70% with more than 10 years. 100% of the benefit is paid for the first 90 calendar days; 80% for the next 90 calendar days; 70% thereafter. Benefits are paid for up to 360 days in a two-year period; up to 720 calendar days for insured persons within two years of retirement.

The minimum monthly unemployment benefit is 1,440 hryvnias for insured persons; 544 hryvnias for non-insured persons.

The maximum monthly unemployment benefit is four times the minimum monthly subsistence level for able-bodied people.

The minimum monthly subsistence level for able-bodied people is 1,762 hryvnias (1,841 hryvnias as of July 1, 2018).

The unemployment benefit may be combined with a family allowance (See Family Allowances).

Administrative Organization

Ministry of Social Policy (<https://www.msp.gov.ua/>) provides general policy coordination.

State Employment Service (<https://www.dcz.gov.ua/>) administers the program.

State Fiscal Service (<http://sfs.gov.ua/>) collects contributions.

Family Allowances

Regulatory Framework

First law: 1944.

Current laws: 1992 (child benefits) and 2000 (social assistance).

Type of program: Social assistance system.

Coverage

Residents of Ukraine.

Special provisions for victims of the Chernobyl disaster.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: Central and local governments pay allowances for children of unemployed families or nonworking mothers.

Qualifying Conditions

Birth benefit (income tested): Paid to a parent or guardian who lives with the child. The benefit must be claimed within 12 months of the birth.

Adoption benefit (income tested): Paid to low-income families for the adoption of a child. The benefit must be claimed within 12 months of the adoption.

Single mother (adoptive parent) allowance (income tested): Paid to single mothers with children younger than age 18 (age 23 if a student). Widow(er)s raising children may receive the allowance if they do not receive a survivor pension or any other social assistance.

Adoptive child (or guardianship) allowance (income tested): Paid to low-income families for an adopted child or a child under guardianship.

Family Allowance Benefits

Birth grant and adoption benefit (income tested): 41,280 hryvnias is paid in installments, beginning with an initial lump sum of 10,320 hryvnias, followed by monthly payments until the child reaches age 3.

Single mother (adoptive parent) allowance (income tested): The allowance is based on the minimum monthly subsistence level for the child's age cohort and average family income.

The minimum monthly subsistence level for children younger than age 6 is 1,492 hryvnias (1,559 hryvnias as of July 1, 2018); from age 6 to 18, 1,860 hryvnias (1,944 hryvnias as of July 1, 2018).

Adoptive child (or guardianship) allowance (income tested): The allowance is based on the minimum monthly subsistence level for the child's age cohort.

The minimum monthly subsistence level for children younger than age 6 is 1,492 hryvnias (1,559 hryvnias as of July 1, 2018); from age 6 to 18, 1,860 hryvnias (1,944 hryvnias as of July 1, 2018).

Administrative Organization

Ministry of Social Policy (<https://www.msp.gov.ua/>) provides general supervision and administers the program.