

New amendments on social security benefits

3 March 2014

In brief

A new law¹ has been published modifying and completing the legislative framework related to social security benefits granted to insured people. With some exceptions, the amendments brought by this law enter into force on 1 April 2014.

In detail

The main provisions of this law are:

- The right to social security benefits (with some exceptions) of people employed for fixed terms ends on the termination date of their employment agreements.
- The right to allowances for temporary work incapacity, prevention of disease, maternity and sick child care is granted only upon the submission of an confirmation under personal responsibility on the loss of insured income from any source for the entire medical leave period.
- Allowances for temporary work incapacity due to a common illness or accidents unrelated to work (with some exceptions) are paid by:
 - Employers - for the first five calendar days of temporary work incapacity, but no more than 15 cumulative days during a calendar year, in the event of several periods of temporary work incapacity;
 - State social security budget - from the sixth calendar day of temporary work incapacity and, in the event of several periods of temporary work incapacity, from the first day after 15 cumulative days have been paid for from employer funds.
- Insured people are entitled to social security benefits if they have a social security coverage period of at least nine months in the 24 months preceding the date of the insured event.
- Insured women are entitled to maternity leave allowances regardless of their social security coverage period. The calculation base for maternity leave allowance for insured women who do not have the social security coverage period required by law, is equal to the minimum guaranteed salary in the private sector in force as at the date of the insured event.
- A wife is considered to be supported by her insured husband if during the last nine months prior to maternity leave she was not insured in the public social security system or has been subject to a no-fault dismissal. These circumstances have to be confirmed by the labour book and a written confirmation under personal responsibility, confirming that she is not an insured person.
- The calculation base for allowances for temporary work incapacity, prevention of disease, maternity and sick child care are equal to the average monthly income in the 12 calendar months preceding the month of the insured event.
- In the absence of insured income in certain circumstances provided by law, the insured income is equal to the minimum guaranteed salary in the private sector.
- Some restrictions have been introduced on how to determine the social security benefits for people who have recommenced work on a part-time basis.

¹ Law no. 332 dated 23 December 2013 on changes and additions to Law no. 289-XV dated 22 July 2004 on allowances for temporary work incapacity and other social security benefits

- The maximum period for which the allowance for sick child care is granted is set at 60 cumulative days during one calendar year for every child.
- Additional reasons have been introduced for limiting the right to temporary work incapacity allowance.

[Source: Monitorul Oficial no. 35-41/75 dated 14 February 2014]

The takeaway

The main modifications refer to funding sources for temporary work incapacity allowance, the right to social security benefits in specific situations, the conditions of granting and calculation methods.

Let's talk

For a deeper discussion of how this new legislation might affect your business, please contact:



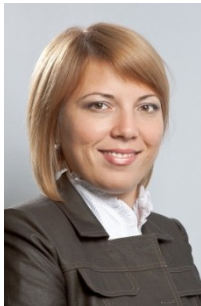
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