

# Approval of the laws on compulsory health insurance funds and state social security for 2017

5 January 2017

## In brief

The Parliament of the Republic of Moldova recently approved the Law on compulsory health insurance funds for 2017 ("Law on CHIF 2017") and the Law on the state social security budget for 2017 ("Law on SSSB 2017"). Law no. 489-XIV, dated 8 July 1999, on public social security system and Law no. 289-XV, dated 22 July 2004, on sick leave allowances and other social security benefits have also been amended.

## In detail

### Compulsory health insurance

According to the approved law, health insurance contribution rates have been maintained at 9% of the labour remuneration fund and other forms of remuneration (i.e. 4.5% for employees and 4.5% for employers).

The annual fixed amount of health insurance contribution has been also maintained at MDL 4,056.

Moldovan citizens who stay abroad for more than 183 calendar days during a budgetary year obtain the status of insured person within the compulsory health insurance system only after full payment of the health insurance premium.

### Compulsory state social security

The individual compulsory state social security contribution (SSC) rate has been maintained at 6% at the level of employees, with the cap for its taxable base being excluded.

The base used for social security allowance calculations is capped. As such, it cannot exceed five forecasted average monthly salaries for the respective year multiplied by 12 or by the number of months in which the person had insured income.

The SSC rates applicable to employers from all fields have also been maintained.

The annual fixed SSC has been increased from MDL 7,032 to MDL 7,512.

The list of rights and income exempted for SSC purposes has been maintained.

The list of social benefits granted from the state social security budget (SSSB) is completed with a monthly allowance granted for childcare support up to the age of three years for two or more children born as a result of one pregnancy.

[Source: Law on compulsory health insurance funds for 2017 no. 285 dated 16 December 2016, Monitorul Oficial no. 472-477 (5905-5910) dated 27 December 2016;

Law on state social insurance budget for 2017 no. 286 dated 16 December 2016, Monitorul Oficial no. 472-477 (5905-5910) dated 27 December 2016;

Law no. 290 dated 16 December 2016 amending and supplementing certain legislative acts, Monitorul Oficial no. 478-490 (5911-5923) dated 30 December 2016]

## The takeaway

The law on CHIF for 2017 maintains the compulsory health insurance rates for employers and employees.

The law on SSSB for 2017 maintains the percentage rates for mandatory SSC, but the previously-applied cap for SSC due by employees has been removed.

The calculation base for sick leave and other social security benefits is now capped, by Law no. 290 dated 16 December 2016.

A new type of social security allowance has been established and financed by the SSSB – the monthly support allowance for

childcare of multiple children born as a result of one pregnancy until the age of three years.

These laws are applicable as of 1 January 2017.

## ***Let's talk***

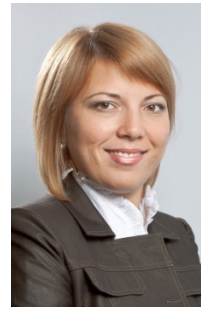
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