

## Russia

Exchange rate: US\$1.00 = 32.86 rubles.

### **Old Age, Disability, and Survivors**

#### **Regulatory Framework**

**First law:** 1922.

**Current laws:** 1995 (disability); 1996 (mandatory pension insurance); 1998 (nonstate pension funds); 2001 (public pensions); 2001 (labor pensions); 2001 (mandatory pension insurance); 2002 (early labor pension); 2002 (insurance period); 2002 (investments); 2004 (tax code), implemented in 2005; 2009 (social insurance contributions), implemented in 2010; 2011 (funded pensions); and 2013 (mandatory pension insurance), implemented in 2015.

**Type of program:** Social insurance, notional defined contribution (NDC), individual account, and social assistance system.

#### **Coverage**

Employed citizens, self-employed persons, and independent farmers.

Special systems for civil servants, military and police personnel, and war veterans.

The individual account covers persons born in 1967 or later.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** In general, for those with annual income less than 300,000 rubles, an annual contribution of 17,328.48 rubles.

Different contribution rates apply for certain categories of self-employed person.

**Employer:** 22% of payroll.

The maximum annual earnings used to calculate contributions are 624,000 rubles plus 10% of payroll exceeding this ceiling for general categories of employers. Reduced contribution rates apply for certain groups of employers.

**Government:** The total cost of social pensions. Regional and local governments may finance supplementary benefits.

#### **Qualifying Conditions**

##### **Old-age pension**

**Old-age labor pension:** Age 60 (men) or age 55 (women) with at least five years of coverage.

The qualifying conditions are reduced for persons who have worked in the far-north region or in hazardous or dangerous work, for mothers who have five or more children or children with disabilities, and for some specified professional categories.

**Deferred pension:** The pension may be deferred.

Retirement is not necessary. There is no income test for a working pensioner.

The old-age labor pension is payable abroad in accordance with national legislation and reciprocal agreements.

**State social pension:** Age 65 (men) or age 60 (women).

The state social pension is not payable abroad.

Retirement is not necessary. There is no income test for a working pensioner.

##### **Disability pension**

**Disability labor pension:** Must be assessed with a Group I disability (100% loss of working capacity and requires constant attendance), a Group II disability (100% loss of working capacity and does not require constant attendance), or Group III disability (at least a 50% loss of working capacity and does not require constant attendance), and have at least one day of work (no minimum qualifying period for persons younger than age 20 whose disability is due to illness).

**State disability pension:** Paid to disabled persons who were injured in military service or a major industrial accident.

The state disability pension is payable abroad in accordance with national legislation and reciprocal agreements.

**Social disability pension:** Assessed with a Group I, II, or III disability with no work history, or disabled since childhood (or younger than age 18).

##### **Survivor pension**

**Survivor labor pension:** Paid irrespective of the deceased's length-of-service and coverage periods.

Eligible survivors include widows older than age 55 (widower(s) or parents older than age 60) or unemployed and caring for a child younger than age 14 or disabled; children up to age 18 (age 23 if a student, no limit if disabled before age 18); brothers and sisters up to age 18; and grandparents aged 60 (men) or aged 55 (women) or disabled.

The pension does not cease on the remarriage of a widow.

The survivor labor pension is payable abroad in accordance with national legislation and reciprocal agreements.

**State survivor pension:** Paid irrespective of the deceased's insurance coverage or military service.

Eligible survivors include parents, widow(er)s aged 60 (men) or aged 55 (women) or disabled; unemployed persons caring for children younger than age 14; siblings and grandchildren up to age 18 (age 23 if student). There are lower age requirements for specified cases.

The pension does not cease on the remarriage of a widow.

Social survivor pension: Paid if the deceased was ineligible for a contributory pension.

The social survivor pension is not payable abroad.

### **Old-Age Benefits**

**Old-age labor pension:** The benefit is calculated as the sum of the social insurance benefit (a basic flat-rate element according to the category of beneficiary), the notional account, and a benefit based on the individual account balance. Calculations are based on insurance coverage and a projected life expectancy at retirement of 228 months.

The basic monthly flat-rate benefit for a pensioner up to age 80 with no dependents is 3,910.34 rubles, 5,213.80 rubles with one dependent, 6,517.25 rubles with two dependents, and 7,820.70 rubles with three or more dependents.

The basic monthly flat-rate amount for a pensioner aged 80 or older is 7,820.70 rubles with no dependents, 9,124.14 rubles with one dependent, 10,427.61 rubles with two dependents and 11,731.04 rubles with three or more dependents.

Deferred pension: Calculated in the same way as the old-age pension.

**State length-of-service pension:** The benefit is calculated according to the length of state service and the value of wages earned.

**State social pension:** The pension is a percentage of the basic flat-rate portion of the labor pension.

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

### **Permanent Disability Benefits**

**Disability labor pension:** The benefit is calculated as the sum of a basic flat-rate element according to the category of beneficiary and a benefit based on the notional account. Calculations are based on a projected life expectancy at retirement of 228 months and a contribution period adjustment factor for younger insured persons.

For a pensioner with no dependents, the basic monthly flat-rate amount is 7,820.70 rubles (Group I), 3,910.34 rubles (Group II), or 1,955.17 rubles (Group III). For a pensioner with one dependent, 9,124.14 rubles (Group I), 5,213.80 rubles (Group II), or 3,258.63 rubles (Group III). For a pensioner with two dependents, 10,427.61 rubles (Group I), 6,517.25 rubles (Group II), or 4,462.07 rubles (Group III). For a pensioner with three or more dependents, 11,731.04 rubles (Group I), 7,820.70 rubles (Group II), or 5,865.75 rubles (Group III).

**State disability pension:** Benefits are set by the government according to categories of beneficiaries and increased according to the number of dependents.

**Social disability pension:** 10,376.86 rubles a month is paid if assessed with a Group I disability and disabled since childhood (or if younger than age 18); 8,647.51 rubles with a Group I disability and not disabled since childhood or with a Group II disability since childhood; 4,323.74 rubles with a Group II disability and not disabled since childhood; and 3,675.20 rubles with a Group III disability.

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

### **Survivor Benefits**

**Survivor labor pension:** The benefit is calculated as the sum of a basic flat-rate element according to the category of beneficiary and a benefit based on the notional account. Calculations are based on a projected life expectancy of 228 months and the number of survivors.

The basic monthly flat-rate component for full orphans is 3,910.34 rubles for each child; for other dependent family members, 1,955.17 rubles.

The pension is split equally among all eligible survivors.

Double the value of accrued rights from the notional account is also paid to the children of a deceased single mother.

**Social survivor pension:** The pension is set by the government according to different categories of beneficiaries.

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

### **Administrative Organization**

Pension Fund of the Russian Federation (<http://www.pfrf.ru>) and its regional bodies administer benefits and collect contributions.

Ministry of Labour and Social Protection of the Russian Federation (<http://www.rosmintrud.ru>) is responsible for policy development.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1912.

**Current laws:** 1991 (medical insurance), 1995 (child benefits), 1999 (mandatory social insurance), 2001 (labor code), 2006 (sickness and maternity benefits), and 2011 (Social Insurance Fund budget).

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

#### **Coverage**

**Cash benefits:** Employed citizens.

Exclusions: Self-employed persons.

**Medical benefits:** All citizens and refugees.

### Source of Funds

#### Insured person

**Cash benefits:** None.

**Medical benefits:** None. (The insured may contribute to voluntary supplementary medical and maternity insurance. The rates vary by plan.)

#### Self-employed person

**Cash benefits:** Not applicable.

**Medical benefits:** None. (The self-employed person may contribute to voluntary supplementary medical and maternity insurance. The rates vary by plan.)

#### Employer

**Cash benefits:** 2.9% of payroll.

**Medical benefits:** 5.1% of payroll.

Employer medical benefits contributions also finance family allowances.

#### Government

Federal and local governments provide partial funding for medical benefits.

### Qualifying Conditions

**Cash and medical benefits:** There is no minimum qualifying period. For the childbirth grant, the claimant must register with a medical facility at the beginning of the pregnancy.

### Sickness and Maternity Benefits

**Sickness benefit:** The benefit varies according to the length of the coverage period: 60% of current earnings is paid with less than five years of coverage; 80% with five to eight years; 100% with more than eight years (or if the insured has three or more dependent children).

For the care of a sick child younger than age 7, the benefit is provided for the period of sickness, up to 60 days a year; for a child aged 7 to 15, for 15 to 45 days a year; for an adult family member older than age 15 who is hospitalized, for seven to 30 days a year.

The minimum benefit is 100% of the legal minimum wage.

The legal minimum wage is 5,554 rubles.

The maximum benefit is 44,975 rubles.

**Funeral grant:** A lump sum of up to 5,002 rubles is paid, depending on local government financial resources.

**Maternity benefit:** 100% of the insured's gross earnings in the last 24 months is paid for 70 days before the expected date of childbirth and 70 days after childbirth; may be extended by an additional 14 to 40 days in certain cases.

The minimum benefit is 100% of the legal minimum wage.

The legal minimum wage is 5,554 rubles.

The maximum benefit is 44,913.84 rubles.

**Childbirth grant:** A lump sum of 13,741.99 rubles is paid. The local government pays an additional sum.

**Pregnancy registration supplement:** 515.33 rubles is paid when the pregnancy is registered in the first 12 weeks.

**Adoption benefit:** A lump sum of up to 105,000 rubles is paid.

**Child care leave benefit (monthly):** Paid to insured or unemployed parents until the child is aged 18 months. The benefit is 40% of the insured's average wage in the last 24 months and is at least 2,576 rubles for the first child and 5,153.22 rubles for the second and subsequent children.

The maximum monthly benefit is 17,965.54 rubles.

Parents of a child with a disability also receive benefits for four vacation days a month.

### Workers' Medical Benefits

Compulsory medical insurance covers medical services provided directly to patients by public and private health providers. Benefits include general, preventive, and emergency care; hospitalization; laboratory services; dental care; maternity care; vaccinations; and transportation.

**Cost sharing:** Medicine prescribed during hospitalization is provided free or at reduced rates to persons with certain categories of illness, persons with disabilities, and war veterans.

Voluntary medical insurance covers specialized care, higher-cost medicine, and appliances.

Some categories of the population, including the elderly, persons with disabilities, and war veterans, may receive a cash reimbursement for some medicine.

### Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

### Administrative Organization

**Cash benefits:** Social Insurance Fund of the Russian Federation (<http://www.fss.ru>) and regional social insurance funds administer cash sickness and maternity benefits.

Regional departments of social protection administer maternity benefits for the unemployed and other nonworking citizens.

**Medical benefits:** Ministry of Health (<http://www.rosminzdrav.ru>) and regional health departments implement state health care policy and develop health care programs.

Federal Compulsory Medical Insurance Fund (<http://www.ffoms.ru>) implements health care policy within the state social insurance system and administers the financing of medical insurance programs.

Medical services are provided through clinics, hospitals, maternity homes, and other medical facilities, including private health care providers.

Regional governments administer medical insurance.

## **Work Injury**

### **Regulatory Framework**

**First law:** 1903.

**Current laws:** 1998 (work injury and occupational diseases), implemented in 2000; 2001 (labor code); 2005 (risk classification); and 2013 (contributions).

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

### **Coverage**

Employed citizens.

Exclusions: Self-employed persons.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** From 0.2% to 8.5% of payroll according to 32 classes of professional risk related to 22 industry categories. Employers may finance supplementary benefits.

**Government:** None. Regional and local governments may finance supplementary benefits.

### **Qualifying Conditions**

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

### **Temporary Disability Benefits**

100% of the insured's average gross earnings is paid from the first day of incapacity until the insured is fully rehabilitated.

Average gross earnings are based on earnings immediately before certification of the degree of disability.

The Medical and Social Assessment Office assesses the degree of disability at least once a year.

Lump-sum compensation: A lump sum of up to 80,534 rubles is paid to insured workers according to the loss of working capacity. The benefit is adjusted according to regional environmental conditions.

A monthly benefit is paid for a temporary, prolonged loss of working capacity based on the average wage in the last 12 months and the assessed loss of working capacity.

### **Permanent Disability Benefits**

**Permanent disability pension:** The pension depends on the assessed degree of disability.

Must have at least a 10% loss of work capacity.

The maximum benefit is 80,534 rubles a month and is set annually by the Social Insurance Fund.

The Medical and Social Assessment Office assesses the degree of disability at least once a year.

Constant-attendance allowance: 900 rubles a month is paid to those requiring special medical care; 225 rubles for daily attendance.

### **Workers' Medical Benefits**

Compulsory medical insurance covers medical services provided directly to patients by public and private health care providers. Benefits include general, preventive, and emergency care; hospitalization; laboratory services; dental care; transportation; free appliances and medicine; and the cost of professional rehabilitation.

Specialized care may be provided under voluntary supplementary insurance offered by the employer.

### **Survivor Benefits**

**Survivor pension:** Paid on the death of the insured as the result of a work injury or an occupational disease. The benefit is calculated as the sum of a basic flat-rate benefit according to different survivor categories, and a benefit based on the notional account and the number of eligible survivors.

Lump-sum compensation: In addition to the pension, a lump sum of 80,534 rubles is paid and split equally among all eligible survivors.

**Death grant:** A lump sum of up to 1,000 rubles is paid. (The employer may pay an additional benefit.)

### **Administrative Organization**

Social Insurance Fund of the Russian Federation (<http://www.fss.ru>) and regional funds administer temporary disability benefits.

Enterprises and employers pay benefits to employees.

Pension Fund of the Russian Federation (<http://www.pfrf.ru>) administers permanent disability pensions.

Ministry of Health (<http://www.rosminzdrav.ru>) administers the provision of medical services through clinics, hospitals, maternity homes, and other medical facilities, including private health care providers.

Regional health departments implement and administer state health care policies and programs.

Regional employment services administer and finance the program.

## **Unemployment**

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### **Regulatory Framework**

**First law:** 1921.

**Current laws:** 1991 (employment), 1997 (registration), 2001 (labor code), 2004 (cash compensation), and 2006 (benefits).

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

### **Coverage**

Citizens of Russia.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** Financed from federal and local government budgets. Regional and local governments may finance supplementary benefits for unemployed persons and their dependents.

### **Qualifying Conditions**

**Unemployment benefits:** Must be registered at an employment office, have 26 weeks of full-time employment in the last 12 months (or the 26-week equivalent for part-time employment), and be willing and able to work.

Benefits may be reduced, postponed, suspended, or terminated if the worker is dismissed because of misconduct, leaving employment without good cause, violating conditions for job placement or vocational training, or filing a fraudulent claim.

Unemployed persons who do not meet the coverage conditions or persons who have never worked may be eligible for reduced benefits.

### **Unemployment Benefits**

**Unemployment benefit:** 75% of the previous average monthly wage is paid for the first three months, 60% for the next four months, 45% for the five months, and thereafter 30% of the local minimum subsistence level for a further 12 months.

The benefit is increased by 10% of the regional minimum subsistence level for victims of radiation and persons living in radiation-contaminated zones.

The minimum monthly benefit is 850 rubles.

The maximum monthly benefit is 4,900 rubles.

For unemployed persons who do not meet the coverage conditions or for persons who have never worked, the benefit is 30% of the regional minimum subsistence level for the first six months and 20% of the regional minimum subsistence

level for the next six months, but not less than 100 rubles a month.

**Dependent's supplement:** The benefit is increased by 10% of the regional minimum subsistence level for each dependent, up to 30%. If both parents are unemployed, both are entitled to claim a supplement for the same dependent.

**Early pension:** Paid to unemployed older workers aged 58 to 59 (men) or aged 53 to 54 (women). (The benefit is the same as the old-age labor pension under Old Age, Disability, and Survivors.)

### **Administrative Organization**

Ministry of Labour and Social Protection of the Russian Federation (<http://www.rosmintrud.ru>) provides general supervision.

Regional employment services administer the program. Local employment services pay benefits.

### **Family Allowances**

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### **Regulatory Framework**

**First law:** 1944.

**Current laws:** 1995 (child benefits), 2004 (cash compensation), 2005 (social insurance fund), and 2006 (families with children).

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

### **Coverage**

Children younger than age 18 (up to age 23 if a full-time student).

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** See source of funds under Sickness and Maternity. Employers may finance supplementary benefits.

**Government:** Federal and local government budgets subsidize the cost of benefits. Regional and local governments may finance supplementary benefits.

### **Qualifying Conditions**

**Child allowances:** Paid to families with income below the locally determined minimum subsistence level. The child must reside in the household.

**Family (maternity capital) grant:** Paid to women after the birth or adoption of the second, third or subsequent child after January 1, 2007. In special cases men are entitled to the grant after the adoption of two children.

### **Family Allowance Benefits**

**Child allowances:** The allowance varies according to geographic region and is paid for each child from age 18 months to age 18 (age 23 if a full-time student).

Supplements are paid if a parent fails to pay alimony.

Single parents receive twice the child allowance.

A parent caring for a sick child receives 60% to 100% of wages for the first seven days of illness; thereafter, 30% of wages (50% for single mothers) until the child's full recovery.

**Family (maternity capital) grant:** 429,408 rubles is paid.

### **Administrative Organization**

Ministry of Labour and Social Protection of the Russian Federation (<http://www.rosmintrud.ru>) provides general supervision.

Regional and local departments of social protection pay benefits.

Pension Fund of the Russian Federation (<http://www.pfrf.ru>) and its regional bodies administer family (maternity) grants.