

SOCIAL SECURITY BENEFITS



AVAILABLE FROM KELA 2015

Kela, the Social Insurance Institution of Finland, looks after basic security for all persons resident in Finland through the different stages of their lives. For details about the benefits, see www.kela.fi or Benefit guides, or contact a Kela office.

Moving to or from Finland **More details in the following benefit guide: Moving to or away from Finland**

If you move to Finland permanently, you will normally be covered by the Finnish social security system and will qualify for Kela benefits. These are regarded as a permanent move: return migration, employment in Finland, or marriage to a person permanently residing in Finland. Persons moving to Finland on a permanent basis must apply for coverage under the Finnish social security system by filing the Kela form Y77. If you move to Finland temporarily, you will normally not be entitled to social security benefits from Kela.

If you move abroad for less than a year, you will retain your coverage under the Finnish social security system. If you stay abroad for more than a year, your social security coverage in Finland usually ends. If you move to another EU/ EEA country or Switzerland to work, you will normally be covered by the social security system of your country of employment. You must notify Kela if you move abroad or if you move back to Finland. Certain Kela benefits are not payable abroad. There are special rules for certain groups such as posted workers, civil servants, students and family members as well as persons moving between the Nordic countries or

countries that have a social security agreement with Finland.

Health **More details in the following benefit guide: Health and Rehabilitation**

Kela card

Everyone who lives permanently in Finland or is otherwise covered by the Finnish health insurance system gets a personal Kela card. It is typically used in medical clinics to obtain on-the-spot reimbursements for medical bills.

When you move to Finland, register at a Kela office and complete an appli-

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cation for coverage under the Finnish social security system. When accepted, you will receive your personal Kela card.

European Health Insurance Card

Anyone covered under the Finnish health insurance system can request a European Health Insurance Card (EHIC) from Kela. EHIC holders are entitled to medically necessary care during a visit to another EU/EEA country or to Switzerland. The EHIC is valid for two years at a time and is available free of charge. EHIC is not a replacement for your Kela card.

Reimbursements for medical expenses

Kela provides a partial reimbursement for the fees charged by private doctors and for the cost of any examinations and treatments prescribed by a private doctor.

Usually, you will be reimbursed at the treatment site when you present your Kela card. The reimbursement is deducted from the bill. If this is not the case, you can claim reimbursement from Kela afterwards.

Kela pays a partial reimbursement for the cost of oral and dental examinations and treatments provided by a private dentist or dental hygienist. Kela provides reimbursements for prescription drugs at three rates: 35%, 65% and 100%. The reimbursement is normally deducted from the price of the drugs at the pharmacy when you present your Kela card.

Compensations for travel expenses

Kela pays part of the cost of your treatment or rehabilitation related trips. The compensation may be deducted directly from the fare when you present your Kela card.

Sickness allowance

Anyone who is between 16 and 67 years of age and incapacitated for work by reason of illness is eligible for a sickness allowance from Kela. It is taxable income. If an incapacitated employee is entitled to sick pay from his or her employer, the sickness allowance is paid to the employer. The amount of the sickness allowance is typically calculated by reference to taxed earnings or to earnings over the last 6 months. On average, it is

equal to about 60% of earnings. Persons with no or low income can get a minimum sickness allowance.

A partial sickness allowance is available to persons who are incapacitated for work and entitled to sickness allowance. Recipients must switch temporarily from full-time to part-time work status.

Rehabilitation

Kela has a responsibility to provide access to rehabilitation services for persons with disabilities to support their vocational integration, and to offer medical rehabilitation for severely disabled persons under 65 years.

Psychotherapy services for adults are also available through Kela.

Young persons between 16 and 19 years who have functional impairments can be referred to vocational rehabilitation and to education in order to prevent disability retirement. They can be paid a rehabilitation allowance.

Rehabilitation allowance

A rehabilitation allowance can be paid to 16 to 67-year-olds who participate on a full-time basis in rehabilitation offered by Kela, health authorities or occupational health providers. The purpose of the rehabilitation must be to help them remain active in working life or to enter or return to the labour market.

The rehabilitation allowance is normally paid at a rate equal to that of the sickness allowance.

Persons participating in rehabilitation may also be eligible for a means-tested, tax-free maintenance allowance. Finally, means-tested rehabilitation assistance may be paid during job training or low-wage employment.

Disability and care allowances

Children under 16 can be paid disability allowance if they have an illness or injury that creates a need for care and rehabilitation that lasts at least 6 months and imposes particular strain and requires a greater commitment from their family than the care of non-disabled children of the same age. Persons aged 16 years or older can be paid disability allowance if their functional status is diminished for a period of at least 12 months and they are not drawing a pension on account

of disability or old age. These allowances are exempt from tax.

A pensioners' care allowance is available to persons whose functional status is estimated to be diminished for at least 12 months because of illness or injury.

Interpreting services for the disabled

Kela provides interpreting services for free to persons with a hearing, combined hearing/vision, or speech impairment. Applicants must be in need of interpretation for purposes of work, education, communication or recreation.

Dietary grant

Kela pays a tax-free dietary grant to persons aged 16 years or over who have coeliac disease.

Home and Family

More details in the following benefit guide: Home and Family

Maternity grant

Expecting mothers are entitled to a maternity grant. Mothers may choose between a tax-free EUR 140 cash benefit and a maternity package containing baby clothing and child care items. Adoptive parents are also eligible.

Financial assistance with international adoption

Parents adopting a child under 18 years from abroad are entitled to an adoption grant, a lump-sum benefit that is free from tax. Its amount depends on the country of adoption.

Maternity, paternity and parental allowances

Mothers and fathers can take a leave from their job on account of child birth or child care. While on leave, they are entitled to a maternity, paternity or parental allowance from Kela.

Paternity and parental allowance can also be paid to the parents of a child adopted before age 7.

Maternity, paternity and parental allowances are usually calculated by reference to taxed income from employment or self-employment.

Power of attorney makes life easier

Kela recommends that clients who experience difficulty handling their affairs draw up a power of attorney.

Mr. Antero Liuski lives in a nursing home in North Karelia. He has decided to draw up a power of attorney for his daughter Helena, which will allow her to act on his behalf when taking care of Kela-related matters.

One of the payments that Antero receives from Kela is the care allowance for pensioners. Until now Antero and Helena have, for instance, used a phone to handle Antero's affairs, making it possible for Antero to give a verbal authorization. They believe that a written power of attorney will make it easier to run errands. Helena will be able to do such things as sub-

mit claims on her father's behalf or contact Kela to discuss matters concerning her father.

With a power of attorney, a person can authorize someone else to handle either all of their Kela-related affairs, or restrict the authorization to specific benefits only. Bank account details cannot be changed with a power of attorney. All benefits are paid directly to the recipient.

The easiest way to draw up a power of attorney is to print out the ready-made form available on Kela's website. Kela also accepts non-standard powers of attorney as long as they contain all relevant information. The power of attorney must be signed but need not be witnessed. The completed power of attorney is submitted to Kela.

If no power of attorney is given, there is very little that Kela can tell other family members.

Additional information
www.kela.fi/web/en/authorization



They are subject to tax. Persons with no or low income can get a minimum allowance.

Child benefit

Kela pays parents a tax-free child benefit until their child is 17 years old.

Child care allowances

Children are entitled to day care starting from when the payment of maternity, paternity and parental allowances ends when they start school. The parents may choose between a place with a municipal day care provider and assistance from Kela in the form of a child home care allowance or a private day-care allowance. The mother or father of a child under 3 years of age may be entitled to a flexible care allowance from Kela if his or her average weekly working time is 30 hours or less. Kela can pay a partial care allowance to the mother or father of a child in the 1st or 2nd year of school if he or she works 30

hours a week or less in order to have time to provide care to the child.

Special care allowance

Special care allowance can be paid to the mother or father of a severely ill under 16-year-old child if he or she participates in the treatment or rehabilitation of their child either in a hospital or outpatient clinic, at home as part of a hospital or outpatient intervention, or at a rehabilitation or adaptation training course. The amount of the special care allowance is linked to the recipient's earnings. Persons with no or low income are eligible for a minimum allowance.

Assistance with housing costs

Persons on a low income can be paid general housing allowance, pensioners' housing allowance, housing assistance for conscripts or a housing supplement for students to offset some of their housing costs.

Child maintenance allowance

Kela can pay child maintenance allowance in any one of the following situations: if a parent with maintenance responsibilities has not paid child support, if child support has been set at an amount lower than the child maintenance allowance due to financial difficulties, if you have adopted a child as a single parent, if the paternity of a child has not been confirmed, or if paternity has been confirmed but it has not been possible to confirm child support at the same time.

Work and Study

More details in the following benefit guides: **Studying, Unemployment**

Financial aid for students

Financial aid for students is available in the form of a study grant for per-

sons aged 17 years or over, housing supplement for students without dependants who live in rented accommodation, government guarantees for student loans, and student loan interest assistance.

Non-citizens of Finland can get financial aid for studies in Finland if they live in Finland on a permanent basis for a purpose other than studying. If you move to Finland solely for study purposes, you cannot get Finnish student financial aid.

School transport subsidy

Full-time students of upper secondary schools and institutes of vocational education with a long commute to school are eligible for compensation for the cost of travel between home and school.

Conscript's allowance

Conscript's allowance provides economic security to the spouse and children of persons performing conscript service. Conscripts may be eligible for financial assistance with eg housing costs.

Job alternation compensation

Employees with an employment history of at least 16 years can make arrangements with their employer to go on a job alternation leave. The employer agrees to hire a replacement who is registered as unemployed with the employment office. The employee is entitled to a job alternation compensation.

Basic unemployment security

Unemployed job seekers between 17 and 64 years may be eligible for basic unemployment allowance and labour market subsidy.

The benefits paid in respect of unemployment can also be adjusted to part-time or incidental work. Earnings, income, assets and certain social security benefits all have an effect on labour market subsidies and on basic unemployment allowances alike. The basic rule is that each euro you have in earned income decreases the subsidy due to you by 50 cents.

Unemployment benefits are also available during participation in employment promotion measures such as job training or preparatory

training for working life. Participants in employment promotion measures are eligible for a Maintenance Allowance compensation for expenses. Benefits paid in respect of unemployment can be claimed simultaneously with registration at the employment office.

Basic unemployment allowance can be paid for 3 months while the recipient looks for work in another EU/EEA country.

Travel assistance with out-of-area employment

Travel assistance can be paid to those who take on a full-time job of at least two months' duration outside their commuting area and for whom this causes significant additional expense.

Unemployed persons who find a job outside their commuting area can be paid labour market subsidy towards travel costs for a few months. This is on top of their regular wage.

Retirement

More details in the following benefit guide: Pensions and Retirement

Basic retirement security

Kela provides basic retirement security in the form of national and guarantee pensions. Finnish pension recipients are assured a minimum monthly pension of EUR 746.57. Persons drawing national pension on the basis of early retirement will receive less.

Persons on a small income can also get a housing allowance. National pensions are paid to persons with no or low income from statutory earnings-related pension insurance. They are available as disability pensions, Unemployment Pensions and old-age pensions.

An early old-age pension paid at an actuarially reduced rate is also available.

Kela pays an increase for children under 16 years to recipients of both national and earnings-related pensions.

National pensions are available as old-age pension to recipients aged 65 years and over.

Rehabilitation subsidy – a fixed-term benefit – is a disability pension aimed at promoting return to work. It is paid at the same rate as the regular disability pension.

Guarantee pensions

Kela will pay a guarantee pension to retirees whose total pension income before taxes is less than EUR 739,81 per month.

National pension recipients with no earnings-related pension will receive a guarantee pension of EUR 109.94 per month (if living alone) or EUR 181.88 (if living together). Persons drawing national pension on the basis of early retirement will receive less.

Persons who have immigrated to Finland and lived here for at least 3 years are entitled to a guarantee pension if they are 65 years or older or 16 years and are disabled within the meaning of the National Pensions Act.

Front-veterans' supplements

Kela pays the men and women who served in Finnish wars tax-free front-veterans' supplements.

Survivors' pensions for surviving spouses and children

Kela pays survivors' pensions under the National Pensions Act to surviving spouses and children living in Finland. They are available as spouse's pension for surviving spouses under 65 years and as orphan's pension for children under 18. Children who attend school can be paid orphan's pension between ages 18 and 20. The spouse's pension available from Kela is in most respects the same as the national pension, but its amount depends not only on the surviving spouse's other pensions but also on other income and assets.