



HWC – Sick leave compensation in Ukraine

- March 2021 -



Introduction

The Ukrainian law stipulates that temporary disability benefits (sick leave compensation) granted on the basis of the original certificate of incapacity for work. To receive such certificate an employee shall apply to health care facilities.

To receive sick leave compensation, an employee shall submit a sick leave certificate to the employer.

However, if, in addition to the main place of work, the person, who works part-time, can get a compensation from other places of work.

In this case, payments will be made based on a copy of the certificate of incapacity for work that shall be certified by the head of the company main employer and based on a certificate of average salary from the main place of work.



AMOUNT OF COMPENSATION

Sick leave compensation depends on the total worked period of the employee.

Amounts of compensations during the sick leave (assistance due to temporary disability):

- 50% - from the amount of average daily salary for the employees, worked in total under three years;
- 60% - from the amount of average daily salary for the employees, worked in total from three to five years;
- 70% - from the amount of average daily salary for the employees, worked in total from five to eight years;
- 100% - from the amount of average daily salary for the employees, worked in total more than eight years.

Please note

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- ❑ *The amount to be paid for sick leave compensation is calculated based on the amount of average daily salary for the last 12 months.*
 - ❑ *If an employee worked less than 12 months, the sick leave compensation will be calculated due to the average daily salary for the factually worked full months.*
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ACCRUAL OF SICK LEAVE COMPENSATION

Key points for the accrual of sick leave compensation:

- calendar days are compensated (not only working days) including holidays and non-working days;
- the first 5 calendar days of the sick leave are compensated by the company;
- the following days starting from the 6-th calendar day of the sick leave are paid by the Social Insurance Fund (unless a sick leave is issued due to the child's illness) (up to 14 calendar days), and sick leave issued for maternity leave (generally issued once for 126 calendar days);
- the compensation for the sick leave is paid not depending on the termination of the employee. Which means that if the employee was dismissed during the sick leave, he/she shall receive compensation also for the days after the dismissal



LIST OF EXCLUSIONS

The right to receive the compensation for sick leave in the amount of 100% regardless of length of work have:

- employees belonging to 1 - 3 categories of persons affected by the Chernobyl disaster;
- single parent (surrogate) caring for a sick child under the age of 14 affected by the Chernobyl disaster;
- war veterans;
- individuals classified as victims of Nazi persecution;
- donors who are entitled to benefits in accordance with current legislation.

List of exemptions, when sick leave compensation is not paid:

- in case the insured person receives injuries or illnesses when committing a crime;
- in the case of intentional harm to their health in order to evade work or other responsibilities or simulate illness;
- during the time of arrest and during the forensic examination;
- during the compulsory treatment prescribed by a court decision;
- in case of temporary incapacity for work due to illness or injury caused by alcohol, drugs, toxic intoxication or actions related to such intoxication;
- for the period of stay of the insured person on unpaid leave, creative leave, additional leave in connection with studies.



CASE OF ORDINARY SICK LEAVE COMPENSATION

Case description

- The employee was on a sick leave from 10.02.2021 to 20.02.2021.
- During the calculation period (February 2020 - January 2021) the employee received salary in the amount of 120,000 UAH.
- The employee has 4 years and 11 months of official employment/insurance record and the percentage of sick pay is 60% from salary amount.
- There were no days not worked for grounded reasons during the calculation period.

Calculation algorithm

1. Determine the average daily salary: $120\,000 \text{ UAH} / 366 \text{ calendar days} = 327.87 \text{ UAH}$.
2. Determine the amount of sick leave compensation at the expense of the employer: $327.87 \text{ UAH} \times 5 \text{ days} \times 60\% = 983.61 \text{ UAH}$.
3. Calculate the amount of sick leave at the expense of the Social Insurance Fund of Ukraine: $327.87 \text{ UAH} \times 6 \text{ working days} \times 60\% = 1,180.33 \text{ UAH}$.

Therefore, the total amount of assistance will be: $983.61 \text{ UAH} + 1,180.33 \text{ UAH} = 2,163.94 \text{ UAH}$.

CASE OF SICK LEAVE CALCULATION FOR THE EMPLOYEE WORKED FOR LESS THAN 12 MONTHS

Case description:

- Employee, who was hired on September 11, 2020, was hospitalized to care for a sick child under 14 years old from February 02, 2021 to February 14, 2021 (13 working days).
- During the calculation period, the employee received 40,000 UAH of the salary.
- The official employment/insurance period of the employee is 8 years and 2 months, so the sick leave will be paid 100%.
- There were no days not worked for grounded reasons in the calculation period.
- The calculating period will be October 2020 - January 2021.

Please note

If the insured person has been employed for less than 12 calendar months at the last main place of work, the calculation period is calculated by the actually worked calendar months (from 1 to 1 day of the month) - paragraph 26 of the Procedure "On calculating the average salary (income, cash) for calculation payments under the obligatory state social insurance", approved by the resolution of the Cabinet of Ministers of September 26, 2001 № 1266.



CASE OF SICK LEAVE CALCULATION FOR THE EMPLOYEE WORKED FOR LESS THAN 12 MONTHS

Calculation algorithm

1. The number of calendar days in the calculation period is:
 $31 \text{ calendar days} + 30 \text{ calendar days} + 31 \text{ calendar days} + 31 \text{ calendar days} = 123 \text{ calendar days}.$
2. Determine the average daily salary:
 $40\,000 \text{ UAH} / 123 \text{ calendar days} = 325.20 \text{ UAH}.$
3. Calculate the amount of sick leave compensation:
 $325.20 \text{ UAH} \times 13 \text{ working days} \times 100\% = 4227.60 \text{ UAH}.$

Please note


Temporary incapacity benefit for the care of a sick child under 14 years old is paid to the insured person from the first day at the expense of the Fund for the period during which the child according to the doctor's opinion needs care, but not more than during 14 working days. (Part 3 of Article 22 of the Law of Ukraine "On Compulsory State Social Insurance" dated September 23, 1999 № 1105-XIV).



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