

Finland

Exchange rate: US\$1.00 = 0.83 euro (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1937.

Current laws: 2006 (employees' pensions), implemented in 2007; 2007 (universal pensions), implemented in 2008; and 2007 (disability benefit), implemented in 2008.

Type of program: Universal and social insurance system.

Coverage

Universal: Residents of Finland.

Social insurance: Employed persons, persons providing unpaid care for a child younger than age 3, students enrolled in degree programs, and certain social security beneficiaries.

Special systems for seafarers, self-employed persons, farmers, and public-sector employees.

Source of Funds

Insured person

Universal: None.

Social insurance: 6.35% of gross monthly earnings for employees younger than age 53; 7.85% if aged 53 or older.

The minimum monthly earnings used to calculate contributions are €58.27.

There are no maximum earnings used to calculate contributions.

Self-employed person

Universal: None.

Social insurance: Not applicable.

Employer

Universal: None.

Social insurance: The average monthly contribution is 17.75% of monthly payroll.

The minimum monthly earnings used to calculate contributions are €58.27.

There are no maximum earnings used to calculate contributions.

Government

Universal: Finances the total cost.

Social insurance: The total cost for persons providing unpaid care to children younger than age 3 and for students enrolled in degree programs.

Qualifying Conditions

Old-age pension (Kansaneläke, universal, income tested): Age 65 and a resident for 80% of the period from age 16 to age 64.

Employment may continue.

Income test: The pension is subject to recovery if the insured's monthly income from other pensions (including social insurance and foreign pensions) exceeds €5,554.

Partial pension: A reduced pension is paid with at least three years of residence but less than 80% of the period from age 16 to age 64.

Early pension: Age 63 and meets the residency requirements for a partial or full pension.

Deferred pension: The pension may be deferred. There is no age limit.

Child supplement: Paid for children younger than age 16.

Care allowance for pensioners (Eläköttä saavan hoitotuki): Must have a functional impairment (unable to perform personal care, necessary household chores, and/or run errands outside the home) that lasts for at least one year and is caused by an illness or disability. The functional impairment must entail the regular need for assistance, guidance, supervision, and/or additional cost; the beneficiary's work capacity is not considered. The beneficiary may live at home or in an institution and must not be receiving a partial old-age pension, partial disability pension, or spouse's pension.

Housing allowance for pensioners (Eläkkeensaajan asumistuki, income tested): Paid for housing costs while residing in Finland.

The universal pension is payable abroad if the beneficiary is a posted worker, civil servant, student, or a dependent family member.

Old-age guarantee pension (Takuueläke, universal, income tested): Age 65 with at least three years of residence since age 16.

Income test: The pension is subject to recovery if the beneficiary receives any other pensions (including foreign pensions).

Old-age pension (Työeläke, social insurance): Flexible retirement age, from age 63 (lower retirement age, gradually rising to age 65 by 2027, and then based on life expectancy starting in 2030) to age 68 (upper retirement age, gradually rising to age 70 by 2027, and then based on life expectancy starting in 2030).

Contributions may be credited for periods the insured provided unpaid care to children younger than age 3, was a student in a degree program (up to five years), or received certain social insurance benefits (including sickness and maternity benefits, work injury benefits, and earnings-related unemployment benefits).

Employment must cease at retirement but new employment may begin while receiving the pension.

Partial pension: Age 61 and not receiving any other statutory earnings-related pension based on the insured's work history.

Employment may continue.

Deferred pension: The pension may be deferred after the lower retirement age. There is no age limit.

Years-of-service pension (Työraeläke): Age 63 with at least 38 years of physically or mentally demanding employment. Must be assessed with a reduced work capacity.

The social insurance old-age pension is payable abroad for up to one year or under a bilateral or multilateral agreement.

Disability pension (Kansaneläke, universal, income tested): Must be aged 16 to 64, assessed with a permanent incapacity for suitable work, and a resident for 80% of the period from age 16 to the start of the pension.

Income test: The pension is subject to recovery if the insured's monthly income from other pensions (including social insurance and foreign pensions) exceeds €55.54.

Employment may continue under certain conditions.

Partial pension: A reduced pension is paid with at least three years of residence but less than 80% of the period from age 16 to the start of the pension.

Child supplement: Paid for children younger than age 16.

Rehabilitation allowance (Kuntoutusraha): Must have undergone more than 30 days of rehabilitation.

Care allowance for pensioners (Eläkettä saavan hoitotuki): Must have a functional impairment (unable to perform personal care, necessary household chores, and/or run errands outside the home) that lasts for at least one year and is caused by an illness or disability. The functional impairment must entail the regular need for assistance, guidance, supervision, and/or additional cost; the beneficiary's work capacity is not considered. The beneficiary may live at home or in an institution and must not be receiving a partial old-age pension, partial disability pension, or spouse's pension.

Housing allowance for pensioners (Eläkkeensaajan asumistuki, income tested): Paid for housing costs while residing in Finland.

Disability allowance (aged 16 or older): Must be aged 16 to 64, assessed with a disability, and not receiving a full pension.

Social Insurance Institution doctors may assess the degree of incapacity at any time. Persons receiving the disability pension must inform the SII of any changes in circumstances that may affect entitlement.

Child supplement: Paid for children younger than age 16.

Disability allowance (younger than age 16): Must be younger than age 16 and assessed with a disability.

Disability guarantee pension (Takuueläke, universal, income tested): Must have an assessed disability and have at least three years of residence since age 16.

Income test: The pension is subject to recovery if the beneficiary receives any other pensions (including foreign pensions).

Disability pension (Työeläke, social insurance): Must be aged 17 to the lower retirement age, have an assessed loss of work capacity of at least 60% that is expected to last for at least one year, and no longer be entitled to the sickness benefit.

Employment may continue under certain conditions.

Partial disability: A reduced pension is paid with an assessed loss of working capacity of 40% to 59% that is expected to last for at least one year.

The pension provider assesses the loss of work capacity.

The disability pension ceases at the lower retirement age and is replaced by the social insurance old-age pension.

Cash rehabilitation benefit: Must be aged 17 to the lower retirement age with a temporary disability due to illness or injury that is expected to last for at least one year.

The insured's doctor must provide a treatment or rehabilitation plan that promotes the return to work. The pension provider assesses the insured's capacity for work.

Disability allowances are payable abroad for up to one year. Disability pensions may be paid for longer than a year under a bilateral or multilateral agreement under certain circumstances.

Survivor pension (Kansaneläke, universal)

Spouse's pension (income tested): The deceased had at least three years of residence since age 16.

Income test: A portion of the pension is subject to recovery if the survivor's monthly income from other sources (including other pensions) exceeds €55.54.

Eligible survivors include a surviving spouse (opposite or same sex) younger than age 65 who had a child with the deceased and was married to or in a registered partnership (same-sex couples only) with the deceased before the deceased was age 65; if childless, married to or in a registered partnership with the deceased for at least five years, younger than age 50 at the date of marriage, and aged 50 or older or a disability pensioner for at least three years at the date of death. The pension is paid to a former spouse if he or she received alimony from the deceased.

The spouse's pension ceases if the surviving spouse (re) marries or enters a registered partnership before age 50 or if the surviving spouse reaches age 65.

Remarriage settlement: Paid if the surviving spouse has received the spouse's pension for at least one year and (re) marries or enters a registered partnership before age 50.

Orphan's pension: Paid to a child younger than age 18 (age 20 if a full-time student) and a resident of Finland or moved to Finland within a year of the parent's death.

Orphan supplement (income tested): Paid to a child younger than age 18.

Income test: The orphan's supplement is subject to recovery if the orphan's monthly income from other sources (including other pensions) exceeds €55.54.

Survivor pension (Työeläke, social insurance)

Spouse's pension (income tested): The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Income test: The pension may be subject to recovery if the insured's monthly income from other pensions exceeds €695.50.

Eligible survivors include a surviving spouse (opposite or same sex) who had a child with the deceased and was married to or in a registered partnership (same-sex couples only) with the deceased before the deceased was age 65; if childless, was married to or in a registered partnership with the deceased for at least five years, younger than age 50 at the date of marriage, and aged 50 or older or a disability pensioner for at least three years at the date of death. The pension is paid to a former spouse if he or she received alimony from the deceased.

The spouse's pension ceases if the surviving spouse (re) marries or enters a registered partnership before age 50.

Orphan's pension: Paid to children younger than age 18.

Old-Age Benefits

Old-age pension (Kansaneläke, universal, income tested): Up to €628.85 (if single) or €557.79 (if married or partnered) a month is paid.

Income test: The pension is reduced by 50% of the beneficiary's annual income from other pensions above €55.54. The pension is eliminated if the monthly income from other pensions exceeds €1,299.88 (if single) or €1,157.71 (if married or partnered).

Partial pension: The pension is proportionally reduced for each year of residence less the number required for a full pension.

Early pension: The pension is permanently reduced by 0.4% for each month it is claimed before the normal retirement age.

Deferred pension: The pension is increased by 0.6% for each month of deferral after the normal retirement age.

Child supplement: €21.93 a month is paid for each eligible child.

Care allowance for pensioners (Eläkettä saavan hoitotuki): The allowance varies depending on the level of care needed: €61.71 (weekly need for assistance), €153.63 (daily need for assistance), or €324.85 (constant attendance) a month is paid.

Housing allowance for pensioners (Eläkkeensaajan asumistuki, income tested): 85% of the difference between the beneficiary's annual housing costs and the basic annual deductible is paid. If the beneficiary's annual family income exceeds the income limit for an additional deductible, 40% of the annual family income exceeding this income limit is added to the basic annual deductible.

The basic annual deductible is €610.42.

The income limit for the additional deductible ranges from €8,676 to €13,936, depending on family composition and family income.

Schedule of payments: The allowance is paid monthly.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Old-age guarantee pension (Takuueläke, income tested): Up to €775.27 a month is paid.

Income test: The pension is reduced by the amount of any other pension income the beneficiary receives.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Old-age pension (Työeläke, social insurance): The monthly pension is the insured's average monthly earnings multiplied by the total accrual rate. The accrual rate is 1.5% for each year of contributions from age 17 to age 52; 1.7% for each year of contributions from age 53 to age 62; 1.5% for each year of contributions from the lower retirement age to the upper retirement age.

Average monthly earnings are based on the insured's lifetime adjusted earnings. Past earnings are adjusted based on a weighted index based on changes in wages (80%) and the consumer price index (20%).

There is no maximum old-age pension.

The old-age pension is adjusted based on life expectancy at the time it is claimed.

Partial pension: The insured may claim 25% or 50% of the accrued pension before or after the lower retirement age; the portion claimed is reduced by 0.4% for each month it is claimed before the lower retirement age, or increased by 0.4% for each month it is claimed after the lower retirement age.

Deferred pension: The pension is increased by 0.4% for each month it is claimed after the lower retirement age.

Years-of-service pension (Työraeläke): Calculated in the same way as the old-age pension.

Benefit adjustment: Benefits are adjusted each January based on a weighted index based on changes in the consumer price index (80%) and wages (20%).

Permanent Disability Benefits

Disability pension (Kansaneläke, universal, income tested): Up to €628.85 (if single) or €557.79 (if married or partnered) a month is paid.

Income test: The pension is reduced by 50% of the beneficiary's annual income from other pensions above €55.54. The pension is eliminated if the monthly income from other pensions exceeds €1,299.88 (if single) or €1,157.71 (if married or partnered).

Partial pension: The pension is proportionally reduced for each year of residence less than the number required for a full pension.

Child supplement: €21.93 a month is paid for each eligible child.

Rehabilitation allowance (Kuntoutusraha): 10% of the disability pension is paid.

Care allowance for pensioners (Eläkettä saavan hoitotuki): The allowance varies depending on the level of care needed: €61.71 (weekly need for assistance), €153.63 (daily need for assistance), or €324.85 (constant attendance) a month is paid.

Housing allowance for pensioners (Eläkkeensaajan asumistuki, income tested): 85% of the difference between the beneficiary's annual housing costs and the basic annual deductible is paid. If the beneficiary's annual family income exceeds the income limit for an additional deductible, 40% of the annual family income exceeding this income limit is added to the basic annual deductible.

The basic annual deductible is €610.42.

The income limit for the additional deductible ranges from €8,676 to €13,936, depending on family composition and family income.

Schedule of payments: The allowance is paid monthly.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Disability allowance (aged 16 or older): €92.14 (significant hardship and continuous expenses), €215 (considerable hardship and weekly supervision required), or €416.91 (substantial outside assistance on a daily basis) a month is paid, depending on the insured's circumstances.

Child's supplement: €21.93 a month is paid.

Disability allowance (younger than aged 16): €92.14, €215 or €416.91 a month is paid, depending on the insured's circumstances.

Disability guarantee pension (Takuueläke, income tested): Up to €775.27 a month is paid.

Income test: The pension is reduced by the amount of any other pension income received.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Disability pension (Työeläke, social insurance): The monthly pension is the insured's average monthly earnings multiplied by the total accrual rate. The accrual rate is 1.5% for each year of contributions from age 17 to age 52; 1.7% for each year of contributions from age 53 to age 62; 1.5% for each year of projected service from the date the disability began to the lower retirement age.

Average monthly earnings are based on the insured's earnings in the five years before the disability began.

There is no maximum disability pension.

The disability pension is adjusted based on life expectancy at the time of the claim, except for the projected service part of the pension.

An additional supplement is paid to persons aged 23 to 55 after receiving the pension for five consecutive years.

The pension is suspended or cancelled if the insured's earnings from employment are at least 60% of the insured's earnings before the disability began or €737.45 a month, whichever is higher.

Partial disability: 50% of the full pension is paid for an assessed loss of working capacity from 40% to 59%. The pension is suspended or cancelled if the insured's earnings from employment are at least 60% of the insured's earnings before the disability began or €737.45 a month, whichever is higher.

Cash rehabilitation benefit: Calculated in the same way as the earnings-related disability pension. An additional 33% of the pension is paid for periods of active vocational rehabilitation.

Benefit adjustment: Benefits are adjusted based on a weighted index based on changes in the consumer price index (80%) and wages (20%).

Survivor Benefits

Survivor pension (Kansaneläke, universal)

Spouse's pension (income tested): €324.33 a month is paid to a surviving spouse for the first six months after the deceased's death; thereafter, a basic amount of €101.59 a month plus an income-tested supplemental amount of up to €527.26 (if single) or €456.20 (if partnered) a month is paid to a surviving spouse with a child younger than age 18; only the income-tested supplemental amount is paid to a

surviving spouse without a dependent child. The value of the pension also varies depending on the deceased's length of residence.

Income test: The supplemental amount is reduced by 50% of the surviving spouse's monthly income from other sources (including other pensions) above €55.54. The supplemental amount is eliminated if the monthly income from other sources exceeds €954.54 to €1,110.05, depending on partnership status and the age of any children.

Remarriage settlement: A lump sum of three years of the spouse's pension is paid.

Orphan's pension: €59.68 a month is paid to each eligible child; up to €120 a month for a full orphan.

Orphan's supplement (income tested): Up to €90.26 a month is paid to each eligible child.

Income test: The orphan's supplement is reduced to 50% of the difference between the orphan's other monthly survivor pension income and €55.54. The supplement is eliminated if other monthly survivor pension income exceeds €236.05.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Survivor pension (Työeläke, social insurance)

Spouse's pension (income tested): Up to 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to a surviving spouse.

The spouse's pension may be split between the surviving spouse and a divorced spouse receiving alimony, depending on the amount of the alimony.

Income test: The pension is reduced by 50% of the surviving spouse's monthly income from other pensions (including those not yet in payment) above €695.50.

There is no income test for the first six months if the surviving spouse is younger than age 65 and not receiving a pension in his or her own right. If the survivor has dependent children, there is no income test before the youngest child reaches age 18.

Orphan's pension: 33.3% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for one eligible orphan; 58% for two orphans; 75% for three orphans; or 83.3% for four or more orphans.

The maximum combined survivor pension is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive (the spouse's pension is reduced accordingly if the combined pension would exceed this amount).

Benefit adjustment: Benefits are adjusted based on a weighted index based on changes in the consumer price index (80%) and wages (20%).

Administrative Organization

Ministry of Social Affairs and Health (<http://stm.fi/etusivu/>) provides general supervision.

Social Insurance Institution (<https://www.kela.fi/>), managed by a governing body appointed by parliament, administers the universal program through district offices.

Five insurance districts determine claims for old-age and survivor pensions. The Center for Disability Pensions determines disability pension claims.

Finnish Centre for Pensions (<https://www.etk.fi/>), managed by a tripartite board, oversees the social insurance program.

Licensed nonprofit insurance companies, pension funds, and foundations serve as carriers for the social insurance benefits and collect contributions.

Financial Supervision Authority (<http://www.finanssivalvonta.fi/>) supervises the carriers.

Sickness and Maternity

Regulatory Framework

First law: 1963 (cash sickness and medical benefits).

Current laws: 1972 (municipal healthcare); 1983 (maternity), implemented in 1984; 1989 (hospital care), implemented in 1991; and 2004 (sickness), implemented in 2005.

Type of program: Social insurance system.

Note: Medical benefits are provided by both a private insurance program and a public (municipal) health services program financed primarily by local and national taxes.

Coverage

Cash benefits: Residents of Finland.

Medical benefits: Residents or persons working in Finland.

Source of Funds

Insured person

Cash benefits: 1.53% of gross monthly earnings.

The minimum annual earnings used to calculate contributions are €14,020.

There are no maximum earnings used to calculate contributions.

Medical benefits: 1.30% of gross monthly earnings; 1.47% of gross monthly earnings for pensioners and other social insurance beneficiaries.

There are no minimum or maximum earnings used to calculate contributions.

Self-employed person

Cash benefits: 1.53% of gross monthly earnings for self-employed persons in agriculture; 1.70% for other self-employed persons.

There minimum annual earnings used to calculate contributions are €14,020.

There are no maximum earnings used to calculate contributions.

Medical benefits: 1.30% of net monthly earnings.

There are no minimum or maximum earnings used to calculate contributions.

Employer

Cash benefits: 0.86% of monthly payroll (private employers and local and central government).

There are no minimum or maximum earnings used to calculate contributions.

Medical benefits: None.

Government

Cash benefits: Provides subsidies as needed; 100% of the cost of minimum daily allowances.

There are no minimum or maximum earnings used to calculate contributions.

Medical benefits: 44.9% of the cost of in-kind medical benefits; the total cost of public (municipal) health services.

Qualifying Conditions

Cash sickness benefit (sairauspäiväraha): There is no minimum qualifying period. The incapacity for work must be certified by a doctor from the ninth day.

Partial sickness benefit (osasairauspäiväraha): Paid if the insured returns to work on a part-time basis (40% to 60% of previous working time).

Rehabilitation allowance: Must be receiving medical treatment and/or vocational training under a social security rehabilitation program.

Partial rehabilitation benefit: Paid if the daily working hours are reduced by at least 40% due to participation in a social security rehabilitation program.

Sick child care allowance (erityishoitoraha): Paid to a parent caring for a sick or disabled child younger than age 16 in a hospital or at home. If the presence of both parents is required in the case of hospitalization, the sick child care allowance is paid to both parents.

Cash maternity allowance (äitiysraha): Must have at least 180 days of coverage immediately before the expected date of birth.

Paternity allowance (isyysraha): Paid to a father who is permanently residing in Finland and cares for his child

(natural or adopted) younger than age 2 or before two years have passed since the date of adoption.

Parental allowance (vanhempainraha): Paid to either parent after the entitlement to maternity benefits ends.

Partial parental allowance: Paid in the case of a reduction of the usual working time by 40% to 60%.

Medical benefits: Must reside or work (private-sector sickness insurance only) in Finland.

Sickness and Maternity Benefits

Sickness benefit (sairauspäiväraha): The daily benefit varies depending on the insured's annual earnings: no benefit is paid with annual earnings below €1,428 (€24.64 a day may be paid under certain conditions if the incapacity lasts at least 55 days); 70% of the insured's annual earnings divided by 300 is paid with annual earnings of at least €1,428 up to €30,394; €70.82 plus 20% of annual earnings divided by 300 is paid with annual earnings above €30,394.

The benefit is paid after a 10-day waiting period (a one-day waiting period for self-employed persons) for up to 300 days (excluding Sundays). (The employer pays 100% of the insured's earnings for the days two through 10; 50% if the insured has been employed for less than month.) If the insured returns to work for at least 30 days after receiving the sickness benefit for 300 days, he or she is entitled to an additional 50 days of benefit.

The minimum daily sickness benefit is €24.64. If the insured has received unemployment benefits for the last four months, the minimum sickness benefit is 86% of the unemployment benefit.

Partial sickness benefit (osasairauspäiväraha): 50% of the full sickness benefit is paid after a 10-day waiting period for up to 120 days (excluding Sundays).

Rehabilitation allowance: The rehabilitation benefit is calculated in the same way as the sickness benefit. An increased amount is paid for insured persons aged younger than age 20 or in vocational rehabilitation.

The minimum daily benefit is €24.64; €31.02 for insured persons aged younger than 20 or in vocational rehabilitation.

Partial rehabilitation benefit: 50% of the rehabilitation benefit is paid.

Sick child care allowance (erityishoitoraha): The sickness benefit is paid for up to 60 days in a hospital, 60 days at home, or 90 days for ongoing treatment.

The minimum daily sick child care allowance is €24.64.

Maternity allowance (äitiysraha): 70% of daily earnings in the last year is paid for annual earnings up to € 37,167, 40% for annual earnings above € 37,167 to €57,183, and 25% for annual earnings above €57,183. Up to 90% of earnings is paid to self-employed persons or farmers in the first 56 days.

The minimum maternity allowance is €24.64 per working day.

The maternity allowance is paid to a pregnant woman from 30 days to 50 days before the expected date of childbirth for up to 105 days.

A special maternity allowance is paid throughout the pregnancy if the woman is exposed to chemical substances, radiation, or an infectious disease during her work if the possibility of exposure cannot be avoided.

Paternity allowance (isyysraha): Calculated in the same way as the maternity allowance. The paternity allowance is paid for up to 54 days (excluding Sundays and public holidays). Fathers can choose to stay at home for 1 to 18 days at the same time as the child's mother while she is receiving a maternity or parental allowance. The remainder of the leave can be taken after the parental allowance has ended.

Parental allowance (vanhempainraha): Calculated in the same way as the maternity allowance. The parental allowance is paid for 158 days (excluding Sundays and public holidays) and may be split between both parents. The parental allowance is paid for an additional 60 days for multiple births and from 100 days to 234 days for adopting a child.

Partial parental allowance: The mother and the father may take partial parental leave at the same time, in which case partial parental allowance will be paid to both of them.

Workers' Medical Benefits

Cash reimbursements are provided for certain medical expenses up to a maximum based on a schedule of fixed charges. Benefits include private doctor's and dental fees and the cost of prescribed examinations and treatments.

Cost sharing: An initial deductible of €50 a year for medicine; thereafter, 40% to 100% of the cost of each prescription medicine greater than €4.50, based on a schedule; 100% of transportation costs above €25 per one-way trip.

If total annual copayments for prescription medicines exceed €610.37, 100% of the cost above this amount is reimbursed (the insured's copayment is €2.50 for each prescription); if annual copayments for transportation exceed €300, 100% of the cost above this amount is reimbursed.

Sickness insurance also covers 50% of the occupational health care costs incurred by the employer.

For public (municipal) health services, the fee for a doctor's visit is €20.90 for each of the first three visits or an annual fee of €41.70. For emergency services, the fee is €28.70 for each visit. All other services are free.

For hospital care, the fees are €41.50 a day for outpatient treatment, €49.50 a day for inpatient treatment, and €136.80 a day for outpatient surgery.

Prenatal and postpartum maternity health care at medical centers is free.

Dependents' Medical Benefits

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

Administrative Organization

Ministry of Social Affairs and Health (<https://stm.fi/etusivu/>) provides general supervision.

Social Insurance Institution (<https://www.kela.fi/>) administers the program nationally, reimburses employees' sickness funds, and reimburses employers providing medical benefits directly to their employees.

Municipalities or the federation of municipalities provide medical services.

Tax authorities collect contributions.

Work Injury

Regulatory Framework

First law: 1895.

Current law: 2015 (workers' compensation).

Type of program: Employer-liability (through a private carrier) and mandatory private insurance system.

Coverage

Employed persons and civil servants.

Voluntary coverage for self-employed persons.

Special systems for farmers and scholarship recipients.

Source of Funds

Insured person: None.

Self-employed person: The total cost of the annual premium, which varies depending on the profession's assessed degree of risk.

There are no minimum or maximum earnings used to calculate contributions.

Employer: 0.1% to 7% of annual payroll, depending on the profession's assessed degree of risk.

There are no minimum or maximum earnings used to calculate contributions.

Government: None; contributes as an employer.

Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The benefit is paid from the first day of incapacity for up to one year or until certification of a permanent disability. The

insured must have an assessed loss of working capacity of at least 10% and a reduction in earnings of at least 5%. The incapacity must last at least three days after the work injury occurred or the occupational disease began.

For the first four weeks, the benefit is the same as the sickness benefits; if sick pay has not been paid, the benefit is the insured's earnings in the four weeks before the work injury occurred or the occupational disease began. Thereafter, the daily allowance is 2.7% (1/360) of the insured's annual earnings.

The minimum annual earnings used to calculate benefits are €14,100.

There are no maximum annual earnings used to calculate benefits.

The degree of disability is assessed by the insurance company based on a statement issued by the insured's doctor.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Permanent Disability Benefits

Permanent disability pension: For a total (100%) disability, 85% of the insured's annual earnings is paid up to age 65; thereafter, 70% of annual earnings.

Annual earnings are the insured's last annual earnings; the insured's average annual earnings in the last four years may be used under certain conditions if they are greater.

The minimum annual earnings used to calculate benefits are €14,100.

There are no maximum annual earnings used to calculate benefits.

Partial disability: For an assessed degree of disability of at least 10% but less than 100%, a percentage of the full permanent disability pension is paid depending on the degree of disability.

The degree of disability is assessed by the insurance company based on a statement issued by the insured's doctor.

Care allowance: Up to €29.14 a day is paid if the insured requires the constant attendance of others to perform daily functions.

Compensation for functional limitation: Paid for a permanent disability, based on 20 categories of disability. The value of the benefit varies depending on age. Up to 60% of the minimum annual earnings used to calculate the permanent disability pension (€12,620) is paid.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Workers' Medical Benefits

Benefits include free and unlimited medical care and vocational rehabilitation.

Survivor Benefits

Survivor pension

Spouse's pension: 40% of the deceased's annual earnings is paid to a widow(er).

Annual earnings are the insured's last annual earnings; the insured's average annual earnings in the last four years may be used under certain conditions if they are greater.

The spouse's pension ceases upon remarriage or cohabitation.

Orphan's pension: 25% of the deceased's annual earnings is paid to one child younger than age 18 (age 25 if a student or disabled); a total of 40% to two children; 50% for three; and 55% for four or more.

Annual earnings are the insured's last annual earnings; the insured's average annual earnings in the last four years may be used under certain conditions if they are greater.

The maximum combined survivor benefit is 70% of the deceased's annual earnings (the spouse's pension is reduced accordingly if the combined benefit would exceed this amount).

Funeral assistance: A lump sum of €4,830 is normally paid to the deceased's estate.

Benefit adjustment: Benefits are adjusted annually based on changes in the national pension index, which is linked to the cost-of-living index.

Administrative Organization

Ministry of Social Affairs and Health (<https://stm.fi/etusivu/>) provides general supervision and coordinates statutory accident insurance legislation.

Workers' Compensation Center (<http://www.tvk.fi/>) coordinates the practical application of workers' compensation. Pursuant to law, every insurance institution underwriting statutory accident insurance is a member of Workers' Compensation Center.

Licensed private companies administer work injury insurance and collect contributions.

Financial Supervision Authority (<http://www.finanssivalvonta.fi/>) supervises the carriers.

Unemployment

Regulatory Framework

First laws: 1917 (unemployment insurance) and 1960 (unemployment assistance).

Current laws: 1984 (unemployment funds), 1997 (social assistance), 1998 (financing), 1998 (unemployment insurance fund), and 2002 (assistance).

Type of program: Social insurance, voluntary earnings-related insurance (unemployment fund), and social assistance system.

Coverage

Social insurance: Employed and self-employed persons, including entrepreneurs, who reside in Finland.

Voluntary earnings-related insurance: Employed and self-employed persons, including entrepreneurs, who reside in Finland. Must be a member of an unemployment fund. (Membership is voluntary.)

Social assistance: Residents of Finland.

Source of Funds

Insured person

Basic unemployment allowance: None.

Earnings-related unemployment allowance: 1.90% of earnings plus a flat-rate contribution or a percentage of earnings is paid to an unemployment insurance fund.

There are no minimum or maximum earnings used to calculate contributions.

Unemployment assistance: None.

Self-employed person

Basic unemployment allowance: None.

Earnings-related unemployment allowance: 2.25% to 2.65% of the declared annual income that exceeds €5,800 a year to an unemployment insurance fund.

There are no maximum earnings used to calculate contributions.

Unemployment assistance: None.

Employer

Basic unemployment allowance: None.

Earnings-related unemployment allowance: 0.65% on annual payroll up to €2,083,500; 2.6% on annual payroll exceeding €2,083,500 to the Unemployment Insurance Fund (TVR).

There are no maximum earnings used to calculate contributions.

Unemployment assistance: None.

Government

Basic unemployment allowance: The total cost.

Earnings-related unemployment allowance: A subsidy equal to the basic unemployment allowance.

The basic unemployment allowance is €32.40 a day.

Unemployment assistance: A subsidy equal to the basic unemployment allowance. Municipalities finance 50% of

the unemployment assistance for unemployment lasting 300 to 1,000 days; 70% if unemployment lasts for more than 1,000 days.

The basic unemployment allowance is €32.40 a day.

Qualifying Conditions

Basic unemployment allowance (peruspäiväraha, social insurance): Must be aged 17 to 64 (aged 67 if laid off temporarily) with at least 26 weeks of work in the 28 months before unemployment began; for entrepreneurs, membership in a single unemployment insurance fund for at least 15 months in the last 48 months.

Unemployment is not due to voluntary leaving, work stoppage, or the refusal of a suitable job offer.

Supplementary allowance: Paid during participation in employment promoting activities.

Child supplement: Paid if the beneficiary cares for a child younger than age 18 (including a spouse's or partner's child that lives in the same household).

Mobility allowance: Paid for travelling to and from work for more than three hours (two hours in the case of part-time employment) if a beneficiary starts a new employment contract with a duration of at least two months and at least 18 working hours a week. Must apply for a mobility allowance before the employment begins.

Earnings-related allowance (ansioperusteinen työttömyyspäiväraha, voluntary earnings-related insurance): Must be aged 17 to 64 (aged 67 if laid off temporarily) with at least 26 weeks of work in the 28 months before unemployment began; for entrepreneurs, at least 15 weeks of work in the last 48 months. The insured must have been a member of an unemployment fund for at least 26 weeks.

Increased allowance: Must have at least 20 years of work and have been a member of an unemployment fund for at least five years or have taken part in employment promoting activities.

Expense allowance: Paid during the participation in employment promoting activities.

Child supplement: Paid if the insured cares for a child younger than age 18 (including a spouse's or partner's child that lives in the same household).

Mobility allowance: Paid for travelling to and from work for more than three hours (two hours in the case of part-time employment) if an insured person starts a new employment contract with a duration of at least two months and at least 18 working hours a week. Must apply for a mobility allowance before the employment begins.

Unemployment assistance (työmarkkinatuki, social assistance, means tested): Job seekers younger than age 25 must have completed vocational training and must not have refused a suitable job offer. If a person has no completed vocational training, he or she must complete a five-month qualifying period (except immediately after

receiving a basic unemployment allowance). Job seekers aged 17 receive unemployment assistance for periods of participation in employment promoting activities.

Child supplement: Paid if the beneficiary cares for a child younger than age 18 (including a spouse's or partner's child that lives in the same household).

Supplementary allowance: Paid during participation in employment promoting activities.

Mobility allowance: Paid for travelling to and from work for more than three hours (two hours in the case of part-time employment) if a beneficiary starts a new employment contract with a duration of at least two months and at least 18 working hours a week. Must apply for a mobility allowance before the employment begins.

Unemployment Benefits

Basic unemployment allowance (peruspäiväraha, social insurance): €32.40 a day is paid.

The benefit is reduced by 4.65% if during 65 days of payment the beneficiary does not: have at least 18 hours of salaried employment, earn at least 23% (€241 in 2018) of the minimum monthly earnings for self-employed person, or participate in at least five days of employment promoting activities.

Supplementary allowance: €4.74 a day is paid for up to 200 days.

Child's supplement: of €5.23 a day is paid for one dependent child; €7.68 a day for two; €9.90 a day for three or more.

Mobility allowance: €32.40 a day is paid.

The mobility allowance is paid for 30 days if the contract lasts for at least two but less than three months, for 45 days if the contract lasts for at least three but less than four months, and for 60 days if the contract lasts for four months or more.

Earnings-related allowance (ansioperusteinen työttömyyspäiväraha, voluntary earnings-related insurance):

If the insured's monthly earnings are less than €3,078, the basic daily benefit is €32.40 plus 45% of the insured's daily earnings; if monthly earnings are €3,078 or more, the daily benefit is €82.24 plus 20% of daily earnings in excess of €143.60. If the insured is in part-time employment, the earnings-related allowance is 50% of the amount exceeding the basic entitlement.

The basic entitlement is €300 if the benefit is paid monthly; €279 if it is paid every four weeks.

Increased allowance (korotettu ansiopäiväraha): 55% of the difference between the insured's daily earnings and the basic daily benefit is paid for up to 90 days if the insured has at least 20 years of work and is a member of an unemployment fund; for up to 200 days if the insured took part in employment promoting activities. If the insured's monthly wage exceeds 95 times the basic daily benefit

(€3,078 in 2018), 25% of the amount that exceeds that limit divided by the number of working days is paid.

The basic daily benefit is €32.40.

Expense allowance: €9 a day is paid.

Child supplement: A daily supplement of €5.23 is paid for one dependent child; €7.68 for two; €9.90 for three or more.

Mobility allowance: €32.40 a day is paid.

The mobility allowance is paid for 30 days if the contract lasts for at least two but less than three months, for 45 days if the contract lasts for at least three but less than four months, and for 60 days if the contract lasts for four months or more.

The maximum benefit, including the dependent child's supplement, is 90% of the insured's daily wage.

All unemployment benefits are paid after a five-day waiting period. The basic unemployment benefit and earnings-related unemployment allowance are paid five days a week for up to 500 days, depending on the unemployed's employment history and age.

Payment of unemployment allowances and the earnings-related unemployment benefit may be extended under certain conditions until the beneficiary reaches the retirement age for unemployed persons aged 59, 60, or 61, which is based on birth cohort.

Unemployment assistance (työmarkkinatuki, social assistance, means tested): Up to €32.40 a day is paid if the insured's monthly earnings are less than €311 for an unmarried person; €1,044 for married or cohabiting unemployed persons and unemployed persons with a family. The income limit is increased by €130 for each dependent child. The benefit is paid after a five-day waiting period. There is no limit to duration.

Child supplement: €5.23 a day is paid for one dependent child; €7.68 a day for two; €9.90 a day for three or more.

Supplementary allowance: €4.74 a day is paid.

Mobility allowance: €32.40 a day is paid five days a week.

Administrative Organization

Ministry of Social Affairs and Health (<https://stm.fi/etusivu/>) supervises unemployment insurance.

The Financial Supervisory Authority (<http://www.finanssivalvonta.fi/>) supervise the allocation of benefits by the unemployment funds, monitors and verifies that the unemployment funds comply with legislation and good insurance practice and that their operational practices are appropriate.

Social Insurance Institution (<https://www.kela.fi/>), through its local offices, administers the basic benefit and unemployment programs.

Unemployment Insurance Fund (<https://tvr.fi/>) collects contributions and pays benefits.

The Federation of Unemployment Funds in Finland (TYJ) (<https://www.tyj.fi/>) is the training and cooperation body for the Finnish unemployment funds.

Family Allowances

Regulatory Framework

First law: 1948.

Current laws: 1992 (child allowances), implemented in 1993; and 1996 (child home care allowance), implemented in 1997.

Type of program: Universal system.

Coverage

Residents of Finland.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost of family allowances, the maternity grant, and the adoption grant. Municipal authorities meet the total cost of the child home care allowance.

Qualifying Conditions

Child allowance: Paid for children younger than age 17 who reside in Finland.

Single-parent supplement: Paid to a single parent living with a child younger than age 17, including unmarried parents who are not cohabiting, legally separated parents, and parents with joint custody of the child.

Maternity grant: Paid to a pregnant woman after at least 154 days of pregnancy who has undergone necessary medical examinations before the fifth month of pregnancy; also paid for the adoption of a child younger than age 18.

Adoption grant: Paid to cover the expenses of adopting a child from abroad.

Child home care allowance (lasten kotihoidon tuki): Paid for a child younger than age 3 who is not in municipal day care. The care must be provided by parents, other relatives, or a private child care provider.

Care supplement (income tested): Paid if the gross family income does not exceed a monthly income limit that varies by family size: €2,734.48 with two persons; €3,356.23 with three persons; or €3,991.97 with four or more persons.

Flexible care allowance: Paid to a parent of a child younger than age 3 if the parent works up to 30 hours a

week or up to 80% of normal full-time hours and cares for the child in the remaining time. Must not receive the parental allowance at the same time.

Partial care allowance: Paid to a parent with a child in the first or second year of school if the parent works up to 30 hours a week. Must not be receiving child home care allowance or parental allowance.

Family Allowance Benefits

Child allowance: €94.88 a month is paid for the first eligible child, €104.84 for the second child, €133.79 for the third child, €153.24 for the fourth child, and €172.69 for each additional child.

Single-parent supplement: €53.30 a month is paid for each eligible child.

Maternity grant: The mother can choose between a maternity package (clothing and other baby products) and a tax-free cash benefit of €170. The grant is increased for multiple births or adoptions.

Adoption grant: A lump sum of €1,900 to €4,500 is paid.

Child home care allowance (lasten kotihoidon tuki): A basic amount of €338.34 a month is paid for one child younger than age 3; a supplement of €101.29 a month is paid for each additional child younger than age 3, and €65.09 a month is paid for each additional child aged 3 to 7.

Care supplement (income tested): Up to €181.07 a month is paid. The care supplement depends on the size and gross monthly income of the family.

The monthly care supplement is reduced if the monthly gross family income exceeds a threshold that varies depending on the family size: By 11.5% if the income exceeds €1,160 for two-person family, by 9.4% if income exceeds €1,430 for a three-person family, and by 7.9% if the income exceeds €1,700 for a family of four or more.

Flexible care allowance: €241.19 a month is paid if the parent works up to 22.5 hours a week or up to 60% of normal full-time hours; €160.80 a month with 22.5 to 30 hours a week or 60% to 80% of normal full-time hours.

Partial care allowance: €96.89 a month is paid.

Administrative Organization

Ministry of Social Affairs and Health (<https://stm.fi/etusivu/>) provides general supervision.

Social Insurance Institution (<https://www.kela.fi/>) administers the program nationally.