

Armenia

Exchange rate: U.S.\$1.00 equals 584 dram (dr.).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 and 1964.

Current law: 2002.

Type of program: Social insurance system.

Coverage

All employees, self-employed persons, collective farmers, scientists, and artists.

Source of Funds

Insured person: 3% of earnings; self-employed persons, artists, and scientists, 15% of annual income less than 1,200,000 dr. If annual income is more than 1,200,000 dr., the payment is 180,000 dr. plus 5% of the sum higher than 1,200,000 dr.

Collective farmers pay 5% of their annual income up to a maximum of 60,000 dr. If collective farmers are employers, they also make a social payment on behalf of any employees.

Employers: A flat-rate contribution of 5,000 dr. for income less than 20,000 dr. If income is more than 20,000 dr., a flat-rate contribution of 5,000 dr. plus 15% of sum higher than 20,000 dr. but less than 100,000 dr.

When income exceeds 100,000 dr., a flat-rate contribution of 17,000 dr. plus 5% of the sum higher than 100,000 dr.

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

The above contributions also finance benefits for sickness and maternity, work injury, and unemployment.

Qualifying Conditions

Old-age pension: Age 63.5 (men) or age 58 (women) with at least 25 years of covered employment; age 58.5 (men) or age 53.5 (women) with at least 20 years of covered employment in arduous or hazardous work; or age 53.5 (men) or age 48 (women) with at least 15 years of covered employment in very arduous and hazardous work.

Disability pension: Total or partial disability with at least 5 years of covered employment. The pension is awarded according to three assessed degrees of disability: total incapacity for work and requiring constant attendance (Group I); total incapacity for work but not requiring constant attendance (Group II); and partial incapacity for usual work (Group III).

Survivor pension: The insured had at least 15 years of covered employment. The pension is payable to surviving children.

For all pensions, covered employment includes years in higher education, serving in the armed forces, caring for disabled persons or children under age 3, and periods of receiving unemployment benefits.

Social pension: Disabled or single pensioners with limited means.

Old-Age Benefits

Old-age pension: 100% of the base pension plus a bonus pension of 80 dr. for each insured year.

Base pension: 3,000 dr. a month (November 2001).

Benefit adjustment: Periodic benefit adjustments are made by government decree.

Permanent Disability Benefits

Disability pension: For a Group I pension (total disability), 120% of the base pension a month plus a bonus pension of 80 dr. for each full calendar year of covered employment; for Group II, 100% of the base pension a month plus a bonus pension of 80 dr. for each year of covered employment.

Partial disability (Group III): 80% of the base pension per month plus a bonus pension of 80 dr. for each year of covered employment.

Benefit adjustment: Periodic benefit adjustments are made by government decree.

Survivor Benefits

Survivor pension (orphan's pension): 100% of the base pension plus 50% of the bonus pension of 80 dr. for each year of covered employment of the insured; full orphans, 120% of the base pension plus 50% of the bonus pension of 80 dr. for each year of covered employment of both parents.

Social pension: 3,500 dr. plus 1,300 dr. for each dependent family member.

Benefit adjustment: Periodic benefit adjustments are made by government decree.

Administrative Organization

Ministry of Social Security is responsible for policy.

Council of the Social Insurance State Fund, including the Minister for Social Security, the Minister for Health, the Minister for Finance and Economics, the Chairman of the State Fund, and the Chairman of the Trade Unions, provides general coordination and oversight.

Regional and provincial branches of the Social Insurance State Fund administer the program.

Sickness and Maternity

Regulatory Framework

First law: 1912.

Current laws: 1984 and 1993.

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

Note: Provisions for medical care are as of January 1995.

Coverage

Cash benefits: All employees, self-employed persons, collective farmers, scientists, and artists.

Medical care: All residents.

Source of Funds

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

Employer

Cash benefits: See Old Age, Disability, and Survivors, above.

Medical care: Total cost of optional employer-operated health care facilities.

Government

Cash benefits: Subsidies as needed from central and local governments; the total cost of child care leave benefit is paid to parents.

Medical care: Total cost of medical care is paid by central and local government budgets.

Qualifying Conditions

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

Sickness and Maternity Benefits

Sickness benefit: The benefit is payable in case of illness or to care for a sick child. If insured for at least 8 years, 100% of earnings; if insured for less than 8 years, 80% of earnings.

Maternity benefit: 100% of earnings is payable for 70 days before and 70 days after the expected date of childbirth; for a maximum of 155 days if there are complications in childbirth or 180 days for multiple births.

Child care leave: 2,360 dr. a month until the child is age 2.

Workers' Medical Benefits

Medical services are provided directly to patients by governmental health providers. Benefits include preventive care, general and specialist curative care, hospitalization, laboratory services, dental care, maternity care, and transportation. Care in sanatoria and rest homes is provided,

with preference being given to insured workers who may pay part of the cost.

Patients ordinarily pay part of the cost for appliances.

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

Dependents' Medical Benefits

Same as for the head of the household.

Administrative Organization

Cash benefits: Social Insurance State Fund provides general oversight of the program. The Social Insurance State Fund's regional and provincial departments within local governments administer benefits.

Medical care: Ministry of Health and health departments of local governments provide general supervision and coordination. Medical services are provided through clinics, hospitals, maternity homes, and other facilities administered by the Ministry of Health and local health departments.

Work Injury

Regulatory Framework

First laws: 1955 and 1974.

Current laws: 1992 and 1995 (short-term benefits); 1990 and 1992 (pensions).

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

Note: Provisions for work injury are as of January 1995.

Coverage

Cash benefits: All employees.

Medical care: All residents.

Source of Funds

Insured person

Cash benefits: See Old Age, Disability, and Survivors, above.

Medical care: None.

Employer

Cash benefits: See Old Age, Disability, and Survivors, above.

Medical care: Total cost of optional employer-operated health care facilities.

Government

Cash benefits: Subsidies as needed from central and local governments.

Medical care: Total cost of medical care is paid by central and local government budgets.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

100% of average monthly earnings in the last 12 months preceding the onset of disability or occupational disease. The benefit is payable from the first day of incapacity until recovery or the award of a permanent disability pension.

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 governmental health providers. Benefits include preventive care, general and specialist curative care, hospitalization, laboratory services, dental care, maternity care, and transportation. Care in sanatoria and rest homes is provided, with the insured paying part of the cost. The insured must pay the full cost of appliances and medicines.

Survivor Benefits

Survivor pension (orphan's pension): 100% of the base pension plus 50% of the bonus pension of 80 dr. for each year of covered employment of the insured; full orphans, 120% of the base pension plus 50% of the bonus pension of 80 dr. for each year of covered employment of both parents.

Administrative Organization

Temporary disability benefits: General supervision by the Social Insurance State Fund. Enterprises and employers pay benefits to their own employees.

Permanent disability and survivor pensions: Ministry of Social Security is responsible for policy. Council of the Social Insurance State Fund, including the Minister for Social Security, the Minister for Health, the Minister for Finance and Economics, the Chairman of the State Fund, and the Chairman of the Trade Unions, provides general coordination and oversight. Regional and provincial branches of the Social Insurance State Fund administer the program.

Medical care: Ministry of Health and health departments of local governments provide general supervision and coordination. The 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 1996.

Type of program: Social insurance system.

Coverage

Cash benefits: All employees.

Medical care: All residents.

Source of Funds

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

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

Government: Subsidies as needed from central and local governments.

Qualifying Conditions

Unemployment benefit: The benefit covers persons dismissed as a result of enterprise reorganization, staff reduction, or the cancellation of a collective agreement; dismissed for a breach of discipline; or resigned from a job.

The insured had a minimum of 12 weeks of covered employment in the 12-month period preceding unemployment, or a minimum of 7 months of covered employment between two episodes of unemployment, or is seeking to rejoin the labor force after a lengthy period of unemployment, or is seeking work for the first time. The insured must be registered at an employment office and be able and willing to work.

Unemployment Benefits

For insured persons dismissed as a result of enterprise reorganization, staff reduction, or the cancellation of a collective agreement, the monthly benefit is 100% of the basic unemployment benefit; for those who resigned from a job, 80% of the basic benefit; and for those dismissed for a breach of discipline, 60% of the basic benefit.

The basic unemployment benefit is 3,900 dr. a month.

Benefit is paid for up to 12 months.

Administrative Organization

Social Insurance State Fund and the Ministry of Social Security provide general oversight.

Regional Employment Service and regional Departments of Labor and Employment administer the program.

Family Allowances

Regulatory Framework

First law: 1944.

Current law: 1992, with 1993 amendment.

Type of program: Dual universal and social assistance system.

Note: Provisions of this program are as of January 1995.

Coverage

Families with children.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances: Children under age 17.

Low-income family allowance: Urban families with children if income per capita is lower than 60% of the minimum wage.

Family Allowance Benefits

Family allowances: Between 450 dr. and 650 dr. a month (April 1995), depending on the number of children.

Supplementary benefit: 700 dr. a month (December 1994) for an unwed or single mother.

Low-income family allowance: 10% of the minimum wage a month per child.

The maximum supplement is 60% of the minimum wage per family.

Birth grant: 3,000 dr. (April 1995).

Administrative Organization

Ministry of Social Security and local Departments of Social Security are responsible for the program.