

Armenia

Exchange rate: US\$1.00 = 385 drams.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 and 1964.

Current laws: 2002 (state pensions), implemented in 2003 and 2010 (individual accounts).

Type of program: Social insurance and social assistance system.

Note: The individual account system has not been implemented.

Coverage

Employed and self-employed persons.

Special systems for military and police personnel, judges, public prosecutors, and their family members.

Source of Funds

Insured person: 3% of net monthly earnings.

There are no minimum or maximum earnings used to calculate contributions.

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

Self-employed person: An annual contribution of 15% of annual income from 60,000 drams to 1,200,000 drams plus 5% of income greater than 1,200,000 drams. (Farmers are exempt from contributions.)

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

Employer: A monthly contribution of 7,000 drams, plus 15% of the employee's monthly income from 20,000 drams to 100,000 drams, plus 5% of income greater than 100,000 drams. (Collective farmers who are employers, contribute for their employees.)

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

Government: The total cost of the social pension and subsidies as needed.

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

Qualifying Conditions

Old-age pension: Age 63 with at least 25 years of covered employment.

Age 59 (men) or age 53.5 (women, gradually rising to age 55 by 2015) with at least 25 years of covered employment, including at least 15 years in arduous or hazardous work.

Covered employment includes years as a university student, years of service in the armed forces, and periods receiving unemployment benefits.

Benefits are payable abroad under reciprocal agreement.

Social pension (old age): Age 65 with less than five years of covered employment.

Benefits are payable abroad under reciprocal agreement.

Disability pension: Paid for a total or partial disability with at least five years of covered employment. The pension is paid according to three degrees of disability: Group I (total incapacity for work and requiring constant attendance); Group II (total incapacity for work but not requiring constant attendance); and Group III (partial incapacity for work).

Covered employment includes years as a university student, years of service in the armed forces, and periods receiving unemployment benefits.

A specialized medical committee assesses the degree of disability.

Benefits are payable abroad under reciprocal agreement.

Social pension (disability): Must be assessed with a disability and have less than five years of covered employment.

Benefits are payable abroad under reciprocal agreement.

Survivor pension: Paid to a surviving spouse; a person who is not employed at the time of deceased's death, not receiving any pension, and who cares for the deceased's children, brothers, sisters, or grandchildren younger than age 8; or full orphans younger than age 18 (at any age if a full-time student who lost both parents from age 18 to 23) who are not receiving any other pension.

Covered employment includes years as a university student, years of service in the armed forces, and periods receiving unemployment benefits.

Benefits are payable abroad under reciprocal agreement.

Old-Age Benefits

Old-age pension: 100% of the basic pension plus a bonus pension (450 drams for each full calendar year of covered employment multiplied by a personal coefficient) is paid.

The basic pension is 13,000 drams.

There is no maximum pension.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Social pension: 13,000 drams a month is paid.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Permanent Disability Benefits

Disability pension: 140% of the basic pension is paid for a Group I disability; 120% for a Group II disability; 100% for a Group III disability. Each group also receives a bonus pension of 450 drams for each full calendar year of covered employment multiplied by a personal coefficient

The basic pension is 13,000 drams a month.

There is no maximum pension.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Social pension: 140% of the basic pension is paid for a Group I disability; 120% for a Group II disability; 100% for a Group III disability.

The basic pension is 13,000 drams a month.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Survivor Benefits

Survivor pension: 100% of the basic pension plus 50% of the bonus pension (450 drams for each full calendar year the deceased was in covered employment multiplied by a personal coefficient) is paid for one eligible survivor; 90% for two eligible survivors; 120% for three; or 150% for four or more.

The basic pension is 13,000 drams a month.

The survivor pension paid to a spouse ceases on remarriage.

Full orphan's pension: 500% of the basic pension plus 50% (one eligible full orphan), 90% (two full orphans), 120% (three full orphans), or 150% (four or more full orphans) of the bonus pension (450 drams is paid for each full calendar year both deceased parents were in covered employment) is paid.

The basic pension is 13,000 drams a month.

There is no maximum survivor pension.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mss.am>) is responsible for policy.

State Social Security Service (<http://www.social.am>) administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 2005 (social benefits) and 2005 (temporary disability insurance).

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

Coverage

Cash sickness and maternity benefits: All employed and self-employed persons.

Medical benefits: All residents of Armenia.

Source of Funds

Insured person

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

Medical benefits: None.

Self-employed person

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

Medical benefits: None.

Employer

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

Medical benefits: None. (The total cost of optional employer-operated health care facilities.)

Government

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

Medical benefits: The total cost of medical benefits is paid by central and local governments.

Qualifying Conditions

Cash sickness benefits: Must have worked at least three months in the last year or 10 months within the last two years.

Cash maternity benefits: Must be in insured employment.

Childbirth or adoption lump sum: There is no minimum qualifying period.

Medical benefits: Must reside in Armenia.

Sickness and Maternity Benefits

Sickness benefit: If the insured has been in covered employment for at least eight years, 100% of average earnings in the last three months before the incapacity began is paid; if in covered employment for less than eight years, 80%.

The benefit is also paid to an insured parent to provide care for a sick child.

Maternity benefit: The benefit is 100% of average earnings (regardless of the number of years of covered employment)

divided by 30.4 (average number of days in a month) and multiplied by the number of days of maternity leave. The benefit is paid for 140 days (70 days before and 70 days after the expected date of childbirth); 155 days if there are complications from childbirth; 180 days for multiple births.

Child-care leave benefit: 18,000 drams a month is paid until the child is age 2.

Childbirth or adoption lump sum: A lump sum of 50,000 drams is paid for the first child, 50,000 drams for the second child, and 430,000 drams for each subsequent child. The sum is paid during the six months after childbirth or adoption.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Workers' Medical Benefits

Government health providers offer medical services directly to patients, including preventive, general, and specialist care; hospitalization; laboratory services; dental care; maternity care; and transportation.

Cost sharing: Patients pay part of the cost of appliances. Medicine is free if provided while the patient is hospitalized or for pensioners. The government fully or partially covers certain medical treatments.

Dependents' Medical Benefits

Medical benefits for dependents: Government health providers offer medical services directly to patients, including preventive, general, and specialist care; hospitalization; laboratory services; dental care; maternity care; and transportation.

Cost sharing: Patients pay part of the cost of appliances. Medicine is free if provided while the patient is hospitalized or for children with a disability younger than age 16, for all infants until age 1, and for pensioners. The government fully or partially covers certain medical treatments.

Administrative Organization

Cash benefits: State Social Security Service (<http://www.social.am>) administers the program.

Medical benefits: Ministry of Health (<http://www.moh.am>) develops and implements health policy.

State Health Agency (<http://www.pag.am>) purchases publicly financed services from health care provider organizations and monitors the effective use of state financial resources.

Work Injury

Regulatory Framework

First laws: 1955 and 1974.

Current laws: 1998 (civil code) and 2010 (state pensions).

Type of program: Social insurance system.

Coverage

All employed persons.

Exclusions: Self-employed persons.

Source of Funds

Insured person

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

Medical benefits: None.

Self-employed person: Not applicable.

Employer

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

Medical benefits: None. (The total cost of optional employer-operated health care facilities.)

Government

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

Medical benefits: The total cost is paid by central and local governments.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The daily benefit is 80% (with up to eight years of coverage) or 100% (with more than eight years of coverage) of the insured's average monthly earnings in the last three months and is paid from the first day of incapacity until recovery or the award of a permanent disability pension.

A specialized medical committee assesses the degree of disability.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Permanent Disability Benefits

Permanent disability pension: 140% of the basic pension is paid for a Group I disability; 120% for a Group II disability; 100% for a Group III disability. Each group also receives a bonus pension of 450 drams for each full calendar year of covered employment multiplied by a personal coefficient.

A specialized medical committee assesses the degree of disability.

Armenia

The basic pension is 13,000 drams a month.

There is no maximum pension.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Survivor Benefits

Survivor pension (orphan's pension): 100% of the basic pension plus 50% (one eligible full orphan), 90% (two full orphans), 120% (three full orphans), or 150% (four or more full orphans) of the bonus pension (450 drams is paid for each full calendar year both deceased parents were in covered employment) is paid.

The basic pension is 13,000 drams a month.

Full orphan's pension: 500% of the basic pension plus 50% (one eligible full orphan), 90% (two full orphans), 120% (three full orphans), or 150% (four or more full orphans) of the bonus pension (450 drams is paid for each full calendar year both deceased parents were in covered employment) is paid.

The basic pension is 13,000 drams a month.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Administrative Organization

Temporary disability benefits: State Social Security Service (<http://www.social.am>) administers the programs.

Enterprises and employers pay benefits to their employees.

Permanent disability and survivor pensions: Ministry of Labor and Social Affairs (<http://www.mss.am>) is responsible for policy.

Medical benefits: State Health Agency (<http://www.pag.am>) purchases publicly financed services from health care provider organizations and monitors the effective use of state financial resources.

Unemployment

Regulatory Framework

First law: 1921.

Current law: 1991 (employment), implemented in 1992.

Type of program: Social insurance system.

Coverage

All employed and self-employed persons.

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.

Qualifying Conditions

Unemployment benefits: Must be unemployed as a result of enterprise reorganization, staff reduction, or the cancellation of a collective agreement.

The insured must have at least 12 months of covered employment before unemployment began; have at least 12 months of covered employment between two periods of unemployment; or be actively looking for a first job or new job after a lengthy period of unemployment. The insured must be registered at an employment office and be able and willing to work.

Unemployment Benefits

The basic benefit is 60% of the national minimum wage.

The national monthly minimum wage is 30,000 drams

The benefit is paid for up to 12 months.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Administrative Organization

State Social Security Service (<http://www.social.am>) finances unemployment programs.

State Employment Service (<http://www.employment.am>) implements the program through regional centers.

Family Allowances

Regulatory Framework

First law: 1944.

Current law: 2005 (social benefits).

Type of program: Universal and social assistance system.

Coverage

Families with children.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: The beneficiary must be employed at the time of the child's birth. Benefits are paid for children up to age 18.

Family Allowance Benefits

Cash benefits: 13,500 drams (basic sum) plus 5,500 drams to 6,500 drams (supplementary sum) a month is paid to each child younger than age 18.

Benefit adjustment: Benefits are adjusted on an ad hoc basis according to available resources.

Administrative Organization

Ministry of Labor and Social Affairs (<http://www.mss.am>) is responsible for the program.