

Georgia

Exchange rate: US\$1.00 equals 1.92 lari.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956 (state pensions).

Current laws: 1990 (pension security), with 1995 amendments; 2003 (mandatory social security); and 2003 (individual registration and accounts).

Type of program: Social insurance and social assistance system.

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

Coverage

Social insurance: All employed persons resident in Georgia. Special system for employees of the Ministry of Security, the Ministry of Internal Affairs, and the Ministry of Defense.

Social assistance: Elderly persons, disabled persons, and survivors according to need as determined by local government authorities.

Source of Funds

Insured person

Social insurance: 2% of earnings.

Social assistance: None.

Self-employed person

Social insurance: None, if no employees; 31% of declared profits for those with employees.

Social assistance: None.

Employer

Social insurance: 31% of payroll for state-owned and private-sector enterprises.

Social assistance: None.

Government

Social insurance: Subsidies as needed.

Social assistance: Total cost.

All of the above social insurance contributions also finance maternity and work injury benefits.

Qualifying Conditions

Old-age pension (social insurance): Age 65 with 25 years of covered employment (men) or age 60 with 20 years of covered

employment (women). (Age requirements are reduced by 5 years for those living in high mountainous areas.) The minimum period of covered employment for entitlement is 5 years.

Earnings test: There is an earnings test for pensioners in gainful employment.

Disability pension (social insurance): See social pension, below.

Survivor pension (social insurance): See social pension, below.

Social pension (social assistance): Aged 70 or older (men) or aged 65 or older (women). The pension is payable to an individual or to a family without other means of support. Other means of support include pension benefits, income earned by any family member, or assistance from relatives outside the immediate household. Local departments of labor, health, and social affairs determine eligibility.

Old-Age Benefits

Old-age pension (social insurance): A flat rate of 20 lari a month.

Social pension (social assistance): A flat rate of 22 lari a month.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Permanent Disability Benefits

Disability pension (social insurance): No cash benefits are provided; there are certain reductions on hospital and medical charges if the disability is certified by local medical and health departments.

Social pension (social assistance): A flat rate of 22 lari a month is payable to an eligible single disabled person; 35 lari a month if the disabled person lives in a family of two or more.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Survivor Benefits

Survivor pension (social insurance): No cash benefits are provided.

Social pension (social assistance): A flat rate of 22 lari a month for a single survivor; 35 lari a month for a family of two or more survivors.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Administrative Organization

Ministry of Labor, Health, and Social Affairs provides general supervision and coordination.

Department of Labor, Health, and Social Affairs administers the program at the local level.

Sickness and Maternity

Regulatory Framework

First law: 1964 (health).

Current laws: 1994 (health care), 1955 (health care system), and 1997 (medical insurance).

Type of program: Social insurance (employee maternity benefits) and social assistance (medical care) system.

Coverage

Cash sickness benefits: Employees.

Cash maternity benefits: Employed and self-employed women.

Medical benefits: Needy residents.

Source of Funds

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

Self-employed person: Not applicable.

Employer: See source of funds under Old Age, Disability, and Survivors, above; plus a flat rate of 16 lari per employee.

Government: None (cash benefits); the total cost for needy residents (medical benefits).

Qualifying Conditions

Cash sickness benefits: No statutory cash sickness benefits are provided.

(Private employers may voluntarily provide benefits if an employee's illness is certified by a doctor. The employee pays the cost of medical certification.)

Cash maternity benefits: There is no minimum qualifying period.

Medical benefits: Citizens who satisfy a needs test.

Sickness and Maternity Benefits

Sickness benefit: No statutory cash sickness benefits are provided.

(Private employers may voluntarily pay 100% of earnings for up to 30 days a year if the employee has more than 8 years of employment.)

Maternity benefit: A lump sum of 50 lari is paid for the child plus 200 lari for the mother.

Maternity leave: A mother is entitled to leave without pay for up to 8 weeks after childbirth; may be extended to up to 3 years without pay to care for an infant.

Workers' Medical Benefits

Medical services are provided through government clinics, hospitals, maternity homes, and other facilities to needy disabled and other needy residents.

Dependents' Medical Benefits

Same as for the head of the household.

Administrative Organization

Cash maternity benefits: Ministry of Labor, Health, and Social Affairs provides general supervision.

Cash benefits are provided directly by the place of employment as well as by the Department of Labor, Health, and Social Affairs at the local level.

Medical benefits: Ministry of Labor, Health, and Social Affairs provides general supervision and coordination.

Department of Labor, Health, and Social Affairs determines eligibility for medical benefits at the local level.

Work Injury

Regulatory Framework

First laws: 1955 (short-term benefits) and 1991 (pensions), with amendment.

Current law: 1999 (workmen's compensation).

Type of program: Social insurance and social assistance system.

Coverage

Cash benefits: Employed persons.

Medical benefits: Employed persons.

Source of Funds

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

Self-employed person: Not applicable.

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

Government: See source of funds under Old Age, Disability, and Survivors, above; the cost of medical benefits.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Department of Labor, Health, and Social Affairs determines eligibility for medical benefits at the local level.

Temporary Disability Benefits

100% of earnings for a maximum of 6 months; 10 months for tuberculosis. The benefit is payable if the employer is at fault. A special local commission, consisting of local health and medical officials, the employee, and the employer, determines liability and assesses the degree of disability.

Permanent Disability Benefits

Permanent disability pension: The benefit is payable if the employer is at fault; it is based on the average monthly salary during the last 3 months and the percentage loss in working capacity. The duration of the payment depends on the assessed degree of disability and the extent to which the employer was at fault. A special local commission, consisting of local health and medical officials, the employee, and the employer, determines liability and assesses the degree of disability.

Workers' Medical Benefits

Medical services are provided directly by government health providers unless the employer is at fault.

Survivor Benefits

Survivor pension: If the employer is not at fault for the insured's death, a social pension of 22 lari a month is paid for a single survivor; 35 lari a month for a family of two or more survivors. If the employer is at fault, the benefit is based on the average monthly salary during the last 3 months.

Administrative Organization

Temporary disability benefits: If the employer is at fault, enterprises and employers pay benefits to their own employees.

Permanent disability and survivor pensions: Ministry of Labor, Health, and Social Affairs provides general supervision and coordination.

If the employer is at fault, enterprises and employers pay benefits to their own employees.

Medical benefits: Ministry of Labor, Health, and Social Affairs and health departments of local governments provide general supervision and coordination. Medical services are provided through clinics, hospitals, and other facilities administered by the Ministry of Labor, Health, and Social Affairs and local health departments.

Unemployment

Regulatory Framework

First law: 1991 (unemployment benefits), implemented in 1993, with amendment.

Current law: 2001 (unemployment benefits).

Type of program: Social insurance system.

Coverage

Citizens between ages 16 and 65 (men) or ages 16 and 60 (women).

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: 1% of payroll.

Government: Subsidies as needed from republic and local governments.

Qualifying Conditions

Unemployment benefit: Registered at an employment office and able and willing to work. The benefit may be reduced, suspended, or terminated if the insured is discharged for violating work discipline, leaving employment without good cause, violating the conditions for job placement or vocational training, or filing a fraudulent claim.

Unemployment Benefits

20 lari a month for a maximum of 6 months.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Administrative Organization

Ministry of Labor, Health, and Social Affairs provides general supervision.

State United Social Insurance Fund (<http://www.susif.ge>) and its regional and local branches are responsible for financing and administering the program.

Family Allowances

Regulatory Framework

First and current law: 2002 (social allowances for vulnerable families).

Coverage

Residents.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family benefit: Needy families. (Needy families can also receive social pensions at the same time as family benefits, subject to conditions.)

Family Allowance Benefits

Family benefit: A flat-rate benefit of 35 lari a month for a family of two or more; 22 lari for a single person.

Administrative Organization

State United Social Insurance Fund (<http://www.susif.ge>) administers the program.