

Georgia

Exchange rate: US\$1.00 = 2.45 tlari.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956 (state pensions).

Current laws: 2005 (state pensions), 2005 (state compensation), 2012 (social package), 2015 (benefits in rural areas), and 2018 (individual account).

Type of program: Universal and individual account system.

Note: On January 1, 2019, a new individual account program was introduced that is mandatory for workers younger than age 40.

Coverage

Universal: Citizens of Georgia, certain individuals granted special status without citizenship, and foreign nationals with at least 10 years of residence.

Individual account: Public- and private-sector employees younger than age 40 on September 1, 2018.

Voluntary coverage for public- and private-sector employees aged 40 or older on September 1, 2018, and for self-employed persons.

Special system for former military personnel, certain civil servants, and certain former elected officials.

Source of Funds

Insured person

Universal: None.

Individual account: 2% of gross monthly earnings.

The maximum monthly earnings used to calculate contributions are 60,000 tlari.

Self-employed person

Universal: None.

Individual account: 4% of gross monthly earnings.

The maximum monthly earnings used to calculate contributions are 60,000 tlari.

Employer

Universal: None.

Individual account: 2% of gross monthly earnings.

The maximum monthly earnings used to calculate contributions are 60,000 tlari.

Government

Universal: The total cost.

Individual account: 2% of gross monthly earnings up to 24,000 tlari plus 1% of gross monthly earnings above 24,000 tlari.

The maximum monthly earnings used to calculate contributions are 60,000 tlari.

Qualifying Conditions

Old-age pension (State Pension, universal): Age 65 (men) or age 60 (women). Foreign nationals must not receive a pension from any other country.

Employment may continue.

Pension supplement: Paid to pensioners who reside permanently in certain geographic areas.

Old-age pension (individual account): Age 65 (men) or age 60 (women).

Disability pension (Social Package for Persons with Disabilities, universal): Must be assessed with a Group I (severe) or Group II (moderate or significant) disability and not be receiving any other pension.

An authorized medical institution assesses the degree of disability.

Disability benefit (individual account): Must be assessed with a Group I (severe) or Group II (moderate or significant) disability.

Survivor pension (Social Package, universal): Paid for children younger than age 18 when at least one parent dies, and for victims of political repression. The beneficiary must not be receiving any other pension.

Survivor benefit (individual account): Paid if the insured dies before receiving a benefit from the individual account.

Old-Age Benefits

Old-age pension (State Pension, universal): 180 tlari a month is paid.

Pension supplement: 20% of the old-age pension is paid.

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

Old-age pension (individual account): The insured can use the account balance to purchase an annuity or withdraw the account balance as a lump sum.

Permanent Disability Benefits

Disability pension (Social Package for Persons with Disabilities, universal): 180 tlari a month is paid for a Group I disability (up to 540 a month for certain war veterans); 100 tlari a month for a Group II disability (up to 440 tlari a month for certain war veterans). Benefits may be

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increased for children and persons who suffered political repression.

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

Disability benefit (individual account): A lump sum of the account balance is paid.

Survivor Benefits

Survivor pension (Social Package, universal): 100 tlari a month is paid; 107 tlari a month if the deceased was a victim of political repression; up to 144 tlari a month for orphans of war veterans.

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

Survivor benefit (individual account): The value of the insured's accumulated assets is split and transferred to the individual accounts of eligible survivors. If eligible survivors are not participants in the individual account program, the accumulated assets are paid to them as a lump sum.

Administrative Organization

Social Services Agency (<http://ssa.gov.ge/>) administers the universal program.

National Bank of Georgia (<https://www.nbg.gov.ge/>) licenses and supervises pension funds for the individual account program.

Licensed pension management companies manage the individual accounts.

Sickness and Maternity

Regulatory Framework

First law: 1964 (health).

Current laws: 1997 (health care), 2006 (sickness), 2006 (maternity), 2007 (temporary work incapacity and sickness), 2009 (temporary work incapacity), 2010 (labor code), and 2013 (universal health care).

Type of program: Social insurance (cash maternity benefit), employer-liability (cash sickness benefit), and social assistance (medical benefits) system.

Coverage

Social insurance (maternity benefit): Employed women.

Employer liability (cash sickness benefit): Employed persons, military personnel, and civil servants.

Social assistance (medical benefits): Needy residents of Georgia.

Source of Funds

Insured person

Social insurance (cash maternity benefit): None.

Employer liability (cash sickness benefit): None.

Social assistance (medical benefits): None.

Self-employed person

Social insurance (cash maternity benefit): None.

Employer liability (cash sickness benefit): None.

Social assistance (medical benefits): None.

Employer

Social insurance (cash maternity benefit): None.

Employer liability (cash sickness benefit): The total cost.

Social assistance (medical benefits): None.

Government

Social insurance (cash maternity benefit): The total cost.

Employer liability (cash sickness benefit): None.

Social assistance (medical benefits): The total cost.

Qualifying Conditions

Cash sickness benefit (employer liability): There is no minimum qualifying period. Must obtain a sickness certificate from an authorized doctor or medical institution.

Cash maternity benefit (social insurance): There is no minimum qualifying period.

Medical benefits (social assistance): There is no minimum qualifying period.

Income test: The beneficiary's annual income must not exceed 40,000 tlari.

Sickness and Maternity Benefits

Sickness benefit (employer liability): 100% of the employee's daily wage is paid for up to 30 days. A medical commission examination is required for an extension.

Maternity benefit (social insurance): 100% of the insured's daily wage is paid, up to a total of 1,000 tlari. The benefit is paid for 183 calendar days (200 calendar days if there are complications or multiple births). The insured is entitled to an additional 547 days of unpaid leave.

For the adoption of a child younger than age 1, the benefit is paid for 90 days, starting from the date of the adoption. The insured is entitled to an additional 460 days of unpaid leave.

Workers' Medical Benefits

Government clinics, hospitals, maternity homes, and other facilities provide medical benefits to teachers, needy persons, orphans, refugees, and disabled persons under the

Universal Healthcare Program. Benefits include outpatient care, emergency care, hospitalization, elective surgery, chemotherapy, hormone and radiation therapy, maternity care, and treatment for certain chronic diseases.

Certain categories of persons, including self-employed persons and persons with irregular income, may receive a minimum package of health care services, including emergency care, inpatient treatments, and maternity care. Copayments may be required for certain services.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those provided under the Universal Healthcare Program.

Administrative Organization

Social Services Agency (<http://ssa.gov.ge/>) administers the social insurance program.

Employers provide cash sickness benefits directly to employees.

Ministry of Labor, Health, and Social Affairs (<https://www.moh.gov.ge/>) provides general supervision of medical benefits.

Clinics, hospitals, and other facilities administered by the Social Service Agency and the Center for Diseases Control and Public Health deliver medical services.

Work Injury

Regulatory Framework

First law: 1997 (civil code)

Current laws: 2010 (labor code) and 2013 (worker's compensation).

Type of program: Employer-liability system.

Note: The employer's liability is determined by a court.

Coverage

Employed persons.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost (pays insurance premiums or provides benefits directly to employees).

Government: None; contributes as an employer.

Qualifying Conditions

A court determines the benefit amount based on the employee's degree of disability.

Temporary Disability Benefits

The benefit is based on the employee's average earnings in the three months before the temporary disability began (unless otherwise stated in the employment contract).

Permanent Disability Benefits

A court determines the benefit amount based on the employee's degree of disability.

Workers' Medical Benefits

Government clinics, hospitals, maternity homes, and other facilities provide medical benefits to teachers, needy persons, orphans, refugees, and disabled persons under the Universal Healthcare Program. Benefits include outpatient care, emergency care, hospitalization, elective surgery, chemotherapy, hormone and radiation therapy, maternity care, and treatment for certain chronic diseases.

Survivor Benefits

A court determines the benefit.

Administrative Organization

Employers may insure against liability with private insurance companies. If the employer is at fault, the employer provides compensation directly.

Unemployment

Regulatory Framework

The 2010 (labor code) regulates severance pay for employed persons. In the case of termination by the employer, the employer pays one month of the employee's average monthly earnings (unless otherwise stated in the employment contract).

Family Allowances

Regulatory Framework

First and current laws: 2006 (social assistance) and 2015 (benefits in rural areas).

Type of program: Universal and social assistance system.

Coverage

Permanent residents of Georgia.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child allowance (universal): Paid for each live birth to families who reside permanently in certain geographic areas.

Family allowance (Targeted Social Assistance, social assistance, means tested): Paid to families assessed as needy according to a family rating points system.

The family rating points system takes into account fixed and movable assets, income, benefits, consumption patterns, and other household characteristics such as the presence of elderly or disabled persons and housing conditions.

Family Allowance Benefits

Child allowance (universal): 100 tlari a month is paid for up to 12 months for the first and second child; 200 tlari a month for up to two years for the third and each subsequent child.

Family allowance (Targeted Social Assistance, social assistance, means tested): 60 tlari a month is paid with family rating points up to 30,000; 50 tlari a month with 30,001 to 57,000 points; 40 tlari a month with 57,001 to 60,000 points; 30 tlari a month with 60,001 to 65,000 points; or 10 tlari a month for each child up to age 16 with 65,001 to 100,000 points.

Administrative Organization

Social Services Agency (<http://ssa.gov.ge/>) administers the programs.