

## Ukraine

Exchange rate: U.S.\$1.00 equals 5.25 hryvnias (H).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1922.

**Current law:** 1992.

**Type of program:** Social insurance system.

#### Coverage

All employees. Special provisions for victims of the Chernobyl catastrophe.

#### Source of Funds

**Insured person:** 1% of earnings up to H150 and 2% of earnings for H150 or more.

**Employer:** 37% of payroll.

**Government:** Subsidies as needed from central and local governments.

The maximum earning on which contributions are paid is H1,600 per month.

The above contributions also finance benefits for cash sickness, maternity, work injury, and employee family allowances.

#### Qualifying Conditions

**Old-age pension:** Age 60 with 25 years of covered employment (men) and age 55 with 20 years of work (women); requirements are reduced by 5 years or more for arduous or hazardous work, for mothers of five or more children, for mothers of disabled children, for disabled veterans, and for other specified categories.

Covered employment includes years spent in higher education, the armed services, caring for disabled persons or for children under age 3, and being unemployed and seeking a job.

**Early pension:** An early pension is payable to unemployed older workers (for men between age 58 years and 6 months and age 60; for women between age 53 years and 6 months and age 55) who meet the requirements for covered employment and who were working for an enterprise that was liquidated or reorganized.

**Disability pension:** The insured has a minimum of 1 to 15 years of covered employment, depending on age at the onset of disability.

Total disability (incapacity for any work): Group I disability, requiring constant attendance; Group II disability, not requiring constant attendance.

Partial disability (incapacity for usual work): Group III disability.

**Survivor pension:** Insured had up to 15 years of work, payable to surviving children whether or not they were dependents of the insured and to nonworking dependents (including the spouse; either parent, if disabled or not yet of pensionable age; and grandparents, if no other support is available).

**Social pension:** Citizens not eligible for old-age, disability, or survivor pension who are not working.

#### Old-Age Benefits

**Old-age pension:** 55% of wage base with 25 years of work (men) or 20 years of work (women), plus 1% of wage for each year in excess of 25 years (men) or 20 years (women). The pension is payable monthly.

Maximum pension: 75% of wage base (H129); 85% for particularly hazardous working conditions.

Minimum pension: H43.

The minimum wage is H140 per month.

**Wage base:** The wage base equals gross average earnings in the last 2 years or best 5 consecutive years during the worker's career.

**Partial pension:** If the insured has insufficient years of covered employment, the monthly benefit is reduced in proportion to the number of years below the required number of years of coverage. The minimum partial pension is 50% of the old-age pension.

**Supplementary benefits:** Benefits are payable to nonworking pensioners with disabled dependents. The supplements are 100% of the minimum old-age pension for each dependent and 50% of the minimum old-age pension for a single pensioner in need of care.

**Social pension:** Paid to a person who has no insurance coverage. The pension rate varies between H23.3 and H59.

**Benefit adjustment:** Periodic benefit adjustments according to cost-of-living changes.

**Carer's allowance:** The allowance is payable monthly to a carer of a person over 80 years old; carer is not otherwise employed but may receive an unemployment benefit.

#### Permanent Disability Benefits

**Disability pension:** The total disability pension (Group I) is 70% of earnings; Group II, 60% of earnings.

**Partial pension for total disability:** If the insured has insufficient years of covered employment, the entitlement is the same as under the old-age pension.

**Partial disability (Group III):** The monthly pension is equal to 40% of earnings.

**Social pension:** The pension is between 30% and 200% of the minimum old-age pension, depending on the degree of disability.

**Carer's allowance:** Payable monthly to a carer of a Group I disabled child under age 16; carer is not otherwise employed but may receive an unemployment benefit.

Benefit adjustment: Periodic benefit adjustments according to cost-of-living changes.

### **Survivor Benefits**

**Survivor pension:** The pension is payable monthly at 30% of wage base of the insured for each dependent; 40% of earnings for a widow if the spouse died in war.

Minimum pension: 100% of the minimum old-age pension a month.

Partial pension: If the insured has an insufficient period of covered employment, the monthly benefit is reduced in proportion to the number of years below the required number of years of coverage.

**Funeral grant:** Ten times the minimum wage if an employee, student, or unemployed; 2 months of pension benefits (or ten times the minimum wage, whichever is higher) if a pensioner.

Benefit adjustment: Periodic benefit adjustments according to cost-of-living changes.

### **Administrative Organization**

Ministry of Labor and Social Policy provides general coordination.

Regional and local social protection departments administer the program.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1912.

**Current laws:** 1972 and 1993.

**Type of program:** Dual social insurance (cash benefits) and universal (medical care) systems.

#### **Coverage**

**Cash benefits:** Employed persons, those on leave to pursue education and training, those unemployed as a result of enterprise liquidation, the registered unemployed, and military personnel.

**Medical care:** All residents. Special provisions for victims of the Chernobyl catastrophe.

#### **Source of Funds**

**Insured person:** For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, none; except for voluntary medical insurance policies.

**Employer:** For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, none.

Government: Total cost of medical care. The cost of universal maternity cash benefits is met by central and local government budgets.

### **Qualifying Conditions**

**Cash and medical benefits:** No minimum qualifying period.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 60% of earnings if less than 5 years of service; 80% if 5 to 8 years of service; 100% if 8 years of service or more. The benefit is payable until determination of permanent disability or recovery. The payment of benefit is not to exceed 4 months consecutively, or a total of 5 months per year. Benefits are payable at 100% of earnings for a working parent caring for a sick family member for up to 14 days per case.

**Maternity benefit:** Payable to employed women at 100% of earnings for 70 calendar days before and 56 days (70 days in the case of a complicated birth or multiple births) after the expected date of childbirth; for women on leave for education and training, the benefit is 100% of the stipend; for women unemployed due to enterprise liquidation, the benefit is 100% of earnings received at the last place of work; for those registered as unemployed for at least 10 months, the benefit is 100% of the minimum wage.

Benefits to members of the armed forces are payable to a spouse at 100% of earnings plus in-kind benefits. Monthly benefits are equal to 100% of the minimum wage paid for child care leave until the child is 3 years old to employed women and for women on leave for education and training; 50% of the minimum wage to eligible unemployed women until the child is 2 years old, or until the child is 3 years old if the family income meets the requirement of the income test.

### **Workers' Medical Benefits**

Medical services are provided directly to patients by government health providers.

Benefits include preventive care, general and specialist curative care, hospitalization, laboratory services, dental care, maternity care, and transportation. The patient ordinarily pays part of the cost of appliances.

Medicines, if provided with hospitalization, are free. Medicines are also free for disabled children under age 16, children under age 1, and pensioners receiving the minimum pension.

Care in sanatoria and rest homes, with preference being given to workers who may pay part of cost.

### **Dependents' Medical Benefits**

Same as for head of household.

## **Administrative Organization**

Ukrainian Ministry of Labor and Social Policy, Ministry of Finance, and Social Insurance Fund provide general oversight of the program for cash benefits.

Ministry of Labor and Social Policy and social protection departments of local governments administer benefits.

Ministry of Health and health departments of local governments provide general supervision and coordination for medical care.

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

## **Work Injury**

### **Regulatory Framework**

**First law:** 1912.

**Current laws:** 1990 (pensions), 1992 (lump-sum cash benefits), and 1999 (mandatory social insurance for work injury and occupational diseases).

**Type of program:** Dual social insurance (cash benefits) and universal (medical care) system.

### **Coverage**

**Cash benefits:** All employees.

**Medical care:** All residents.

Special provisions for the victims of the Chernobyl catastrophe.

### **Source of Funds**

**Insured person:** For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, see medical benefits under Sickness and Maternity, above.

**Employer:** For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, see medical benefits under Sickness and Maternity, above.

**Government:** For cash benefits, see Old Age, Disability, and Survivors, above. For medical care, see medical benefits under Sickness and Maternity, above.

### **Qualifying Conditions**

**Work injury benefits:** No minimum qualifying period.

### **Temporary Disability Benefits**

100% of earnings. Benefit is payable from the first day of incapacity until recovery, or until the award of a disability pension.

## **Permanent Disability Benefits**

Same as for disability pension under Old Age, Disability, and Survivors, above.

### **Workers' Medical Benefits**

Same as under medical care (see Sickness and Maternity, above), plus full cost of appliances and medicines.

### **Survivor Benefits**

**Survivor pension:** Same as for survivor pension under Old Age, Disability, and Survivors, above.

## **Administrative Organization**

Ukrainian Social Insurance Funds supervise temporary disability benefits.

Enterprises and employers pay benefits to their own employees.

Ministry of Labor and Social Policy and social protection departments of local governments administer benefits.

Ministry of Health and health departments of local governments provide general supervision and coordination for medical care.

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

## **Unemployment**

### **Regulatory Framework**

**First law:** 1921.

**Current laws:** 1991 and 2001.

**Type of program:** Social insurance system.

### **Coverage**

Working-age citizens. Special provisions for the victims of the Chernobyl catastrophe.

### **Source of Funds**

**Insured person:** None.

**Employer:** 0.5% of payroll.

**Government:** Subsidies as needed from central and local government.

### **Qualifying Conditions**

**Unemployment benefit:** Registered at an employment office, is able and willing to work, and does not have any other income exceeding the minimum wage. Benefits may be reduced, suspended, or terminated if the worker is discharged

for violating work discipline, leaving employment without good cause, violating conditions for job placement or for vocational training, or for filing fraudulent claims.

### **Unemployment Benefits**

**Unemployment benefit:** Unemployment is due to enterprise reorganization or liquidation. Benefit is payable at 100% of the average wage of the previous job for 60 days, 75% for the next 90 days, and 50% for following 210 days.

**Maximum benefit:** Average wage in the region in the last month.

**Minimum benefit:** The minimum wage.

**Unemployment assistance:** Payable to unemployed persons who have exhausted the 310 days of unemployment benefits if the monthly average income for each family member does not exceed the taxable minimum wage. The assistance is up to 75% of the minimum wage for 180 days.

**Dependent supplement:** Payable to unemployed persons after 360 days of unemployment benefits and the 180 days of unemployment assistance. The supplement as a lump-sum payment is equal to 50% of the minimum wage.

**Funeral grant:** Payable to dependents, family members, or the person undertaking funeral arrangements. The amount of the grant is determined by law.

### **Administrative Organization**

Ministry of Labor and Social Policy provides general policy coordination.

Employment Service and its local offices administer the program.

### **Family Allowances**

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#### **Regulatory Framework**

**First law:** 1944.

**Current law:** 1993.

**Type of program:** Dual social insurance and social assistance system.

#### **Coverage**

Families with children. Special provisions for victims of the Chernobyl catastrophe.

#### **Source of Funds**

**Insured person:** See Old Age, Disability, and Survivors, above.

**Employer:** See Old Age, Disability, and Survivors and Sickness and Maternity, above.

**Government:** Central and local budget subsidies for allowances for children of unemployed families and of nonworking mothers.

### **Qualifying Conditions**

**Family allowances:** Large families (three or more children), single mothers with one or more children, and families with one or more disabled children.

### **Family Allowance Benefits**

**Family allowances:** For children under age 16 (age 18 if a student), the allowance is 50% of the minimum wage per child. For families with three or more children under age 16, the monthly allowance is equal to 100% of the minimum wage; families with four or more children, 200% of minimum wage. Allowances are income-tested.

For single mothers, for widow(er)s not receiving a survivor pension or a social pension, and for children whose father has evaded child support, the allowance is 50% of minimum wage for each child under 16 (age 18 if a student). Allowances are income-tested.

For guardians of children under age 16, the allowance is 200% of the minimum wage. The allowance is income-tested.

For carers of disabled children under age 16, the allowance is 100% of the minimum wage.

**Delivery grant:** A lump sum equal to four times the minimum wage; an additional 200% of the minimum wage is payable to mothers who undergo a prescribed prenatal care regimen.

### **Administrative Organization**

Ukrainian Ministry of Labor and Social Policy and local departments of social protection administer the program for unemployed families and nonworking mothers.

Employers make payments to employees.