

## Ukraine

Exchange rate: US\$1.00 = 8.23 hryvnias.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1922.

**Current laws:** 1991 (pensions), implemented in 1992; 1993 (qualifying conditions); 1996 (constitutional article on social protection); 2003 (mandatory state pension insurance), implemented in 2004; 2005 (social assistance); 2011 (social insurance); and 2013 (pension indexation).

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

#### Coverage

**Social insurance:** All 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:** From 2% to 4.5% of earnings, depending on income.

The monthly maximum earnings used to calculate contributions are 20,706 hryvnias.

**Self-employed person:** 33.2% of the monthly minimum wage.

The monthly minimum wage is 1,218 hryvnias.

The monthly maximum earnings used to calculate contributions are 20,706 hryvnias.

The self-employed person's contributions also finance family allowances.

**Employer:** 33.2% of payroll.

The monthly maximum earnings used to calculate contributions are 20,706 hryvnias.

The employer's contributions also finance work injury benefits and family allowances.

**Government:** The cost of state social benefits; subsidies as needed from central and local governments; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 60 with at least 35 years of coverage (men) or age 55 and six months (women, gradually rising to age 60 in 2021) with at least 30 years of coverage.

Covered employment includes 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, if contributions are paid for these periods.

**Partial pension:** Age 60 with 15 to 34 years of coverage (men) or age 55 and 6 months (women, gradually rising to age 60 in 2021) with 15 to 29 years of coverage.

The pension is paid to unemployed older workers from ages 58 and 6 months to 60 (men) or ages 54 and 6 months to 55 and 6 months (depending on the date of birth, gradually rising to age 60 in 2021) for women who meet the coverage requirements and who were working for an enterprise that was closed or reorganized. The pension ceases if the beneficiary is reemployed.

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

The pension is payable abroad for six months in advance, beginning the month the pensioner leaves the country; thereafter, only if there is a reciprocal agreement.

**Caregiver's allowance (old age):** Paid to an unpaid caregiver of a person older than age 80 in need of constant attendance.

**Social pension (old age):** Age 63 (men) or age 59 (women, gradually rising to age 63 in 2021). A means-tested pension is paid to low-income citizens who are not working and ineligible for an old-age pension.

**Social pension supplement:** Paid if the social pension is less than the minimum subsistence level for people with a disability.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

**Disability pension:** Paid for 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 at least one year of coverage before age 25, and two to 10 years of coverage from age 26 to 59. For a Group II or Group III disability, the insured must have one year of coverage before age 23 and from two to 14 years of coverage from age 24 to 59. No coverage requirement if disability occurred during fixed-term military service.

**Caregiver's allowance (disability):** Paid to an unpaid caregiver of a person with a Group I disability.

**Social pension (disability):** A means-tested pension is paid to low-income citizens who may have some degree of disability but are ineligible for a disability pension or work injury benefit.

Social pension supplement: Paid if the social pension is less than the minimum subsistence level for people with a disability.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

**Survivor pension:** The insured had at least 35 years (men) or 30 years (women) of coverage.

Eligible survivors include nonworking dependents, including a spouse, father, and mother of pensionable age or disabled; surviving children younger than age 18 (age 23 if a student or an orphan, no limit if disabled before age 18). In the absence of a spouse, 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 subsistence level for people with a disability.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

Partial pension: Paid if the insured had 15 years to 34 years (men) or 15 years to 29 years (women) of coverage.

**Funeral grant:** Paid when an employee, student, unemployed person, pensioner, or military pensioner dies.

### Old-Age Benefits

**Old-age pension:** 1% (1.35% in practice) of the wage base is paid for every full year of covered employment. The pension is paid monthly.

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

The minimum pension is equal to the minimum subsistence level for people with a disability.

The maximum pension is 10 times the minimum subsistence level for people with a disability.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

Partial pension: The monthly benefit is reduced in proportion to the insured's number of years of coverage less than 35 years (men) or 30 years (women).

Deferred pension: The pension is increased by 0.5% for every additional month of coverage if the pension is deferred up to 60 months after normal retirement age; 0.75% for every additional month of coverage for more than 60 months.

**Caregiver's allowance (old age):** An allowance is paid monthly.

**Social pension (old age):** The monthly pension varies from 30% to 100% of the minimum subsistence level for people with a disability.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

Social pension supplement: The difference between the social pension and the minimum subsistence level for people with a disability is paid.

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

### Permanent Disability Benefits

**Disability pension:** 100% of the old-age pension is paid for a Group I disability; 90% for Group II; 50% for Group III. (Insured persons with Group III disabilities and at least 35 years (men) or 30 years (women) of coverage may opt to receive the old-age pension instead.)

Reduced disability pension: The monthly benefit is reduced in proportion to the number of years of coverage below the required number.

**Caregiver's allowance (disability):** A monthly allowance is paid.

**Social pension (disability):** The monthly pension varies from 60% to 100% of the minimum subsistence level for people with a disability, depending on the assessed degree of disability.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

Social pension supplement: The difference between the social pension and the minimum subsistence level for people with a disability is paid.

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

### Survivor Benefits

**Survivor pension:** The monthly pension is 50% of the old-age or disability pension the deceased received or was entitled to receive 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 subsistence level for people with a disability is paid.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

Partial pension: The monthly benefit is reduced in proportion to the number of years of coverage below the required number.

**Funeral grant:** A lump sum of 10 times the minimum monthly wage is paid for the funeral of an employee, student, or unemployed person; two months of the insured pension for the funeral of a pensioner; three months of the insured pension for a military pensioner.

The monthly minimum wage is 1,218 hryvnias.

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

### Administrative Organization

Ministry of Social Policy (<http://www.mlsp.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.

### Sickness and Maternity

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#### Regulatory Framework

**First law:** 1912.

**Current laws:** 2001 (compulsory insurance), 2001 (contributions), and 2010 (collection and contributions).

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

#### Coverage

**Cash sickness benefits:** Employed persons, including employees on leave to pursue education or training; those unemployed as a result of closed businesses; registered unemployed persons; and military personnel.

**Cash maternity benefits:** Must be in insured employment.

**Medical benefits:** All residents of Ukraine.

#### Source of Funds

##### Insured person

**Cash benefits:** 1% of earnings.

**Medical benefits:** None. May purchase a voluntary medical insurance policy.

The insured persons' contributions also finance work injury medical benefits and family allowances.

##### Self-employed person

**Cash benefits:** 1.9 of declared income.

**Medical benefits:** None.

##### Employer

**Cash benefits:** 1.4 of payroll.

The employer's contributions also finance family allowances.

**Medical benefits:** None.

##### Government

**Cash benefits:** Central and local governments pay the cost of maternity cash benefits for the uninsured.

**Medical benefits:** The total cost.

#### Qualifying Conditions

**Cash and medical benefits:** There is no minimum qualifying period.

#### Sickness and Maternity Benefits

**Sickness benefit:** 60% of the insured's average gross earnings over the last three months is paid with less than five years of work; 80% with five to seven years of work; 100% with eight years or more or for a person injured in the Chernobyl disaster, a person caring for a child injured in the Chernobyl disaster, a WWII veteran, or a surviving spouse of a veteran or soldier killed in combat. The benefit is paid after a five-day waiting period for up to six months or until certification of permanent disability.

100% of the insured's earnings is paid for a working parent caring for a sick family member for up to 14 days for each case.

**Maternity benefit:** 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 women in education and training, the benefit is 100% of the educational stipend; for women unemployed because of a closed business, 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 monthly minimum wage.

The monthly minimum wage is 1,218 hryvnias.

**Maternity benefit (noncontributory):** 100% of the mother's average monthly income (including unemployment benefits) but not less than 25% of the monthly minimum subsistence level for people with a disability is paid.

The monthly minimum subsistence level for people with a disability is 949 hryvnias.

**Child care benefit (noncontributory):** Paid monthly to employed women for child care leave until the child is age 3, regardless of whether the woman is insured. The benefit is based on the minimum subsistence level for able-bodied people and average family income.

The minimum benefit is 130 hryvnias a month.

The maximum benefit is equal to the minimum subsistence level for able-bodied people.

The minimum subsistence level for able-bodied people is 1,176 hryvnias.

### **Workers' Medical Benefits**

**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 appliances.

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 (<http://www.mlsp.gov.ua>), and Social Insurance Fund for Temporary Disability (<http://www.fse.gov.ua/fse/control/main/uk/index>) provide general oversight of the program for cash benefits.

Ministry of Social Policy (<http://www.mlsp.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.

### **Work Injury**

#### **Regulatory Framework**

**First law:** 1912.

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

**Type of program:** Social insurance (cash benefits) and universal (medical benefits) system.

#### **Coverage**

All employed persons.

Special provisions for victims of the Chernobyl disaster.

#### **Source of Funds**

**Insured person:** None (cash benefits). For medical benefits, see source of funds under Sickness and Maternity.

**Self-employed person:** No information is available.

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

**Government:** None (cash benefits). Pays the cost of medical benefits.

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

### **Temporary Disability Benefits**

**Temporary disability benefit:** The monthly benefit is 100% of the insured's average earnings regardless of the length of the insurance period before the assessed loss of working capacity or recovery.

**Lump-sum payment:** A lump sum is paid based on the insured's average earnings before the incapacity began and the assessed loss of working capacity. Up to four times the average earnings used for the contribution base is paid. In case of the death of the insured due to a work injury, a benefit equal to the insured's average earnings in the preceding five years is paid to the family. The benefit paid must be at least equal to one year of annual earnings of the deceased for each dependent.

**Work injury monthly payment:** The monthly benefit is based on the insured's average earnings before the accident and the assessed loss of working capacity.

### **Permanent Disability Benefits**

**Permanent disability pension:** 70% of the insured's earnings 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).

### **Workers' Medical Benefits**

**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:** 30% of the deceased's monthly earnings is paid to each dependent survivor.

The minimum monthly pension is 100% of the minimum old-age pension.

The minimum pension is 949 hryvnias.

**Funeral grant:** Ten times the minimum wage is paid for the funeral of an employee; two months of pension or 10 times

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the minimum wage (whichever is greater) for the funeral of a work injury pensioner.

The monthly minimum wage is 1,218 hryvnias.

### **Administrative Organization**

Social Insurance Fund for Work Injury and Occupational Diseases (<http://social.org.ua>) supervises temporary disability benefits and pay benefits to employees.

Ministry of Social Policy (<http://www.mlsp.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.

## **Unemployment**

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### **Regulatory Framework**

**First law:** 1921.

**Current laws:** 2000 (unemployment), 2012 (employment), and 2013 (collection and contributions).

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

### **Coverage**

All citizens.

Special provisions for Chernobyl workers, persons unemployed as a result of military reform, women with children under 6 years, single mothers with children under 14 or disabled children, and some other categories.

### **Source of Funds**

**Insured person:** 0.6% of earnings.

**Self-employed person:** Voluntary contributions only.

**Employer:** 1.5% of payroll.

**Government:** Provides subsidies as needed.

### **Qualifying Conditions**

**Unemployment benefits:** Must be registered at an employment office, be able and willing to work, and have income less than the 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 fraudulent claim.

The monthly minimum wage is 1,218 hryvnias.

## **Unemployment Benefits**

**Unemployment benefit:** With less than two years of covered employment, 50% of the insured's average earnings is paid 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; and 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 monthly minimum benefit is 936 hryvnias for insured persons; 544 hryvnias for non-insured persons.

The monthly maximum benefit is 4,872 hryvnias a month.

**Funeral grant:** A lump sum equal to the minimum subsistence level is paid to dependents, family members, or the person organizing the funeral.

The minimum subsistence level is 1,176 hryvnias.

### **Administrative Organization**

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

State Employment Service administers the program.

## **Family Allowances**

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### **Regulatory Framework**

**First law:** 1944.

**Current law:** 1992 (child benefits).

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

### **Coverage**

All residents of Ukraine.

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 and Sickness and Maternity.

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

### **Qualifying Conditions**

**Family allowances (income tested):** Paid to low-income families and single mothers.

*Birth grant:* The mother must claim the benefit within 12 months of the birth.

*Adoption benefit:* Paid for the adoption of a child.

*Single mother (adoptive parent) allowance:* Paid for children younger than age 18 (age 23 if a student).

*Adoptive child (or guardianship) allowance:* Paid for an adopted child or a child under guardianship.

### **Family Allowance Benefits**

**Birth grant (for insured or non-insured):** 30,960 hryvnias is paid for the first child, 61,920 hryvnias for the second child, 123,840 hryvnias for third and any subsequent child. The grant is paid for 12 to 36 months, depending on the number of children.

**Adoption benefit:** 30,960 hryvnias is paid for each child.

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

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

The minimum subsistence level for the child's age cohort up to 6 years is 1,032 hryvnias; from 6 to 18 years is 1,286 hryvnias.

### **Administrative Organization**

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