

Turkmenistan

Exchange rate: U.S.\$1.00 equals
5,250 manat (TM).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956.

Current laws: 1998 (pensions) and 1998 (allowances).

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

Local governments and employers may provide supplementary benefits out of their own budgets.

Coverage

Social insurance: All employed persons.

Social assistance: Persons not eligible for benefits under the 1998 pension law.

Source of Funds

Insured person: A voluntary old-age pension contribution of at least 4% of earnings to a personal bank account. No contributions are made for disability and survivor pensions.

Employer: 20% of payroll for social insurance benefits.

Government: Subsidies as needed. Total cost of social allowances.

All of the above employer and government contributions also finance cash benefits for sickness, maternity, and work injury.

Qualifying Conditions

Old-age pension: Age 62 with 25 years of covered employment (men) or age 57 with 20 years of covered employment (women); the qualifying conditions are reduced for mothers with three or more children or with disabled children.

For military personnel, age 58 (men) or age 55 (women); for pilots and flight crew, age 50 (men) or age 48 (women); for contracted military personnel, age 52 (men) or age 47 (women).

Disability allowance: The allowance is awarded according to three groups of assessed disability: totally disabled, incapable of any work, and requiring constant attendance at all times (Group I); disabled persons with reduced working capacity and requiring constant attendance sometimes (Group II); disabled persons with reduced working capacity (Group III).

Eligible persons include persons disabled while conducting military service, disabled children under age 16, or persons disabled since childhood.

Survivor allowance: The allowance is payable to surviving dependent family members regardless of whether the deceased was insured.

Social allowance: For the elderly at age 67 (men) or age 62 (women) and for persons not eligible for the old-age pension or the disability allowance.

Old-Age Benefits

Old-age pension: The monthly pension is calculated as follows: a state-set percentage amount (2.5%) for each year of covered employment multiplied by monthly national average earnings in the last quarter before retirement multiplied by a personal pension coefficient multiplied by the number of years of covered employment.

Personal pension coefficient: The ratio of assessed earnings to gross national average earnings. Assessed earnings are equal to the insured's gross average earnings based on the highest 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The minimum pension is 40% of the national minimum wage.

Benefit adjustment: Periodic benefit adjustments according to changes in the national average wage.

Social allowance: 100% of the minimum benefit a month.

Permanent Disability Benefits

Disability allowance: For a Group I total disability, 60% of the personal coefficient (Group II, 50%; Group III, 40%) multiplied by gross national average earnings. The pension is payable monthly.

Personal coefficient: The ratio of assessed earnings to gross national average earnings. Assessed earnings are equal to the insured's gross average earnings based on the highest 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The minimum allowance is 40% of the national minimum wage.

The maximum allowance is 75% of the national minimum wage.

Eligibility for one benefit does not prevent eligibility for another benefit but eligible persons must opt to receive one benefit only.

Constant-attendance allowance: 30% of the minimum benefit a month (Groups I and II); 50% for a disabled war veteran or blind person (Group I) or a single disabled person (Group II).

Dependent supplement (Groups I and II): 50% of the minimum benefit a month for each nonworking dependent.

Benefit adjustment: Periodic benefit adjustments according to changes in the national average wage.

Social allowance: The allowance is payable to disabled children and disabled persons not satisfying the conditions for covered employment: 150% of the minimum benefit a month if the onset of disability was after childhood (Groups I and II) or for disabled children under age 16; 120% of the minimum benefit a month if the disabled person (Groups I and II) does not satisfy the conditions for covered employment; 100% of the minimum benefit a month for a person with a Group III disability.

Survivor Benefits

Survivor allowance: 100% of the minimum benefit for one dependent; if more than one dependent survivor, 30% of the personal coefficient (40% for military personnel) multiplied by gross national average earnings each.

Personal coefficient: The ratio of assessed earnings to gross national average earnings. Assessed earnings are equal to the insured's gross average earnings based on the highest 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The maximum allowance is 100% of the minimum wage.

Benefit adjustment: Periodic benefit adjustments according to changes in the national average wage.

Administrative Organization

Ministry of Social Security provides general coordination and supervision.

Regional and local Departments of Social Security administer the program.

Sickness and Maternity

Regulatory Framework

First law: 1955.

Current law: 1998 (allowances).

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

Coverage

Cash benefits: Employed citizens and nonworking citizens.

Medical care: All residents.

Source of Funds

Insured person: Voluntary contributions for medical insurance only.

Employer: See Old Age, Disability, and Survivors, above.

Government

Cash benefits: Total cost for nonworking citizens.

Medical care: Total cost.

Qualifying Conditions

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

Sickness and Maternity Benefits

Sickness benefit: With less than 5 years of uninterrupted work, 60% of earnings; with between 5 and 8 years, 80%; or if over 8 years (or if with three or more children under age 16; age 18 if a student), 100%.

Insured persons have 5 days paid leave to care for a sick family member; 7 days in exceptional cases or 14 days if caring for child under age 14 (or for the duration if the sick child is in hospital).

Fourteen days of unpaid leave is provided to women caring for children under age 3, to a woman or a single parent raising two or more children under age 14, and for a man whose wife is on maternity leave. Disabled workers are entitled to 30 days unpaid leave.

Maternity benefit: 100% of earnings are payable for 56 calendar days before and 56 days after the expected date of childbirth (extended by 16 days for a difficult childbirth, or by 40 days for multiple births).

Child care allowance: 100% of the minimum benefit (rural areas) or 125% of the minimum benefit (urban areas).

Workers' Medical Benefits

Medical services are provided directly to patients by public health providers. Benefits include general and specialized care, hospitalization, laboratory services, dental care, maternity care, vaccination, and transportation. Medicines are free if provided with hospitalization.

Dependents' Medical Benefits

Same as for the head of the household.

Administrative Organization

Cash benefits: Ministry of Social Security and regional social security departments administer the program. Regional and local departments of social security administer maternity benefits for the unemployed and other nonworking citizens. Enterprises and employers pay benefits to their own employees using funds from the Social Insurance Fund.

Medical care: Ministry of Health and regional health departments are responsible for the implementation of state health care policy and the development of health care programs. Ministry of Health and regional health departments are responsible for the provision of medical services through

clinics, hospitals, maternity homes, and other medical facilities, including private health providers.

Work Injury

Regulatory Framework

First law: 1955.

Current law: 1998 (allowances).

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

Local authorities and employers can provide supplementary pension benefits out of their own budgets.

Coverage

Employed persons. Medical care is available to all citizens of Turkmenistan.

Source of Funds

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

Employer: See Old Age, Disability, and Survivors, above.

Government: See Old Age, Disability, and Survivors, above; and the cost of medical care.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Work injuries must be assessed and confirmed as such by the competent authority.

Temporary Disability Benefits

100% of earnings. The benefit is payable from the first day of disability until recovery or the award of a permanent disability pension. On the award of a permanent disability pension, employers pay compensation to the insured person.

Permanent Disability Benefits

Permanent disability pension: See permanent disability benefits under Old Age, Disability, and Survivors, above.

Workers' Medical Benefits

Medical services are provided directly to patients by government health providers. Benefits include general and specialist care, hospitalization, laboratory services, transportation, and the full cost of appliances and medicines.

Survivor Benefits

Survivor allowance: See survivor benefits under Old Age, Disability, and Survivors, above.

Administrative Organization

Temporary disability benefits: Enterprises and employers pay benefits to their own employees using funds from the Social Insurance Fund.

Medical care: Ministry of Health and health departments of local governments provide general supervision and policy coordination. Ministry of Health and health departments of local governments administer the provision of medical services through clinics, hospitals, and other facilities.

Unemployment

Regulatory Framework

First and current law: 1991.

Type of program: Social insurance system.

Coverage

Permanent residents of working-age.

Source of Funds

Insured person: None.

Employer: 2% of payroll.

Government: Subsidies as needed from central and local governments.

Qualifying Conditions

Unemployment benefit: Registered at an employment office, able and willing to work, and receiving no income from employment. Benefits may be reduced, suspended, or terminated if the insured is discharged for violating work discipline, leaving employment without good cause, violating the conditions for the job placement or vocational training, or for filing fraudulent claims.

Unemployment Benefits

Equal to 3 months' benefit (three times the employee's gross average earnings).

Administrative Organization

State Employment Service and local employment offices regulate and administer the program.

Employers pay cash benefits.

Family Allowances

See child care allowance under Sickness and Maternity, above.