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SOSYAL HİZMETLER BAKANLIĞI



REPUBLIC OF TURKEY SOCIAL SECURITY INSTITUTION

Organizational Profile & Social Security System in Turkey

Ankara, 2020



**REPUBLIC OF TURKEY
SOCIAL SECURITY INSTITUTION**

**Organizational Profile
&
An Overview of the Social Security System in Turkey**



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This booklet contains information on the legislations, which put into force after the social security reform in 2008.
Therefore, transitional legislations are not included regarding acquired rights on old-age pension for insured persons who entered social insurance system before the reform.

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Headquarter



Foreword

Guaranteeing social security rights of individuals is a principle of being social state. Sustainable social security system, which uses social sources efficiently and based on social state understanding, is a very important tool and it ensures the society to expect a better and secure future.

In this regard, the social security reform has become a very important revolution in order to establish a sustainable system, which finances equitable and high quality healthcare service provision for all of the population. Organizational structure of the Social Security Institution (Sosyal Güvenlik Kurumu - SGK), which was founded by the reform a decade ago, has become functional in a very short time and central and provincial organization has been established that provides social security services of equal quality to all individuals in the country. Furthermore, several complicated and unequal legislations that were different from each other in insurance types of employees were combined by the enactment of the Law No 5510 on Social Insurances and Universal Health Insurance and the preparations for secondary legislations were completed. Capacity of technical infrastructure was increased and accordingly the bureaucracy has been decreased with the citizen-oriented service approach. Owing to these developments, speed and quality of social security services have been increased substantially.

SGK together with its enhanced information technologies and local units, Social Security Provincial Directorates and Social Security Centres in all of the 81 provinces, deliver services covering almost all citizens and foreigners in Turkey. Moreover, SGK has concluded bilateral social security agreements with 30 countries and it is continuing to expand its service network.

SGK, in near future, aims to maintain a social security system, which covers all of the population, financially sustainable, combatting unregistered employment effectively and all of the citizens are satisfied with services provided.

This booklet has been prepared in order to give overall information and introduction on organizational structure of SGK, social rights, responsibilities of the persons under the social insurances and universal health insurance programs. Additionally, it explains some of the featured developments and projects realized during the reform period in Turkey. Lastly, I would like to thank to all of my colleagues who contributed and devotedly worked in the preparation of this introductory booklet.

Dr. Muhiddin ŞAHİN
Director of Strategy Development
SOCIAL SECURITY INSTITUTION

Mission

To provide sustainable social security service in trustworthy, qualified and innovative perspective with securing the society against the changing social security needs and risks.

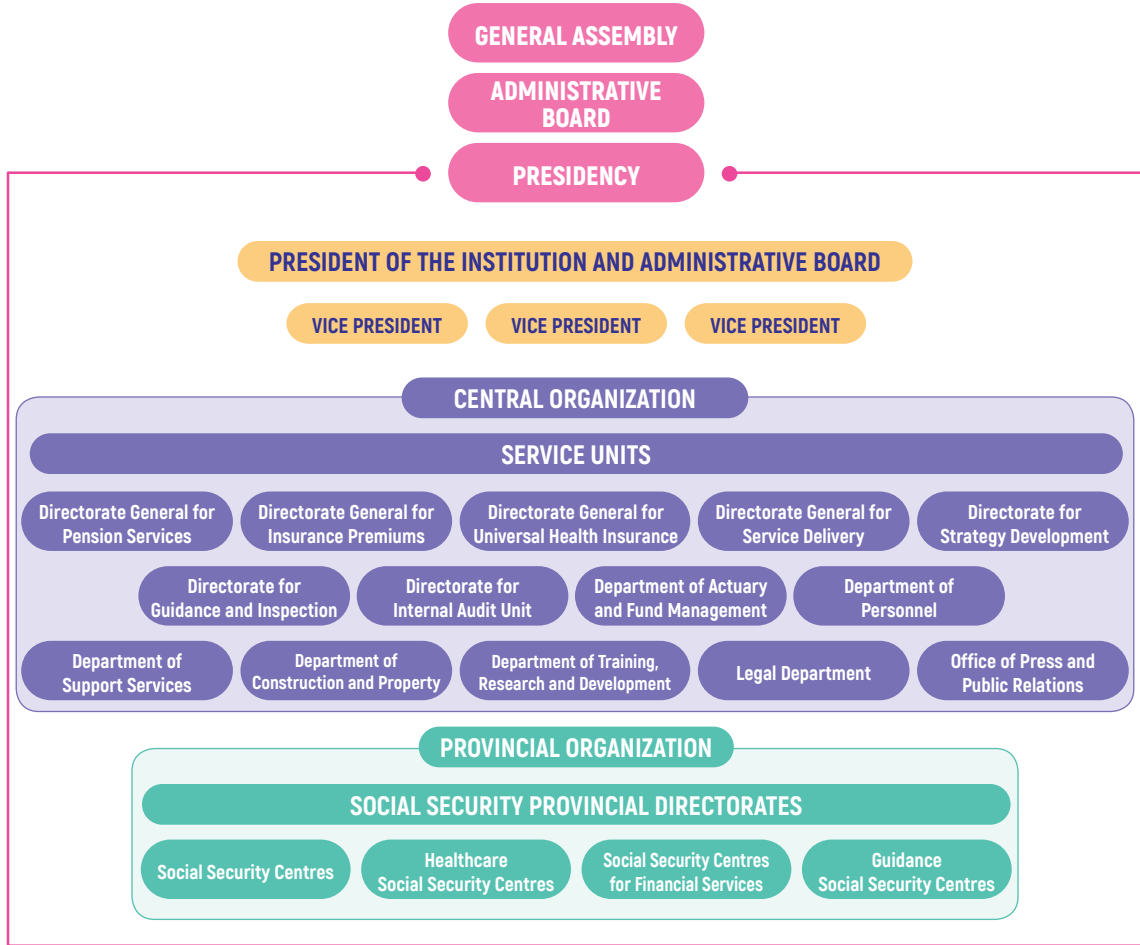
Vision

To be a powerful, reputable and pace-setter Institution in the world which provides qualified service to the society with innovative and human oriented perspective and has ensured its sustainability.

Principles and Values

- Human-oriented
- Qualified service
- Innovative
- Continuous progress
- Transparency
- Accessibility
- Trustworthy
- Solution-oriented
- Justice
- Sustainability

Organizational Chart



Directorate General for Pensions Services & Directorate General for Insurance Premiums



I. LEGAL FRAMEWORK OF THE SOCIAL SECURITY SYSTEM

1. Social Security in General

Social security emerged in the wake of intense industrialization trends and movements at the beginning of the 19th century in the world.

As a term, various meanings for the social security have been derived in line with the economic, social and political trends during the course of its evolution. Its widely accepted definition is that it is a system enabling people to secure their today and future in economic sense. Today, it is more recognized if a social security system includes all individuals in the society and aims to provide a life in conformity with human dignity.

The scientific definition of social security includes the term of risk. Accordingly, social security can be defined as a system that provides subsistence and necessities for decent life for the people who are deprived of their incomes permanently or temporarily due to professional, physiological or socio-economic risks. Professional risks are work accidents and occupational diseases that are

directly related to the work or profession.

Physiological risks are the situations like sickness, maternity, invalidity, old-age and death that occur in the human body and they are not necessarily directly related with the professional risks. On the other hand, incidents such as unemployment, marriage, childbearing that occur within the societal and family life are considered as socio-economic risks.

Social security mainly consists of social insurance, social assistance and social service in general. The implementations of these three methods are usually combined. Social insurance is based on the principle of participating to the system through paying contributions. On the contrary, finance of social assistance and social service are provided by the state budget from the general taxation and by non-governmental organizations in general without any direct contributions of the receiving person. Benefitting is stipulated upon neediness. While cash benefits are common in social assistances schemes, benefits in-kind are more common in social services.

Considering these characteristics social insurance is called the “contributory system”, whereas social assistance and services are called the “non-contributory system”.

In Turkey, on one hand, apart from the unemployment insurance, all other social insurance branches are administered by the Social Security Institution and unemployment insurance administered by the Turkish Employment Agency. On the other hand, social assistance and social services are administered by the relevant directorate generals of the Ministry of Family, Labour and Social Services.

2. National Legislation on Social Security

The social security right is directly stipulated by the Constitution. According to Article 60 of the Constitution of the Republic of Turkey, “Everyone has the right to social security. The State shall take the necessary measures and establish the organization for the provisions of social security”.

Article 56 of the Constitution states that the State should regulate central planning and functioning

of the health services. It also empowers the State to establish a universal health insurance system in order to ensure widespread healthcare services.

Before the social security reform in 2006, there were three main institutions which had carried out social insurances based on the contribution system constituting the basis of the social security system;



1964-2006

- The Social Insurances Institution (Sosyal Sigortalar Kurumu/SSK) provided social security for employed persons working under employment contract including agricultural sector.



1972-2006

- The Self-employed Pension Fund (Esnaf ve Sanatkarlar ve Diğer Bağımsız Çalışanlar

Sosyal Sigortalar Kurumu/Bağ-Kur) provided social security for self-employed persons and the ones who work for own account such as traders, artisans and other persons working independently including agricultural sector.



1949-2006

- The Pension Fund (Emekli Sandığı/ES) was designed to provide social security services to civil servants including army and police department. The Fund did undertake additional duties regarding some non-contributory payments such as granting pensions to war veterans and persons who were injured in military service, as well as to indigent elderly people and disabled persons.



Following the reform, these three different organizations were merged into one organization

under the name of Sosyal Güvenlik Kurumu (SGK) / Social Security Institution in 2006.

Together with organizational merging, the reform has brought about a new single pension system for all working groups by transforming five different pension regimes for different groups (civil servants, individuals working under an employment contract, individuals working under an employment contract in the agricultural sector, individuals working as self-employed and individuals working as self-employed in the agricultural sector) into one single regime. While, former regimes were unequal, fragmented and complicated, the new system provides more equal social insurance standards as well as health insurance system for all population.

The new social security regime is regulated under the Social Insurances and Universal Health Insurance Law No 5510 that came into force on 1 October 2008. This law stipulates personal and material coverage of social insurances and universal health insurance and it defines pension and benefit conditions and financing methods of the system. The overall statutory social security system is formalized and generated by this Law.

In practice, in terms of financing of benefits and pensions, the Turkish Social Security System runs on a 'pay as you go' (PAYG) basis, with economically active persons contributing to the system in order to fund pensioners, dependants and other beneficiaries. Additionally, with regard to the pension provision, it is based on defined benefit model.

3. International Relations as regards the Social Security

Turkey is a member of the International Labour Organization (ILO) as regards the social security field and a party to the relevant conventions of this Organization and European Social Charter and that of the Council of Europe (CoE). Accordingly, SGK fulfils its reporting obligations on social security in Turkey to ILO in specific periods and also contributes to the Mutual Information System on Social Protection of the CoE (MISSCEO) database tables by updating relevant information on Turkish Social Security System every year.

SGK is an affiliate member of the International Social Security Association (ISSA), which is the

most important international organization on social security in the world. SGK does its best to actively participate and follow-up the ISSA's programmes and initiatives. SGK has participated many times to the "ISSA Good Practice Award" in social security field organized by ISSA and earned several honourable mentions, certificates of excellence and other awards.

Turkey is a candidate country of European Union (EU) and accession negotiations are still being carried out. Social security field is directly relevant under the accession negotiations Chapter 2: Free Movement of Workers and the Chapter 19: Social Policy and Employment. In this regard, SGK implemented "Technical Assistance Project for Capacity Building of the Social Security Institution" financed by the EU aiming at building capacity concerning EU policies and exercises in the scope of the Chapter 2 in 2010 and 2011.

Furthermore, SGK also successfully completed other EU projects such as; "Promoting Registered Employment through Innovative Measures-KITUP I" project between the years 2010-2012, "Promoting Registered Employment through Better Guidance

and Inspection KITUP II" project between the years 2014-2017 and "Supporting Registered Employment of Women through Home-Based Childcare Services" between the years 2015-2017. With the currently continuing projects, SGK has implemented projects with nearly 150 million Euros in total budget.

Finally, Turkey has signed Social Security Agreements with 30 countries in order to protect accumulated social security rights of Turkish citizens living abroad. The list of the countries that have bilateral Social Security Agreements with Turkey can be found in the Table 1. The negotiations with several countries are being carried out for future agreements.

II. ORGANIZATIONAL PROFILE OF THE SOCIAL SECURITY INSTITUTION

1. Organizational Structure

SGK is an affiliated organization of the Ministry of Family, Labour and Social Services. It is a public body with autonomy in administrative and financial terms and it is the only State organization in charge of social insurances and universal health

Table 1: Social Security Agreement Countries and Years of Signature*

1	1959 - United Kingdom	16	1998 - Azerbaijan
2	1964 - Germany	17	1998 - Georgia
3	1966 - Netherland	18	1999 - Romania
4	1966 - Belgium	19	2000 - Quebec
5	1966 - Austria	20	2003 - Bosnia-Herzegovina
6	1969 - Switzerland	21	2003 - Czech Republic
7	1972 - France	22	2003 - Luxembourg
8	1976 - Denmark	23	2006 - Croatia
9	1976 - Libya	24	2007 - Slovakia
10	1978 - Sweden	25	2009 - Serbia
11	1978 - Norway	26	2012 - Italy
12	1987 - TR of Northern Cyprus	27	2012 - Korea
13	1998 - Canada	28	2012 - Montenegro
14	1998 - Macedonia	29	2013 - Tunisia
15	1998 - Albania	30	2015 - Hungary

*As of June 2020

insurance in Turkey. It is centrally run from the capital city, Ankara.

The main purpose of the SGK is 'to ensure an efficient, fair, accessible as well as sustainable social security system based on the fundamental social insurance principles'.

SGK comprises of the following main bodies:

- a) General Assembly
- b) Administrative Board
- c) Presidency

General Assembly has a wide composition and includes representatives from different Ministries, from employer organisations, trade unions, professional organisations, academics and from the SGK itself. It meets ordinarily once every three years. The Assembly issues opinions and recommendations on social security policies and their implementations. It also serves as a platform for organizing elections to elect the members of the Administrative Board who are representing the social partners.

Administrative Board is the highest decision-making body and the highest authority of the SGK and it is composed of 12 members. 6 members are appointed by the State. Among them, 1 member represents the Ministry of Family, Labour and Social Services, 2 members represent the Ministry of Treasury and Finance. 3 members represent the SGK itself and they are the president and 2 of the vice presidents. The other 6 members are elected

for a 3-year period by the relevant social partners in General Assembly. They represent respectively employees, employers, civil servants, pensioners, self-employed persons in agricultural sector and self-employed persons out of agricultural sector with 1 member for each.

The Administrative Board is chaired by the President of SGK and meets at least once a week. The main responsibilities of the Board include among others deciding and managing the SGK budget including internal transfers between sections and items. It also decides on the establishment of departments and social security centers at central and local level respectively. Additionally, the Board is responsible for concluding regulations to be issued by the SGK.

The Presidency of SGK consists of central and provincial organization. At central level, there are several service units that cover social security premiums, pension payments, universal health insurance, electronic and information technologies infrastructure and other managerial issues. At local level, there are Social Security Provincial Directorates for each county of Turkey and Social Security Centres in cities/districts as

service offices of these Directorates in order to ensure more localized service delivery.

The “Organizational Chart” can be seen on Chart 1, which has been presented on page IX.

2. Central Organization

The central organization is composed of 13 units including Directorate Generals (DG), Directorates and Departments. All of these units have to report either to the Vice Presidents or directly to the President of the SGK. The list of the units are given in the Table 2.

a) Directorate General for Pension Services

Directorate General for Pension Services carries out the relevant duties for registration and keeping the insurance records of insured persons (employed, self-employed and civil servants) under social insurance branches. It is entrusted with providing social insurance benefits and granting pensions to pensioners and survivors. This Directorate General is also in charge of negotiating, concluding and implementing social security agreements with foreign countries.

Table 2: Service Units of Social Security Institution

a	Directorate General for Pension Services
b	Directorate General for Insurance Premiums
c	Directorate General for Universal Health Insurance
d	Directorate General for Service Delivery
e	Directorate for Strategy Development
f	Directorate for Guidance and Inspection
g	Directorate for Internal Audit Unit
h	Department of Actuary and Fund Management
i	Department of Personnel
j	Department of Support Services
k	Department of Construction and Property
l	Department of Training, Research and Development
m	Legal Department
n	Office of Press and Public Relations

b) Directorate General for Insurance Premiums

Directorate General for Insurance Premiums is entrusted with all the tasks that concern collecting contributions and other claims related to social insurance and universal health insurance contributions and it also deals with all employer related issues. It takes necessary measures to tackle with unregistered employment.



Additionally, it is responsible for registrations of insured persons under the universal health insurance.

c) Directorate General for Universal Health Insurance

Directorate General for Universal Health Insurance administers the universal health insurance implementations including reimbursements, benefit package, pricing for healthcare services and concluding contracts with healthcare service providers etc. It also disseminates information on

health insurance rights and obligations of insured persons, employers and healthcare providers. Moreover, it contributes to the determination and execution of the personal preventive healthcare policies in coordination with the relevant public organizations.

d) Directorate General for Service Delivery

Directorate General for Service Delivery ensures smooth provision of services of the Institution to the citizens and other users such as hospitals,

pharmacies, companies and organizations without interruption. It manages the information technology systems of SGK together with necessary software and hardware infrastructures. Additionally, it has to plan and execute opening and closure of the local service units.

e) Directorate for Strategy Development

Directorate for Strategy Development plans and makes the budget and manages the financial services of SGK and carries out the necessary tasks stipulated for the financial services units of the public organizations by the Public Finance Management and Control Law. It also carries out the necessary studies in connection with the national development plan, national strategies and policies and the annual programme. Furthermore, the directorate is responsible for handling foreign relations of the Institution and implementing and coordinating of internationally funded projects.

f) Directorate for Guidance and Inspection

Directorate for Guidance and Inspection follows up

inspection activities to prevent irregularities in the implementation of social insurances and universal health insurance with highlighting guidance approach. It performs necessary investigations on insured persons, employers and healthcare service providers in order to prevent misuse and abuse in social security practices. Additionally, it combats with unregistered employment through regular inspections of companies based on sectorial analyses.

g) Directorate for Internal Audit Unit

Directorate for Internal Audit Unit aims at improvement of SGK services by undertaking evaluations whether the sources of SGK are managed and consumed on the basis of economic efficiency and productivity. Accordingly, it performs audits throughout the Institution by following international standards in order to give advice and recommendations to the Presidency of SGK.

h) Department of Actuary and Fund Management

Department of Actuary and Fund Management is

in charge of the cash and other assets of the SGK by means of financial tools. Additionally, it carries out short, medium and long-term projections in line with the actuarial principles by taking into consideration the population and financial aspects of the system.

i) Department of Personnel

Department of Personnel carries out necessary evaluations and gives suggestions regarding the human resources policies and planning of the Institution. It also manages the personnel services such as appointments, transfers, registries, promotions, wages, retirement etc.

j) Department of Support Services

Department of Support Services carries out daily maintenance of the facilities and takes care of the working environment of the staff. It keeps inventory stock of the movables and it also executes selling, purchasing, leasing and repairing of movable properties if needed. Furthermore, it is in charge of public procurement processes of SGK.

k) Department of Construction and Property

Department of Construction and Property deals with the construction works and properties of the Institution. It also handles any kind of selling, leasing, constructing and maintenance of the immovable properties of SGK.

l) Department of Training, Research and Development

Department of Training, Research and Development conducts researches, trainings, examinations, publications and consultancy activities regarding social insurances and health insurance at national and international level. It is responsible for preparation, implementation and evaluation of training programmes of the staff. Moreover, this department also organizes seminars, workshops and conferences on social security issues.

m) Legal Department

Legal Department prepares and provides necessary legal documents for the Institution to operate in accordance with the legislations,

plans and programmes. It gives legal opinions and advices on draft laws, by-laws, regulations, other legislations and contracts prepared by the other units in the interest of the Institution. Moreover, this department represents the SGK with lawyers in court cases in which SGK is a party.

n) Office of Press and Public Relations

Office of Press and Public Relations organizes activities related with the media and public relations. It takes necessary measures in order to finalize the citizens' applications and queries made to the Institution in accordance with the Law on the Right to Information that guarantees obtaining information from a public organization in an effective, rapid and accurate manner.

3. Provincial Organization

Provincial organization consists of one Social Security Provincial Directorate for each of the counties totalling 81 in Turkey at local level. Additionally, in order to ensure more localized service delivery, social security centres are

established under the provincial directorates.

Social security centres are the local service points which provide first step services directly to the citizens. There are 558 social security centres in total currently providing services throughout Turkey in 2020. The number of these centres may be changed by the Administrative Board of SGK, if it is necessary, according to the number of the population, insured persons, employers, businesses and geographical location of the places. They are aimed to be citizen oriented, user friendly and easily accessible.

These social security centres are classified into four categories specializing on different areas with regard to administrative transactions, procedures and type of the services.

- a) Social Security Centres deal with social insurance services, registrations and providing benefits,
- b) Healthcare Social Security Centres mainly deal with healthcare service providers, pharmacies, opticians, medical device suppliers and ensure smooth implementation of covered healthcare

benefits and reimbursements,

- c) Social Security Centres for Financial Services follow-up financial issues,
- d) Guidance Social Security Centres provide information and guidance.

SGK has more than 33.000 staff members working in both central and provincial organizations. The

Table 3: Numbers of Provincial Organization *	
Social Security Provincial Directorates	81
Total of Social Security Centres	558
-Social Security Centre (Insurance)	412
-Healthcare Social Security Centre	36
-Social Security Centre for Financial Services	82
-Guidance Social Security Centre	28

*As of June 2020

principle is that the main legislative tasks are performed by the civil servants, however, there are also other employees working under employment contract numbering about 7.000 (See Table 4). Salaries of the staff members are covered by the SGK budget under administrative expenditures

Table 4: Number of Staff *			
Organization	Civil Servants	Other Employees	Total
Central Organization	3.598	1.376	4.974
Provincial Organization	22.267	5.528	27.795
Total	25.865	6.904	32.769

*As of June 2020



III. SOCIAL INSURANCE SYSTEM

Social insurances are classified in two groups as short-term and long-term in Turkish system. On one hand, short-term refers insurance coverage of the risks, which can be faced in the short run. Accordingly, the benefits under these insurances such as accident at work, occupational diseases, sickness and maternity insurances are usually paid for shorter periods.

On the other hand, long-term insurance branches cover the risks, which can usually occur in the long run and the benefits provided under these insurances such as invalidity, old-age and survivor's insurances are mainly paid for long durations.

Before giving the details of conditions and benefits of the short and long-term insurance branches, personal coverage and contribution related information are explained below.

1. Personal Coverage of Social Insurance System

As the only organization in charge of social insurances, SGK provides services to all working groups such as employed persons, self-employed

persons and civil servants. Social insurance coverage is directly related with employment status. In this respect, personal coverage for compulsory social insurance differs than the personal coverage for universal health insurance, which also covers non-working persons, as explained in the relevant section.

Persons Covered by Compulsory Social Insurance System

The following persons are compulsorily covered by the social insurances including short-term and long-term insurances;

- a) Persons who are employed by one or more employer(s) by means of an employment contract including agricultural sector and domestic workers.
- b) Self-employed persons as described below and muhtars (village and neighbourhood headmen),
 - Persons who are income tax payers due to commercial earnings or self-employment income,

- Persons who are exempt from income tax and are registered as trader, craftsman or artisan,
- Persons who are partners of joint-stock companies and members of the board of directors of that company simultaneously,
- Persons who are active partners of commandite companies of which capitals are divided into shares and all partners of other companies and maritime joint-adventures,
- Persons who are working in the agricultural sector as self-employed.

- c) Civil servants who are employed in the public agencies/organizations (including police and military personnel).

Persons not Covered by Compulsory Social Insurance System

Certain individuals remain outside of the scope of the short-term and long-term insurances;

- a) Spouse of an employer who works unpaid at the employer's establishment,
- b) Individuals and their relatives to the third degree who are living in the same residence and who are working in the works carried out in the household in cases when nobody involved in the work from outside of the household,

Table 5: Social Security Coverage and Change in Active/Passive Ratio (Support Ratio)						
Years	2014	2015	2016	2017	2018	2019
Active Insured Persons	19.821.822	20.773.227	21.131.838	22.280.463	22.072.840	22.000.964
Passive Insured Persons (Pensioners)	10.921.001	11.384.263	11.755.203	12.154.140	12.613.151	12.977.719
Dependants	33.940.086	34.202.660	34.933.242	35.522.389	35.096.530	35.305.977
Active/Passive Ratio	1,91	1,94	1,94	1,95	1,86	1,80
Social Security Coverage	65.060.709	66.748.204	86.212.484	70.363.848	70.196.504	70.704.680

- c) Individuals who are fulfilling their military service as soldiers and the military students at officer candidate schools,
- d) Without prejudice to the provisions of international social security agreements; employed persons who are working and insured in a foreign country and sent to Turkey for not more than three months by the company established in a foreign country,
- e) Without prejudice to the provisions of international social security agreements; self-employed persons who reside and are insured in a foreign country and work in Turkey,
- f) Students who study at occupational schools and work in manufacturing and production during practical training in the higher education,
- g) 'Patients' or 'disabled' individuals in work training or rehabilitation by healthcare service providers,
- h) Workers in agricultural sector working under temporary employment contract are not covered. Notwithstanding, if they opt for, coverage is possible on the condition that they pay their contributions themselves.
- i) Self-employed persons working in agricultural sector who earn monthly average income (after deduction of the costs) which is less than national minimum wage from agriculture activities and the ones who are over the age of 65 and working in agricultural sector as self-employed irrespective of their income,
- j) Self-employed persons who are exempted from income tax and registered as traders and artisans who earn monthly average income (after deduction of the professional costs) which is less than national minimum wage,
- k) Turkish nationals who are employed abroad at representative offices of the State who have a permanent residence or citizenship in that country and who are insured in that country.
- l) Persons who temporarily work for any kind of youth and sport activities and for relevant preparation, camping and training activities organised by the Ministry of Youth and Sport, Turkish Football Federation and other independent sport federations,
- m) Pensioners who are working as self-employed.

2. Contribution Rates and State Subsidy

The SGK collects contributions for the short and long-term insurances and the universal health insurance and insured persons pay contributions in order to compensate pensions, benefits, healthcare expenditures as well as management expenses. Contributions are paid as shares by the employed persons, civil servants, employers, self-employed persons, voluntarily insured persons, persons covered under the universal health insurance and the State as employer at certain rates based on the earnings subject to contribution.

Insurance contribution rates and shares for different working groups are as follows;

- a) Contributions for invalidity, old-age and survivor's insurances are calculated together as long-term insurances and the rate is 20% of the earnings subject to contribution of the insured person. 9% is employee share and 11% is employer share.
- b) Contributions for accident at work, occupational disease, sickness and maternity insurances are calculated together as short-term insurances and the rate is 2% of the earnings subject to contribution of the insured person. Whole of this contribution is paid by employer and there is no employee's share.
- c) For universal health insurance contributions, there are mainly two different rates exist. One of them is 12,5% of the earning subject to contribution for the persons who are economically active and insured under the social insurances as well as under the universal health insurances at the same time. In case of employed persons and civil servants; 5% of this rate is employee share and 7,5% is employer share.

The other universal health insurance contribution rate is 12% for voluntarily insured persons and for the persons who are covered only by universal health insurance but not by social insurances. More detailed explanations on latter groups and other universal health insurance contribution rates are given in the

section of "Contribution Rates for the Universal Health Insurance and State Subsidy".

- d) Unemployment insurance contribution rate is 4% in total. 2% of this is employer's share, 1% is employee's share and 1% is paid by the State as contribution support. Unemployment insurance is regulated and implemented by Turkish Employment Agency (İŞKUR) in Turkey and the SGK has no competency and responsibility over it. However, unemployment contributions are collected together with other contributions by the SGK and they are transferred to the Unemployment Fund.

Furthermore, the State pays a subsidy amounting to the one fourth of actually collected contributions of invalidity, old-age and survivor's insurances and universal health insurance by SGK in the current month. This exercise is a result of the new approach came along with the social security reform accomplished a decade ago. It shows that, the financial structure of the new system is based on the support of three parties that are the State, employers and employees.

3. Earnings Subject to Contribution

Social insurance contributions are collected over earnings subject to contribution. The social insurance law defines the minimum and maximum limits for daily earnings subject to contributions. Therefore, declared daily/monthly earnings should be within these limits. The minimum daily earning is one thirtieth of the national monthly minimum wage, which is reviewed and declared annually by the State. The maximum daily earning is 7,5 times of the amount of minimum daily earning. The national gross monthly minimum wage is 2.943,40₺ for the year of 2020.

In the calculation of the earnings subject to contribution for the employed persons the total of the following elements are taken into consideration;

- a) Deserved wages of employee,
- b) Bonuses, incentives and other similar payments paid to employee,
- c) Contributions of private health insurance and private pension schemes, which are over 30% of national monthly minimum wage paid by employer on behalf of employee,

Table 6: Contribution Rates for Economically Active Groups, Voluntary Insurance and State Subsidy

INSURANCE BRANCHES		Groups	Percentage of the earnings subject to contributions			
			Employee's share	Employer's share*	Total	State share
			Self-employed share*			
Short-term Insurances	Work Accident Occupational Diseases, Sickness, Maternity	Employed	-	2 %	2 %	-
		Self-employed	(No sickness) 2 %			-
		Civil Servants	Special scheme			-
		Voluntary	Out of coverage			-
Long-term Insurances	Invalidity, Old-Age, Survivors'	Employed	9 %	11 % *	20 %	-
		Civil Servants	9 %	11 %		-
		Self-employed	20 % *			-
		Voluntary	20 %			-
Universal Health Insurance		Employed	5 %	7,5 %	12,5 %	-
		Civil Servants	5 %	7,5 %		-
		Self-employed	12,5 %		-	
		Voluntary	12 %		12 %	-
Unemployment / Bankruptcy Insurance		Employed	1 %	2 %	4 %	1 %
		Civil Servants	Out of Coverage			-
		Self-employed	(will begin as of 2021) 2 %		3 %	1 %
		Voluntary	Non applicable			-
TOTAL CONTRIBUTION		Employed	15 %	22,5 % *	38,5 %	1 %
		Civil Servants	14 %	18,5 %	32,5 %	-
		Self-employed	34,5 % * (without bankruptcy)		34,5 %	-
		Voluntary	32 %		32 %	-

STATE SUBSIDY to SGK BUDGET

A subsidy is paid to SGK by the State amounting to 1/4 of actually collected total contributions of long-term insurances and universal health insurance by SGK in the relevant month.

* INCENTIVE

If the employer (and self-employed person) pays contributions regularly without interruption and has no outstanding debt to SGK, 5 points of employer's (and self-employed person's) share of contribution is paid by the State as an incentive. This constitutes a reduction on the total contribution burden. Other incentives exist for specific groups and situations.

d) Other similar payments have to be paid to employee due to a decision of official administrations or judicial authorities.

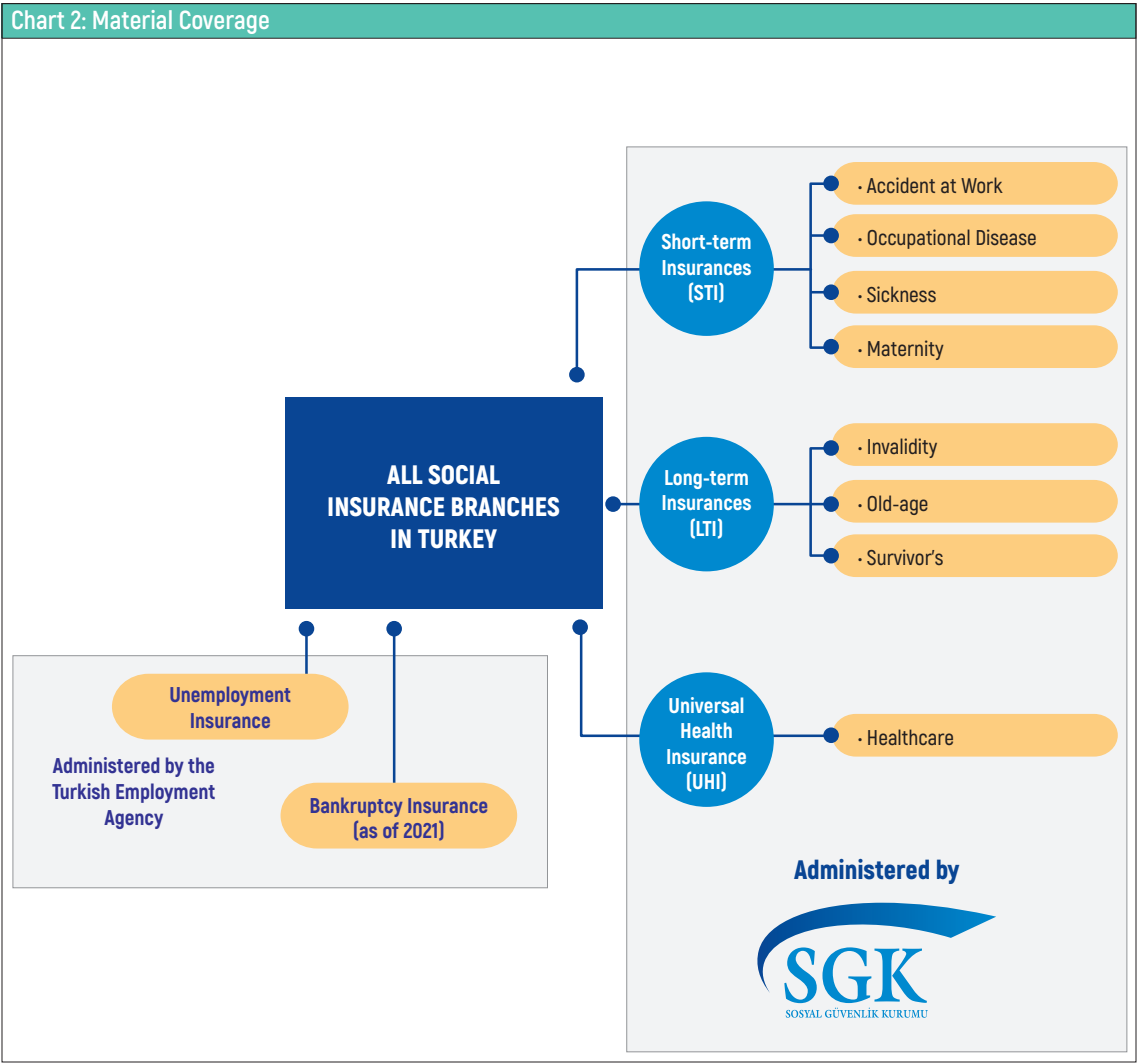
The following elements are not considered as earnings subject to contribution for employed persons; in-kind benefits and funeral, birth and marriage grants, duty travel allowances, mobile duty compensations, severance pay, dismissal pay or lump-sum payment in the nature of severance pay, estimated cost, pay in lieu of notice and reconnaissance payment, private health insurance contribution and private pension

scheme contribution which are less than 30% of national monthly minimum wage, food, child and family benefits that are determined annually by the SGK.

Self-employed persons are free to choose an amount as earnings subject to contributions between the amount of national monthly minimum wage and an amount equal to 7,5 times of the monthly minimum wage. In case self-employed person does not declare the amount of his/her choice, the amount of the national monthly minimum wage is considered as earning subject to contributions.

Table 7: Compensation Rate (Million ₺)

Years	Total Premium Revenues	Total Revenues (Premiums+State Subsidy+Other receipts)	Total Expenditures (Pensions, all cash benefits, health expenditures and others)	Deficit	Compensation Rate of Expenditures by Premium Revenues (%)	Compensation Rate of Expenditures by Total Revenues (%)
2014	135.239	184.329	204.400	-20.072	66,16	90,2
2015	159.480	220.102	231.546	-11.444	68,88	95,1
2016	184.446	255.880	276.535	-20.655	66,70	92,5
2017	208.064	288.560	312.734	-24.174	66,53	92,3
2018	255.619	369.211	384.961	-15.750	66,40	95,9
2019	293.828	424.228	464.172	-39.944	63,30	91,4



Earnings subject to contribution for civil servants are as follows in accordance with the relevant laws;

- a) Monthly payments that are paid on the basis of Salary Grade Indicator and Salary Grade Indicator for Retirement,
- b) Total of basic salary and monthly seniority enhancements,
- c) Position, representation and duty compensations.

4. Short-term Insurance Branches

Cash benefits are provided under short-term insurances in case of incapacity due to accident at work, occupational disease, sickness and maternity. However, medical care and other in-kind benefits are provided under the universal health insurance.

Civil servants are excluded from the short-term insurances and they have a special scheme under the Civil Servant Law which provides more comprehensive rights.

Short-term insurance branches are as follows;

- Accident at work and occupational disease insurances

- Sickness Insurance
- Maternity Insurance

4.1. Accident at Work and Occupational Disease Insurances

Accident at work is the incident which occurs;

- When the insured person is at workplace,
- Because of the work that is carried out in a place other than the workplace on behalf of the employer or on one's own behalf in case of self-employed,
- During the time when no work is actually carried out in case an employee is sent to a place other than the workplace by the employer in order to perform a duty,
- During breast-feeding leave for female employees,
- During travelling to and from the workplace or the place where the work is carried out by a vehicle provided by the employer,

and when these incidents cause immediate or delayed physical or mental disorders on insured person.

The accident at work should be reported;

- By the employer, immediately to the police department or gendarmerie and within maximum three workdays following the accident to the SGK,
- By the self-employed, within three workdays following the date on which his/her discomfort does not hinder to make notification but in no case not later than one month.

Occupational disease refers to the temporary or permanent disease, physical or psychiatric disorder in insured person, caused by a reason reiterated due to the nature of the work or by the working conditions.

Medical Board of SGK determines whether the disorder is developed by occupational disease based on the medical documents prepared by the authorized healthcare service providers. If necessary, an inspection is also carried out at workplace.

The following benefits are provided under the accident at work and occupational disease insurances;

- a) Temporary Incapacity for Work Allowance
- b) Permanent Incapacity for Work Benefit
- c) Survivor's Benefit
- d) Marriage Grant
- e) Funeral Grant

a. Temporary Incapacity for Work Allowance

Temporary incapacity for work allowance is paid to insured persons for each day of incapacity in case of accident at work and occupational disease if justified by a medical report. There is not any other condition such as contribution period etc. for employed persons to be entitled for this allowance.

However, for self-employed persons, there should not be any outstanding debts for social security contributions and the treatment should take place in hospital as in-patient or a medical certificate should be given for rest period to recover outside of the hospital as a continuation of in-patient treatment. In this regard, there is no temporary incapacity allowance paid, if only out-patient treatment is required for recovery of self-employed persons.

The amount of the allowance is $\frac{2}{3}$ of the average daily earning in case of out-patient care and $\frac{1}{2}$ of the average daily earning in case of in-patient care.

The amount of average daily earning is calculated by making the sum of all earnings of the insured person over the last three months prior to the moment of the accident at work occurred or the occupational disease diagnosed and dividing this amount by the number of paid contribution days within that period.

b. Permanent Incapacity for Work Benefit

Permanent incapacity for work benefit is paid to insured persons, if at least 10% degree of loss of earning capacity in profession for insured person is determined by the Medical Board of SGK as a consequence of a work accident or an occupational disease on the basis of medical reports produced by authorised healthcare service providers.

The amount of permanent incapacity for work benefit is calculated based on the degree of loss of earning capacity for the same profession.

In the event of full incapacity for work (100% loss of earning capacity), the permanent incapacity for work benefit corresponds with 70% of insured person's monthly earnings. When the beneficiary is fully incapacitated and in need of permanent care by another person, the benefit corresponds with 100% of the monthly earnings.

In the event of partial incapacity for work (between 10% and 99% loss of earning capacity), first, the full amount of permanent incapacity for work benefit is calculated. Then, the percentage of the loss of earning capacity is applied on the full amount to get the partial incapacity benefit.

In addition to monthly permanent incapacity benefit, the person is entitled to "Bairam Bonus" for religious festivals that take place twice in a year as Eid al-Fitr and Eid al-Adha (In Turkish: Ramazan Bayramı - Kurban Bayramı). The amount of the bonus is fixed at 1000₺ in case of full incapacity. In the event of partial incapacity, the bonus is calculated according to the degree of incapacity of the person and it is paid prior to each of the bairams.

c. Survivor's Benefit

The survivors of the insured person who has died due to accident at work or occupational disease, are entitled to survivor's benefit. The amount of the benefit is 70% of the monthly earning of the deceased person.

In case the death is not occurred immediately following the incident and occurred sometime later while the person is receiving permanent incapacity for work benefit, the amount of the survivor's benefit differs depending on the degree of loss of earning capacity of deceased person.

If the degree of loss of earning capacity of the deceased person is 50% or more, the full amount of the survivor's benefit corresponds with 70% of the monthly earning of the deceased person, without considering whether the death is connected with work injury or occupational disease or not.

If the degree of loss of earning capacity of the deceased person is less than 50%, there are two ways of defining amount of survivor's benefit;

- First, in case the death is connected with accident at work or occupational disease,

the full amount of the survivor's benefit corresponds with 70% of the monthly earning of the deceased person.

- Second, in case the death is not connected with accident at work or occupational disease, the full amount of the survivor's benefit corresponds with the amount of permanent incapacity benefit which the deceased person was receiving.

The full amount of survivor's benefit is distributed among the survivors depending on the percentage of their shares that are explained in Survivor's Pension section.

For survivors of self-employed person, in order to receive benefit, it is obligatory that the entire contribution and any kind of related debts including the universal health insurance contributions are paid to SGK.

In addition to monthly benefit, survivors are entitled to "Bairam Bonus" of 1000₺ for religious festivals that take place twice in a year as Eid al-Fitr and Eid al-Adha (In Turkish: Ramazan Bayramı - Kurban Bayramı). The bonus is distributed among the

survivors according to the shares proportionally and it is paid prior to each of the bairams.

On the other hand, if the deceased person also have sufficient contribution record and insurance period, which qualifies his/her survivors for survivor's pension, survivors are also entitled to survivor's pension together with survivors benefit explained above paragraphs.

d. Marriage Grant

Unmarried, divorced or widowed daughters of deceased person, who died due to accident at work or occupational disease or while receiving permanent incapacity benefit, are entitled to marriage grant in case they get married while receiving survivor's benefit. The marriage grant is the same one-off benefit that is applied in the survivor's pension scheme and it is explained in Survivor's Insurance section in detail.

e. Funeral Grant

Funeral grant is paid to survivors of deceased person, who died due to accident at work or

occupational disease or while receiving permanent incapacity for work benefit, towards funeral expenditure. This is the same one-off benefit that is provided in case of survivor's pension and it is explained in Survivor's Insurance section in detail.

4.2. Sickness Insurance and Temporary Incapacity for Work Allowance

Sickness insurance is a type of short-term insurance which entitles employed persons to temporary incapacity for work allowance (sickness benefit) in case of falling ill or getting injured for other reasons than a work accident or occupational disease. Self-employed persons are not covered by the sickness insurance and they do not receive any benefit in case of sickness.

Qualifying condition for temporary incapacity for work allowance is having at least 90 paid contribution days of short-term insurances during the last 360 days prior to incapacity. There is also 2 days of waiting period condition, therefore the sickness benefit starts on the third day of sickness leave if justified by a medical certificate/doctor's note.

Table 8: Insurance Branches, Benefits and Beneficiaries

Insurance Branches			Benefits		Beneficiaries	
Social Insurances	Short-term Insurances*	Accident at Work and Occupational Diseases*	Temporary Incapacity for Work Allowance		• Employed Person • Self-employed Person (If in-patient)	
			Permanent Incapacity for Work Benefit	Bairam Bonus (Twice a year)	• Insured Person (Employed and Self-employed)	
			Survivor's Benefit		• Survivors of Insured Person	
			Funeral Grant		• Survivors of Insured Person	
			Marriage Grant		• Surviving Daughter	
		Sickness*	Temporary Incapacity for Work Allowance		• Employed Person	
		Maternity*	Temporary Incapacity for Work Allowance		• Employed Woman • Self-employed Woman	
			Breastfeeding Grant		• Insured Woman • Uninsured Wife of Insured Man • Pensioner Woman • Uninsured Wife of a Pensioner Man	
	Long-term Insurances	Old-age	Old-age Pension or Lump Sum Payment	Bairam Bonus (Twice a year)	• Insured Person (Employed, Self-employed and Civil Servants)	
		Invalidity	Invalidity Pension			
		Survivor's	Survivor's Pension or Lump Sum Payment		• Survivors of Insured Person	
			Funeral Grant		• Survivors of Insured Person	
			Marriage Grant		• Surviving Daughter	
Universal Health Insurance		In-kind Medical Benefits		• All population (See Chart 3 for details)		
		Cash Benefits (Transportation and Companion Expenses etc.)				

* Special scheme exists for civil servants for short-term insurance branches under the Civil Servants Law.

There is not any other condition for the employed persons to be eligible for this allowance.

The amount of the allowance is $\frac{2}{3}$ of the average daily earning in case of out-patient care and $\frac{1}{2}$ of the average daily earning in case of in-patient care.

The amount of average daily earning is calculated by making the sum of all earnings of the insured person over the last three months prior to the moment of the sickness and dividing this amount by the number of paid contribution days within that period.

4.3. Maternity Insurance

Maternity insurance is a type of short-term insurance which entitles insured woman (employed or self-employed) to receive both maternity benefit and breastfeeding grant in case of maternity. Additionally, it entitles uninsured wife of an insured man (employed or self-employed), pensioner woman and wife of a pensioner man to receive breastfeeding grant in case of giving birth. Furthermore, in the event of pregnancy and

maternity, in-kind benefits are provided under the universal health insurance scheme.

a. Maternity Benefit

Maternity benefit (Temporary incapacity for work allowance) is paid to employed and self-employed insured women for each day of maternity leave. Maternity leave can be taken for 16 weeks in total as 8 weeks before the birth and 8 weeks after the birth. In case of multiple birth, the leave is extended to 10 weeks before the birth by adding 2 more weeks.

If the insured woman gives premature birth and cannot use entire maternity leave of 8 weeks before the birth, she can use unused days of leave after the birth in addition to 8 weeks which is given after the birth.

The minimum qualifying condition is having a record of at least 90 paid contribution days of short-term insurances during the last 360 days prior to the date of birth. For self-employed persons, in addition to contribution days condition, there should not be any outstanding debts for social security contributions.

The amount and calculation of the benefit is the same as it is applied in the other temporary incapacity for work allowances under the short-term insurances explained above.

The amount of the allowance is $\frac{2}{3}$ of the average daily earning in case of out-patient care and $\frac{1}{2}$ of the average daily earning in case of in-patient care.

The average daily earning is calculated by making the sum of all earnings of the insured person over the last three months prior to the date of birth and dividing this amount by the number of paid contribution days within that period.

b. Breastfeeding Grant

Breastfeeding grant is given as a one-off payment for each live birth to insured woman and uninsured wife of insured man (employed or self-employed), pensioner women and wife of pensioner man.

The qualifying condition for receiving the breastfeeding grant is to have paid a minimum of 120 contribution days of short-term insurances in the year preceding the birth. An additional

condition for self-employed is to have paid all due contributions and there must not be any outstanding contribution debts to the SGK.

In case the birth takes place within 300 days following the termination of insurance status, in order to receive breastfeeding grant there should be a minimum of 120 contribution days of short-term insurances within 15 months preceding the birth.

The amount of breastfeeding grant is established by the Administrative Board of the SGK and approved by the Ministry of Family, Labour and Social Services annually. As for the year 2020, the amount is 202₺.

5. Long-term Insurance Branches

Social insurances are classified in two groups as short-term and long-term. As explained in details above, short term refers insurance coverage of the risks, which can be faced in the short run and the benefits under short-term insurances are usually paid for shorter periods.

As for long-term insurance branches, they cover

Table 9: Eligibility Conditions for Old-age, Invalidity and Survivor's Pensions

INSURANCES	ELIGIBILITY CONDITIONS
OLD-AGE	<ul style="list-style-type: none"> - 58(women)/60(men) age + 9000 contribution days for self-employed persons and civil servants - 58/60 age + 7200 contribution days for employees <p>or</p> <ul style="list-style-type: none"> - 61/63 age + 5400 contribution days - As of 2036 the pensionable age will be increasing one year for every two years and it will be 65 by 2048. (See Table 10) <p>(Special conditions exist for specific groups e.g. miners, disabled persons, premature aging persons)</p>
INVALIDITY	<ul style="list-style-type: none"> - 10 years of insurance period + 1800 contribution days - 1800 contribution days for people who are medically in need of constant care of another person
SURVIVOR'S	<ul style="list-style-type: none"> - 1800 contribution days for self-employed persons and civil servants - 5 years of insurance period + 900 contribution days for employees

the risks, which can usually happen in the long run and the benefits provided under these insurances are mainly paid for long durations.

Long-term insurance branches are as follows;

- Old-age insurance,
- Invalidity insurance,
- Survivor's insurance.

5.1. Old-age Insurance

Old-age insurance is one of the mandatory social insurances. When insured person reaches retirement age and meet criteria, he/she receives old-age pension or lump sum payment in some cases.

a. Old-age Pension

Old-age pension is granted to insured persons at the age of 58 if woman or 60 if man and provided that minimum 9000 days of invalidity, old-age and survivor's insurance contribution is paid for self-employed persons and civil servants. However, for employed persons the number of contribution days condition is applied as 7200 contribution days.

In case insured persons cannot meet the contribution days condition for full retirement, providing that they have minimum 5400 contribution days, they are entitled to partial old-age pension after 3 years of their normal pensionable age, at the latest, at the age of 65.

There are some special conditions for specific groups such as disabled persons whose disability existed before starting working and being insured for the first time, persons working in mines and persons with premature aging syndromes.

a) If the insured person has a minimum 60% degree of loss of working capacity due to a serious sickness or disability which were existed before starting working and being insured for the first time, these persons are not entitled to invalidity pension due to the fact that there is no connection between the work and the health status because the disability existed before the insurance coverage. However, there are easier conditions with no age limit for entitlement to old-age pension in place for these persons and other less disabled persons as follows:

In case the disabled insured person has a loss of working capacity, which was existed before being insured for the first time (before entering the system) and at a degree of 60% and over, the person has to have a minimum 15 years of insurance period and a minimum of 3960 paid contribution days.

In case the disabled insured person has a loss of working capacity, no matter when occurred, at a degree of:

- Between 50% and 59%, the person has to have a minimum 16 years of insurance period and a minimum of 4320 paid contribution days,
 - Between 40% and 49%, the person has to have a minimum 18 years of insurance period and a minimum of 4680 paid contribution days,
- b) The age limit is applied as 50 for the insured person who continuously or in rotations working at underground works for minimum 20 years of mining workplaces.
- c) Insured persons, who suffer from premature aging, can benefit from old-age pension at the age of 55, provided that they fulfil contribution days condition.

d) For insured women with disabled child who is in need of permanent care, one fourth of the contribution days completed after October 2008 (the social security reform) is added to the sum of contribution days and these added periods are deducted from the retirement age limits.

Table 10: Pensionable Ages by Years		
Years	Men	Women
2020-2035	60	58
2036-2037	61	59
2038-2039	62	60
2040-2041	63	61
2042-2043	64	62
2044-2045	65	63
2046-2047	65	64
2048	65	65

The retirement age will gradually increase to 65 by the year of 2048 for both men and women as equal starting from the year of 2036.

Delaying old-age pension is possible; insured person who reaches retirement age can opt for continuing working instead of getting retired.

Additionally, old-age pensioners are allowed to work as employed by paying contributions and as self-employed without any contribution payment obligations.

Pensions are paid monthly. Minimum monthly old-age pension amount is fixed as 1500₺ by the law. If a pension calculation results in less than 1500₺, then, this pension amount is increased to 1500₺ automatically. The difference between the acquired pension and 1500₺ is financed by the State Treasury from the general taxation.

In addition to monthly pension, old-age pensioners are entitled to "Bairam Bonus" of 1000₺ for religious festivals that take place twice in a year as Eid al-Fitr and Eid al-Adha (In Turkish: Ramazan Bayramı - Kurban Bayramı). The bonus payment is made prior to each of the bairams.

b. Old-age Lump Sum Payment and Revival of the Service Periods

If insured employees, self-employed persons and civil servants reach retirement age and terminates their work-life/career and they do

not qualify for invalidity and old-age pension, they can receive a single payment which is the sum of paid insurance contributions, after being updated by revalorization, for the years from the first year of the contribution paid up to the date of written request of lump sum payment.

If the insured person wants to revive his/her services which were eliminated by the lump sum payment, revival of the services is possible by paying back the lump sum payment to SGK. In this case, the eliminated contribution days are revived and can be considered in the entitlements of social security rights.

5.2. Invalidity Insurance and Invalidity Pension

Invalidity insurance is one of the mandatory social insurances. The invalidity pension rights are given to the insured persons who have certain invalidity and fulfil certain conditions.

Employed and self-employed persons, who have minimum 60% degree of loss of working capacity or loss of earning capacity in profession due to work injury or occupational disease and civil

servants who have minimum 60% degree of loss of the working capacity or a degree of loss of earning capacity in profession which does not enables him/her to carry out his/her duties are considered to have invalidity and they are entitled to invalidity pension.

Conditions to benefit invalidity pensions are as follows:

- To be considered to have invalidity in accordance with the Law by the Medical Board of SGK,
- Having an insurance period of minimum 10 years and paid contribution days of minimum 1800 days or in case the insured person is in need of permanent care of another person, he/she should have paid contribution days of minimum 1800 days only with no insurance period requirement,
- Submitting a written request after terminating economic activities by leaving work or closing the business due to invalidity. Self-employed persons, additionally, should pay all contributions and outstanding debts to SGK.

Pensions are paid monthly. Minimum monthly invalidity pension amount is fixed as 1500₺ by the law similar to old age pension; if a pension calculation results in less than 1500₺, then, this pension amount is increased to 1500₺ automatically. The difference between the acquired pension and 1500₺ is financed by the State Treasury from the general taxation.

In addition to monthly pension, invalidity pensioners are entitled to "Bairam Bonus" of 1000₺ for religious festivals that take place twice in a year as Eid al-Fitr and Eid al-Adha (In Turkish: Ramazan Bayramı - Kurban Bayramı). The bonus payment is made prior to each of the bairams.

If invalidity pensioners restart working, their invalidity pension is terminated.

5.3. Survivor's Insurance

The insured's death represents a social danger for his/her dependants left behind. The survivor's insurance is one of the branches of long-term insurance. It is a compulsory insurance branch which provides benefits to survivors in case the insured person dies.

Following benefits are provided under the survivor's insurance:

- a) Survivor's pension,
- b) Survivor's lump sum payment,
- c) Marriage grant,
- d) Funeral grant.

a. Survivor's Pension

Survivor's pension is payable to survivors of the deceased insured person in case the following conditions are met;

- For self-employed persons and civil servants, having a minimum of 1800 of contribution days (no insurance period is required),
- For employed persons, having a minimum of 900 of contribution days and having a minimum of 5 years of insurance period excluding any kind of recovery of contribution periods (such as crediting for military service or crediting for child-raising periods).

Additionally, for the survivors of self-employed persons, in order to be entitled to survivor's pension, there should be no outstanding contribution or any relevant debts.

The shares of the survivors are defined as the percentages of the pension to be calculated for the deceased insured person as follows;

- a) 50% is payable to the widow/er spouse in any case unless remarried; 75% is payable to the widow/er with no surviving child providing that he/she is not working and not receiving pension because of his/her own insurance rights. Widow/er had to be officially married to deceased person in order to have rights as his/her spouse,
- b) 25% is payable to each surviving child of deceased person as described below;
 - Male children under the age of 18, and under the age of 20 if receiving high school education, and under the age of 25 if receiving university education provided that they do not work and do not receive pension because of his/her own insurance rights.
 - Disabled children with the loss of 60% working capacity regardless of their age and daughters who are unmarried or divorced or widowed regardless of their age provided that they are not working and do not receive pension because of his/her own insurance rights.
- c) If there are remaining shares left after the distribution of above survivor's shares, a total of 25% share is paid to mother and father, on the condition that their household income is less than the net amount of the minimum wage and they are not receiving pension/benefit except for the survivor's pension/benefit derived from the insurance rights of his/her other kids,
- d) If the mother and father is over 65 years of age, the remaining shares condition is not applied and in case the above conditions are fulfilled, a total of 25% share is paid to mother and father,
- e) 50% is payable to each of the children in following cases;
 - If both parents are died,
 - If parents were not officially married,
 - Although, the parents were officially married at the time of death but widow/er parent is remarried to someone else later on,

- If the child is the only survivor receiving pension among the survivors including widow/er.

Children who are adopted, recognized or lineage connection is corrected or fatherhood is ruled on, and the children of the insured person born after death are entitled to pension under the above mentioned principles.

The total of the pensions payable to the survivors cannot exceed the amount of the pension of an insured person. If necessary, reductions are applied to the pensions of the survivors proportionally in order to observe this limit.

If any of the survivor's pension is terminated for any reason, the pension is redistributed among the remaining entitled survivors according to their shares.

Pensions are paid monthly. The same as the old-age pension, minimum monthly amount is also applicable for survivor's pension. The total of the shares of the survivor's pension cannot be less than 1500₺. The proportional increase is applied to each survivor's share.

In addition to monthly pension, survivors are entitled to "Bairam Bonus" of 1000₺ for religious festivals that take place twice in a year as Eid al-Fitr and Eid al-Adha (In Turkish: Ramazan Bayramı ve Kurban Bayramı). The bonus is distributed among the survivors according to the shares proportionally and it is paid prior to each of the bairams.

b. Survivor's Lump Sum Payment and Revival of the Service Periods

In case the survivors of the deceased insured persons are not entitled to survivor's pension due to lack of sufficient contribution records, they can receive lump sum single payments as per their shares. The single payment is the sum of paid contributions of deceased person, after being updated by revalorization, for the years from the first year of the contribution paid up to the date of death.

The total of the payment to be made to the survivors cannot exceed the total amount payable to the insured person in single payment.

Table 11: Survivors who are Entitled to Survivor's Pension

SURVIVORS		CONDITIONS and SHARES	
SPOUSE	Widow/er who was officially married to deceased person	50%	75%
		In case, at least one of the items below occurs; - If there is a child as recipient of survivor's pension - If she/he is working - If she/he is receiving pension because of his/her own insurance rights	Provided that the conditions below met simultaneously; - If there is no child as recipient of survivor's pension - If she/he is not working - If she/he is not receiving pension derived from his/her own social insurance rights
CHILDREN		25%	50%
	All of the Children	- Under the age of 18 - Under the age of 20 if receiving high school education - Under the age of 25 if receiving university education	Provided that the conditions met in the left columns; - If both parents are died - If widow/er parent is died - If parents were not officially married - If parents were officially married at the time of death but widow/er parent is remarried afterwards - If child is the sole survivor as recipient of survivor's pension among survivors including widow/er
	Disabled children	- Not working* - Not receiving pension derived from his/her own social insurance rights	
	Daughter	*Children under the age of 18 and children between the age of 18 and 25, who are in education, can work as an employee while receiving survivor's pension. Regardless of age; - Unmarried - Divorced - Widowed	
PARENTS		12,5% per person in case of two recipient parents	25% in case of one recipient parent
	Parents under the age of 65	- In case remaining share exists	- Not receiving any pension except for the survivor's pension derived from his/her other kids - If total of all types of income and revenue of mother and father is less than the net amount of the minimum wage according to the means test
	Parents over the age of 65	- Regardless of remaining share	

If necessary, proportional reductions are applied to the shares of the survivors in order to observe this limit.

If the survivors want to revive the eliminated services of deceased person in case of entitlement to survivor's pension at a later date by detecting uncounted contribution days or purchasing crediting periods as such exist, the revival of the services is possible by paying back the lump sum payment to SGK. In this case, the eliminated contribution days are revived and can be considered in the entitlement of survivor's pension.

c. Marriage Grant

Marriage of a surviving daughter results in termination of the survivor's pension. Therefore, marriage grant is paid to surviving daughters as a financial support.

If unmarried, divorced or widowed daughters, who receive survivor's pension or survivor's benefit, get married, they are entitled to marriage grant. The grant amount corresponds to daughter's total

survivor's pension/benefit amount for following 2-year period (24 months) as of the marriage date and it is paid in advance as one-off payment prior to the marriage.

In case the beneficiary daughter gets divorced or becomes widowed before the end of 2-year period, she does not become eligible for survivor's pension/benefit until the end of that period. Furthermore, if she is still not married, she becomes eligible again for survivor's pension as of end of the 2-year period.

This one-off cash benefit is paid only once in a life, therefore, it is not paid again if the daughter gets divorced and remarry.

As regards to the other entitled survivors of the deceased person, the amount of survivor's pension share is recalculated and redistributed to them at the end of the 2-year period, when a daughter gets married and her survivor's pension is terminated due to marriage.

d. Funeral Grant

Funeral grant is paid to survivors of insured

persons and survivors of pensioners as a one-off payment towards funeral expenses in the following cases:

- a) If the insured person died due to accident at work or occupational disease,
 - b) If the person died while receiving permanent incapacity for work benefit in case of accident at work and occupational disease,
 - c) If the person died while receiving invalidity or old-age pension
- or,
- d) If the insured person died due to other reasons and had a minimum of 360 contribution days for long-term insurances.

The funeral grant is first paid to spouse of the deceased person, in the absence of spouse, it is paid to the children or parents or siblings in the order given. In the absence of these family members, an amount which does not exceed the funeral grant is paid to real or legal persons who organize the funeral and justify this by invoice and appropriate documents.

The amount of the grant is established by the

Administrative Board of the SGK and approved by the Ministry of Family, Labour and Social Services annually. As for the year 2020, the amount is 801₺.

6. Voluntary Insurance

It is a kind of insurance that provides jointly long-term insurance and universal health insurance through paying contributions voluntarily. This optional insurance does not cover short-term insurance branches. Accordingly, voluntary insured persons do not pay short-term insurance contributions and they do not benefit from the short term insurance benefits.

People who reside in Turkey (no matter national or foreigner) and Turkish nationals who live in a foreign country which Turkey has not signed social security agreement with, can apply for voluntary insurance provided that the following conditions are met;

- Not working full-time under Turkish compulsory insurance legislation or working less than 30 days in a month or working part-time in a day,

- Not receiving pension due to his/her own insurance rights,
- Being above 18 years old.

Contribution rate for voluntary insurance is 32% of monthly earnings subject to contribution which is declared by the voluntarily insured person in between minimum and maximum limits. The minimum monthly earnings subject to contributions amount is the national gross minimum wage and the maximum is 7,5 times the national gross minimum wage. While 20% of this rate is for invalidity, old-age and survivor's insurances, 12% is contribution rate for universal health insurance. Employed persons, who work less than 30 days in a month under the compulsory insurance regime, pays only the contributions for unworked days.

Voluntary insurance days are treated as self-employment periods in terms of pension entitlement rights except for the part time workers. Part time workers are considered the same as full time employed persons for acquiring pension rights.

Coverage and relevant obligations cannot be

separable under voluntary insurance. One cannot choose only long-term insurance or universal health insurance. Both type of insurances have to be applied simultaneously.

7. Other Social Insurance Schemes for Specific Groups

Following the main social security reform in 2008, there have been several reforms in order to simplify the registration and declaration procedures and to extend social insurance coverage to some of the working groups such as Casual Workers in Agricultural and Forestry Sectors, Part Time Employees in Public Transportation and Art Sectors and Domestic Workers. There are some similar or identical features in the implementation of these schemes as it is explained in the following parts.

7.1. Casual Workers in Agricultural and Forestry Sectors

Casual workers who work temporarily or irregularly in agricultural and forestry sectors optionally can be covered under the social insurance system including accident at work insurance, occupational

diseases insurance, invalidity insurance, old-age insurance, survivor's insurance and universal health insurance.

The contribution rate is 34,5% of the earnings subject to contribution of the insured person. Out of this contribution rate; 20% is for invalidity, old-age and survivor's insurances, 12,5% is for universal health insurance and 2% is paid for accident at work insurance and occupational diseases insurances. The level of the earnings subject to contribution is defined and declared to the SGK by the workers themselves on the condition that it is not less than the national minimum wage.

These individuals should pay the contributions on their own. In this regard, contrary to the other type of workers, there is no share of contribution and payment responsibility for their employers to pay such contributions. Additionally, these agricultural workers are subject to the same retirement conditions as regular employed persons.

7.2. Part Time Employees in Public Transportation and Art Sectors

Following persons who work part time less than 10 days for one or more employers are covered under the social insurance system including invalidity insurance, old-age insurance, survivor's insurance and universal health insurance. If they prefer, they can also be covered by the unemployment insurance.

- a) Employed persons working in the public transportation such as taxi, shared taxi (dolmush) etc.
- b) Persons who work in the art sector by performing in movie, theatre, on stage shows and persons who are dealing with music, painting, sculpture and other fine arts.

The contribution rate is 32,5% of the earnings subject to contribution of the insured person. Out of this contribution rate; 20% is for invalidity, old-age and survivor's insurances and 12,5% is for universal health insurance. Additionally, if they prefer so, they can also pay the employee and employer shares for unemployment insurance contribution which is in total 3%. The level of the

earnings subject to contribution is determined by the workers themselves on the condition that it is not less than the national minimum wage.

These individuals should pay the contributions on their own. In this regard, there is no share of contribution and payment responsibility for their employers to pay such contributions contrary to the other type of workers. Additionally, they are subject to the same retirement conditions as regular employed persons.

7.3. Domestic Workers

Domestic workers, who work for one or multiple employers, are covered under the social insurance and universal health insurance system.

Domestic workers are classified in two different groups. The ones who work for ten days and more and the ones who work less than ten days for one employer in a month.

In case of **working for ten days and more** for one employer, they have the same social rights and the same social security obligations like regular workers/employees in other sectors. In this regard, they are compulsorily covered by all

of the insurance branches namely; accident at work insurance, occupational diseases insurance, sickness insurance, maternity insurance, invalidity insurance, old-age insurance and survivor's insurance including universal health insurance and unemployment insurance. The contribution rate for these domestic workers is same as the other workers/employees and it is in total 38,5% of the earnings subject to contribution including employee share, employer share and state share [See Table 6 for details per insurance types]. Their contributions are paid by the employer via banks or internet. Registration and declaration process for domestic workers are very much simplified. The registration is done by simply filling in one form and signing it by both domestic worker and employer.

In case of **working less than ten days** for one employer, they are compulsorily covered by the accident at work insurance and occupational disease insurances. The contribution rate is 2% of the national minimum wage. Their contributions for the accident at work and occupational disease insurances are paid by the employer via banks, internet or simply by sending SMS from mobile

phones. The registration/declaration can be done via internet or sending an SMS.

Furthermore, these domestic workers can voluntarily pay their own contributions for invalidity, old-age and survivor's insurances together with universal health insurance contributions therefore they can accumulate pension rights and can receive free medical care. In this case, the contribution rate for invalidity, old-age and survivor's insurances is 20% and the rate for universal health insurance is 12,5% which makes it 32,5% in total. These two contribution types cannot be separated and they have to be paid combined.

If they do not prefer to accumulate pension rights by paying voluntary old-age contributions, in order to be covered under the universal health insurance, there are two options available for them.

First, they can be covered as a dependant of spouse or parents if they are eligible so. Second, they can go to the means/income test. In case, the means test proves them to be needy, their health insurance contributions are paid by the State from the general taxation.

If their income is found to be over means test threshold, they have to pay their own health insurance contributions themselves. The rate of the contribution is 3% of the national monthly minimum wage, which corresponds to 88,29 TRY (14 US dollars) in 2020.

Additionally, employer of domestic worker should be a real person as the household owner. As per the law, they are not deemed to be a standard employer and the houses in which the work takes place are not deemed to be a company. Therefore, these employers or household owners have much less obligations and the declaration procedures are simplified and flexible. For example, the regular workers have to be declared at least one day before the start of the employment, whereas domestic workers can be declared until the end of the relevant month.

In terms of the social security rights of domestic workers, there is no difference between the national and migrant workers as in other sectors. However, like the other migrant workers, migrant domestic workers are also subject to work permit procedures.

8. Unemployment Insurance

One of the insurance types that is implemented in Turkey is unemployment insurance. However, contrary to other insurance branches which are implemented by SGK, this insurance is implemented by the Turkish Employment Agency (Türkiye İş Kurumu in Turkish and İŞKUR in short). In this regard, SGK's only responsibility is to collect the contribution for unemployment insurance together with other contributions types and to transfer these unemployment insurance contributions to Unemployment Insurance Fund that is managed by İŞKUR.

Unemployment insurance is open for all employees only and not for self-employed persons and civil servants. It is a compulsory scheme and the contribution rate is 4% of the earnings subject to contribution of the employed person. 2% of this rate is employer's share, 1% is employee's share and 1% is State's share as a contribution support. Like the other types of insurance contributions, unemployment insurance contribution is also deducted from the employee's gross earnings and paid to the SGK by the employer.

Unemployment insurance entitles employed persons to the following rights:

- a) Unemployment benefit,
- b) Universal Health Insurance coverage (including their dependants)
- c) Support for finding a new job,
- d) Vocational trainings.

In order to be eligible for the benefits under the unemployment insurance scheme, the reason for being unemployed should be for other reasons than the employee's own will or fault on following **conditions:**

- Having worked as employed person and paid contributions for at least 120 days prior the termination of the employment contract,
- Having worked as employed person and paid unemployment insurance contributions for at least 600 days in the last three years prior to the termination of the employment contract,
- Having being applied for the benefit and being registered as unemployed person at the nearest İŞKUR office either in person or

electronically online within 30 days after the termination of the employment contract.

When calculating the accumulated working days periods of sickness, unpaid leave, disciplinary sanctions, strike, lock-outs, natural disasters, etc. are not considered as interruptions of the employment contract.

The following reasons for a termination of the employment contract and being unemployed person are considered eligible:

- Employees whose employment contracts are terminated by the employer following a dismissal,
- Employees who terminate their contracts by their own will due to issues relate to their employment contract, health conditions, employer's immoral or inappropriate behaviour which does not comply with the moral principles stated in the law and force majeure situations which result in discontinuing of work for more than one week,
- Employees whose employment contracts are terminated by the employer due to a reason of force majeure which keeps the employee from

work for more than one week or due to health reasons,

- Employees who are employed by a fixed-term employment contract and who become unemployed due to termination of that employment contract,
- Employees who lose their job as a consequence of the transfer of the undertaking/company, a bankruptcy or closing down of the business,
- Employees who lose their job as a consequence of a change of the type of activity/business or the workplace,
- Employees whose contracts are terminated as a consequence of privatisation.

The amount of the unemployment benefit is calculated on daily basis and it is 40% of the average daily earnings subject to contribution of the employed person. As basis of calculation the average daily earnings of the last 4 months prior to the employment contract termination are taken as a reference. By no means, the amount of the benefit may not exceed 80% of the national monthly gross minimum wage applied to employees.

There is no waiting period requirement. The benefit starts as of the first day of the unemployment and it is paid out monthly. Additionally, the unemployment benefit is subject to stamp tax only but not subject to any other taxes or any contributions and there is no means-testing in deciding benefit eligibility.

The duration of the unemployment benefit differs depending on the contribution record during the last three years prior to being unemployed:

- 180 days for insured unemployed who have worked and paid contribution for 600 days during the last three years,
- 240 days for insured unemployed who have worked and paid contributions for 900 days during the last three years,
- 300 days for insured unemployed who have worked and paid contributions for 1.080 days during the last three years

The payment of the unemployment **benefit is terminated** by the İŞKUR on the following grounds:

- Unreasonable refusal of a job offer made by İŞKUR, which is suitable for their professions and similar to the last job in terms of salary

and working conditions and which is located within the boundaries of the place of residence,

- Whilst receiving the benefit, being detected by the official inspectors/controllers when working in a paid job informally,
- Becoming a pensioner and starting to receive pension from the SGK,
- Unreasonable refusal or failure to attend trainings for professional development and education proposed by İŞKUR,
- Unreasonable failure to reply to calls from İŞKUR or failure to provide the required information or documentation within due time.

Table 12: The Duration of the Unemployment Benefit

<u>Number of contribution days</u> accumulated by the employed person during the last three years prior to being unemployed	<u>Number of days</u> on which the benefit is payable to unemployed person
600	180
900	240
1080	300

IV. UNIVERSAL HEALTH INSURANCE SYSTEM

The Constitution of the Republic of Turkey directly attributes responsibilities to the State for regulating a central planning and functioning of the health services. It also empowers the State to establish a universal health insurance system. Accordingly, the universal health insurance system has been established by the Social Insurances and Universal Health Insurance Law No 5510 that entered into force on 1 October 2008 alongside the social security reform.

Universal health insurance ensures maintenance of healthy statuses of insured persons and in case of receiving medical care, the system finances the medical cost of insured persons. Universal Health Insurance System provides access to healthcare services for all population who live in the country no matter working or not working, regardless of their economic status by bringing all people under one roof of personal coverage. The system provides comprehensive, fair and equitable benefits in terms of access to healthcare services. In Turkey, apart from the universal health insurance,

there are also other health insurance schemes for specific groups as social/public health insurance regulated by the State. Additionally, private health insurance schemes are also exist, which is out of SGK's competence area.

1. Personal Coverage of Universal Health Insurance

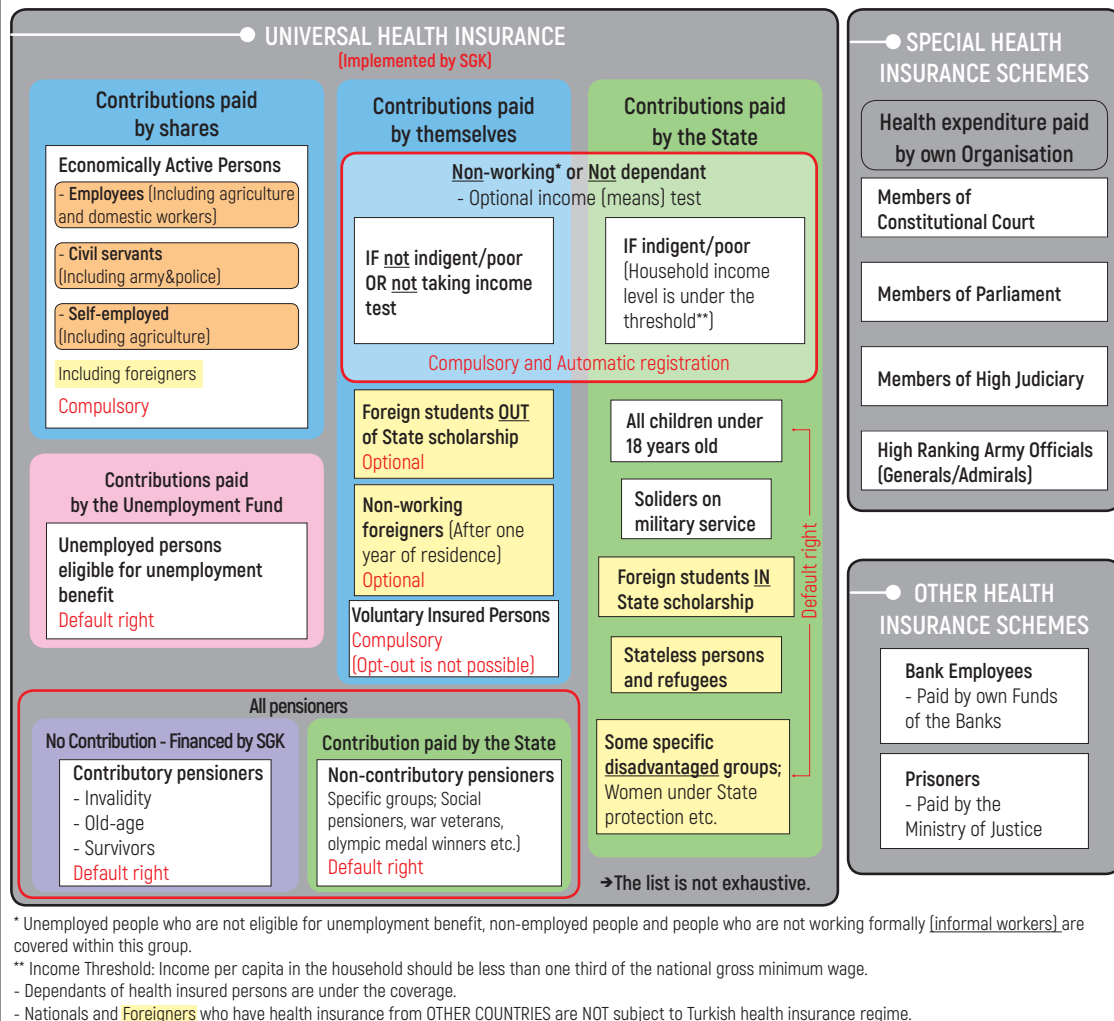
Personal scope of universal health insurance is very comprehensive and it covers almost all population including employed, self-employed, civil servants, informal workers, non-employed, indigent people, foreigners etc. and their dependants based on residency condition as it is shown in Chart 3: Social Health Insurance Coverage.

1.1. Persons Covered

Following persons who are residing in Turkey are covered by the universal health insurance:

- a) Employed persons who are subject to an employment contract (including agricultural sector),
- b) Civil servants (including army and police),

Chart 3: Public / Social Health Insurance Coverage in Turkey



- c) Self-employed persons,
- d) The muhktars (village and neighbourhood headmen) and village guards,
- e) Voluntarily insured persons,
- f) Persons who are fulfilling their lawyer internship programme,
- g) Newly recruited staff of prisons, who receive preservice training according to Penal Institutions and Prison Staff Training Centres Law, are covered by universal health insurance throughout their training and their premiums are paid from the budget of the Ministry of Justice.
- h) Soldiers who fulfil their military obligations and military students (officer cadets and officer cadet candidates, candidate students of military and candidate students of the Gendarmerie and the Coast Guard Academy) are covered under the universal health insurance and their contributions are paid by the relevant public administration.
- i) Following vulnerable persons and children;
 - Indigent citizens whose household income per capita is less than one third of the national minimum wage,
 - Children who are under the age of 18 and who are not dependant of an insured person covered by universal health insurance,
 - Vulnerable persons who benefit free of charge from protection, care and rehabilitation services according to the Social Services Law and Turkish children under 18 years old who have not mother and father,
 - Children under the age of 20 in case of graduating from high school and persons under the age of 25 in case of graduating from university are covered under the universal health insurance for a maximum of two years as of their graduation.
 - Women who are granted protection by a court decision according the Law of Protection of Family and Prevention of Violence against Women.
- j) Foreigners who have pending international protection application or been granted international protection status and who are recognized as stateless,

- k) Beneficiaries of unemployment benefit, bankruptcy insurance and short-time working allowance under the Unemployment Insurance Scheme,
- l) Pensioners of contributory invalidity, old-age and survivor's pensions and beneficiaries of permanent incapacity benefit and survivor's benefit in case of accident at work and occupational disease,
- m) Specific groups who receive pensions from the following non-contributory pension schemes:
 - Persons who are over 65 years old and indigent and receiving social assistance allowance in accordance with the Law no 2022 on Pensions for Turkish Citizens who are Aged Over 65, Needy, Vulnerable and Living Alone,
 - Veterans who receive honorary pension in accordance with the Law no 1005,
 - Persons who receive pension on Military Service Planning Pension Law no 3292,
 - Persons who receive pension on Compensation in Cash and Pension Law no 2330,
 - Persons who receive disabled veteran's pension and who receive pension under the Law no 3713 on Fighting against Terrorism,
 - Persons who receive pension according to Village Law no 442 (former village guards),
 - Persons who receive pension according to Law no 2913 on Sportsmen awarded with World Olympic and European Championship.
- n) Non-employed (not working) and not indigent Turkish citizens who are not included in the above groups and who are not covered by a health insurance of a foreign country. These citizens are automatically registered with the universal health insurance system and if they prefer, they can take a means test. According to the result of the means test, their contributions are paid either by themselves or by the State. Unemployed people who are not eligible for unemployment benefit and people who are not working formally (informal workers) are covered within this group (Compulsory).
- o) Non-employed foreign nationals (who are not working) who have residence permit and have completed one year of residence in Turkey

- and have not health insurance from any other country (Optional),
- p) Foreign students studying in Turkey with Turkish State scholarship are automatically covered under the universal health insurance.
- q) Foreign students studying in Turkey without Turkish State scholarship are covered under the universal health insurance provided that they apply for coverage optionally within first three months following the registration with their school/university (Optional).
- r) Foreign soldiers who are receiving training and education in Turkey under the International Military Training Cooperation Agreement are

covered under the universal health insurance including their dependants, if the host country is entrusted with covering healthcare expenses by the relevant agreement.

1.2. Dependants Covered

The dependants are family members of an health insured person who are not insured on their own name and do not receive any pension because of his/her own insurance rights as follows;

- a) Spouse,
- b) Unmarried children;
- Under the age of 18,

Table 13: Dependants of Health Insured Persons				
DEPENDANTS		CONDITIONS		
SPOUSE		Officially married to health insured person		
CHILDREN	Children			
	Disabled children	- Not receiving pension derived from his/her own social insurance rights		
PARENTS		- Residing in Turkey (apart from the children studying abroad)		
		- Residing in Turkey (apart from the children studying abroad)		
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		- Residing in Turkey (apart from the children studying abroad)		

- Under the age of 20 if receiving high schools education,
 - Under the age of 25 if receiving university education,
 - Disabled children regardless of their age.
- c) Mother and father who are financially dependent on the health insured person according to the means test.

All of the dependants enjoy the same rights of the insured person with no limits in terms of entitlement to healthcare benefits.

1.3. Persons Not Covered

- a) Persons who are sent to Turkey for a work by or on behalf of an organization established in a foreign country and who can document that they are insured in the foreign country, and self-employed persons who reside abroad and are insured in that country.
- b) Turkish citizens, who are employed in representation offices of Turkish State organizations in foreign countries and granted with the permanent residence or citizenship of the country of representative office and

insured in the country they reside.

- c) Non-employed foreigners who have residence permit but have not completed one year of residence in Turkey.
- d) Non-employed foreigners who have residence permit and have health insurance from any other country.
- e) Turkish pensioners who granted retirement through crediting for foreign insurance periods from the SGK and not residing in Turkey.

1.4. Persons Covered by Special or Other Health Insurance Schemes

- a) Members of the Parliament (The Grand National Assembly of Turkey) and their dependants have a special health insurance scheme and their health expenditures are covered by the budget of the Parliament.
- b) Members of the Constitutional Court and their dependants have a special health insurance scheme and their health expenditures are covered by the budget of the Constitutional Court.

- c) Members of the High Judiciary (Members of the Court of Cassation and Members of the Council of State) and their dependants have a special health insurance scheme and their health expenditures are covered by the budget of their Organisations.
- d) High ranking army officials (Generals and Admirals) and their dependants have a special health insurance scheme and their health expenditures are covered by the budget of the Turkish Armed Forces.
- e) Prisoners and arrestees in Public Penal Institutions are not under the coverage of universal health insurance but their health expenditures are financed by the Ministry of Justice,
- f) Bank employees are covered by their own systems and health expenses are paid by their own funds of each bank.

2. Contribution Rates for the Universal Health Insurance and State Subsidy

SGK pays the costs of healthcare services provided by the healthcare service providers and finances

its expenses through contributions collected from insured persons, employers and also the State for some groups.

Universal health insurance contribution rates differ among several groups of insured persons.

- For the health insured persons who are also simultaneously covered by the social insurances (short and long-term insurances), the health insurance contribution rate is 12.5% of earnings subject to contribution. 5% of this contribution rate is the share of employed person and 7.5% is the share of employer. This group is basically composed of economically active people regardless of their nationality, such as employed persons, self-employed persons and civil servants.
- For the voluntarily insured persons, the rate is 12% of monthly earning subject to contribution which is declared by the voluntarily insured person in between minimum and maximum limits.
- For the persons who receive unemployment benefit and short-time working allowance, the health insurance contribution rate is 12%

of earning subject to contribution. Universal health insurance contributions for these persons are paid by the Turkish Employment Agency (İŞKUR).

- For the persons who are fulfilling their lawyer internship programme, the contribution rate is 6% of the national gross minimum wage and their contributions are paid by the Union of Turkish Bar Associations.
- Among the Turkish Nationals; unemployed people who are not eligible for unemployment benefit, non-employed people and people who are not working formally (informal workers) are subject to pay 3% of the national gross minimum wage as universal health insurance contributions in case they are determined not indigent according to the means test. (If determined indigent/poor, their contributions are paid by the State.)
- For the non-employed (not working) foreign nationals who are optionally insured under the universal health insurance, the rate is 24% of the national gross minimum wage. (They cannot take means test.)

- For the foreign students studying in Turkey without Turkish State scholarship, the rate is 4% of the national gross minimum wage.
- For the foreign students studying in Turkey with Turkish State scholarship, the rate is 12% of the national gross minimum wage. Their contributions are paid by the relevant public organizations.
- For indigent nationals and children under 18 years of age, the rate is 4% of the national gross minimum wage and their contributions are paid by the Directorate General of Social Assistance of Ministry of Family, Labour and Social Services from the general taxations.
- For stateless persons and refugees, the rate is 4% of the national gross minimum wage and their contributions are paid by the Directorate General of Migration Management of Ministry of Interior from the general taxations.

In addition to above groups, there are also specific groups who receive pensions from non-contributory pension schemes who are also covered under the universal health insurance such as war veterans, olympic medal winners

etc. Their contribution rate is 12% of the national gross minimum wage and contributions are paid by the Directorate General of Social Assistance of Ministry of Family, Labour and Social Services from the general taxations.

On the other hand, pensioners of contributory invalidity, old-age and survivor's pensions and beneficiaries of permanent incapacity benefit and survivor's benefit in case of accident at work and occupational disease do not pay contribution, and the SGK directly covers their healthcare expenditures.

As it has been mentioned in the section of "Contribution Rates and State Subsidy" under the social insurances topic, the State pays a subsidy amounting to the one fourth of actually collected contributions of invalidity, old-age and survivor's insurances and universal health insurance by the SGK in the current month. This exercise is a result of the new approach came along with the social security reform accomplished a decade ago. It shows that, the financial structure of the new system is based on the support of three parties that are the State, employers and employees.

Additionally, as per the Law, universal health insurance contribution incomes cannot be used for any other purpose except for management expenses and healthcare benefits.

3. Healthcare Benefits

Receiving free healthcare services is an utmost right for the insured persons and their dependants under universal health insurance. Accordingly, financing of such services and rights is an obligation for the SGK.

There is a strict rule of not establishing any connection between the contribution levels and healthcare benefits level and durations provided to the insured persons in Turkish Universal Health Insurance System. In this regard, everyone under the personal coverage is equal in receiving the benefits on the same basis pursuant to legislations.

Healthcare benefits are explained under the following sections; healthcare services covered, healthcare services not covered, daily allowances, transportation and companion expenses, and treatment abroad.

Table 14: Contribution Rates for Universal Health Insurance

Groups / Persons*		Contribution Rates [%]		Contributions Paid By	
Economically Active Persons	Employed persons	12,5	of earnings subject to contribution	Please see Table 6 for details	
	Civil servants	12,5			
	Self-employed persons	12,5			
Economically NOT Active Persons	Voluntarily insured persons	12	of the national gross minimum wage	Turkish Employment Agency (İŞKUR)	
	Beneficiaries of unemployment benefit and short-time working allowance	12		Union of Turkish Bar Associations	
	Persons who are fulfilling their lawyer internship	6		Paid by Themselves	
	Unemployed people who are not eligible for unemployment benefit, non-employed people and people who are not working formally (informal workers) in case they are identified non-poor (not indigent) by the means test	3			
	Non-employed (not working) foreign nationals who are optionally insured	24			
	Foreign students studying in Turkey without Turkish State scholarship	4		Paid by the State	
	Foreign students studying in Turkey with Turkish State scholarship	12			
	Indigent nationals according to the means test	4			
	Children under 18 years of age	4			
	Stateless persons and refugees	4			
	Specific groups who receive pensions from non-contributory pension schemes	12			
	Pensioners of contributory invalidity, old-age and survivor's pensions			No contribution	Health expenditures covered by SGK
	Beneficiaries of permanent incapacity benefit and survivor's benefit in case of accident at work and occupational disease				

* The list is not exhaustive.

3.1. Healthcare Services Covered

Following items are the healthcare services to be financed by the Institution in order to ensure that the health of insured persons and dependants are maintained, diseases are recovered and also incapacity for work and such diseases are recovered, eliminated or reduced in cases of sickness, maternity, work accident and occupational disease.

- a) Protective healthcare services for individuals without considering whether they are sick or not and to prevent usage of substances harmful to human health.
- b) Inpatient or outpatient examination by a medical doctor, clinical examination required for the diagnosis upon request of medical doctor, laboratory examinations and analyses and other diagnostic methods, medical operations and treatments to be applied based on the diagnosis, patient follow-up and rehabilitation services, healthcare services for organ, tissue and stem cell transfer and treatment, emergency healthcare services

as well as medical care and treatments to be applied by health professionals according to relevant laws based on the decision of medical doctors.

- c) Due to maternity, inpatient or outpatient examinations of medical doctor, clinical examination required for the diagnosis upon request of medical doctor, laboratory examinations and analyses and other diagnostic methods, medical operations and treatments to be applied based on the diagnosis, patient follow-up, uterus discharge, medical sterilization and emergency healthcare services, medical care and treatments to be applied by health professionals according to relevant laws based on the decision of medical doctors.
- d) Inpatient and outpatient oral and dental examination, clinical examination required for the diagnosis of mouth and teeth diseases upon request of dentist, laboratory examinations and analyses and other diagnostic methods, medical operations and treatments to be applied based on the diagnosis, tooth

extraction, conservative tooth treatment and channel treatment, patient follow-up, denture applications, emergency healthcare services for oral and dental diseases, orthodontic dental treatment for those who are under age of 18.

- e) Assisted reproductive methods (In-vitro fertilization) up to three trials for health insured persons (insured woman or dependent wife of insured man) who are married but cannot have children.
- f) Providing and maintenance at the end of guarantee period, repair and replacement services for blood and blood products, bone marrow, vaccine, medication, orthosis, prosthesis, medical equipment, medical devices for personal use, medical consumables which may be required for diagnosis or treatments related with the abovementioned healthcare services to be provided as per above items.

SGK is authorized to determine the types and amounts of healthcare services and the methods of payment of health services specified in the Law

Table 15: Benefit Package of Universal Health Insurance

• Preventive healthcare services
• Emergency healthcare services
• Inpatient or outpatient examination and treatment
• Oral and dental examination and treatment
• Optician examination and treatment
• Healthcare services during pregnancy and maternity
• Healthcare services following a work accident or an occupational disease
• Laboratory tests, analysis and other diagnostic methods
• Prescribed medicines, medical and optical devices, vaccinations, orthosis and prosthesis, blood, vaccine, bone marrow.
• Assisted reproductive methods (IVF - In-vitro fertilization)
• Transplantation of organ, tissue and stem cell
• Rehabilitation services
• Orthodontic treatment for under the age of 18
• Travel expenses, daily allowance and companion expenses in case the treatment takes place outside of the place of residence
• Treatment abroad (in certain cases)

by receiving the opinion of the Ministry of Family, Labour and Social Services and the Ministry of Health.

3.2. Healthcare Services Not Covered

Following items are the healthcare services not to be financed by the institution.

- a) Any kind of healthcare service for aesthetic purposes and orthodontic dental treatments for aesthetic purposes, excluding the healthcare services which are necessary for the integrity of body and are caused due to work accident or occupational diseases, accidents, sicknesses or congenital reasons.
- b) Healthcare services not permitted or licensed by the Ministry of Health and healthcare services not accepted to be a healthcare service in medical terms by the Ministry of Health.
- c) Chronic sicknesses of foreign nationals which were existed before the date that they are covered to be insured under universal health insurance or dependants of universal health insurance holder in Turkey.

- d) Healthcare services which are excluded from the scope of healthcare services financed by the SGK according to the method, type, amount and duration of use.

3.3. Daily Allowance, Transportation and Companion Expenses

In case of the transfer of an insured person or dependant to other cities out of the settlement for treatment by a medical referral, transportation cost for round trip fare and daily allowances for the patient and up to one companion, if outpatient treatment; for one day, if inpatient treatment; for two travel days as going and coming back are paid by the SGK.

During the inpatient treatment of an insured person or dependant, if required by doctor or dentist, the accommodation and food expenses of the companion up to one person are borne by the Institution.

Amount of daily allowance, transportation, accommodation and food expenses that paid in case of patient transfers within or out of country

are determined by the Healthcare Services Pricing Commission.

Transportation, daily allowance and other healthcare expenses in case of determination, control and periodical healthcare examination for permanent incapacity and disabilities are borne by SGK in the same way.

34. Treatment Abroad

It is obligatory that the healthcare services are provided by domestic healthcare service providers, however healthcare services can also be provided abroad in following cases.

- a) In emergency cases for the employed persons and civil servants who are sent by employers to abroad on temporary mission in accordance with the procedure stated in specific legislation of the public administrations or in accordance with the procedure determined by the SGK.
- b) Healthcare service provided for the employed persons and civil servants who are sent by employers to abroad on permanent mission in accordance with the procedure stated in

specific legislation of the public administrations or in accordance with the procedure determined by the SGK and healthcare service provided for their dependants who reside in that country together with them.

- c) For individuals whose treatments are not available in Turkey upon appropriate opinion of Ministry of Health.
- d) The universal health insurance holders and their dependants who are Turkish citizens and reside in the Turkish Republic of Northern Cyprus.
- e) Soldiers/Private and enlisted specialists, reserve officer cadets and candidates, officer cadet candidates and Gendarmerie and the Coast Guard Academy cadet candidates, in the event that those are sent under permanent or temporary duty in accordance with the procedure specified in their special legislation.

The amounts to be reimbursed by the SGK for abroad healthcare services cannot exceed the amount payable to the contracted domestic healthcare service providers for the individuals

who sent by employers to abroad on a temporary or permanent mission. The exceeding amount is payable by the employers.

All of the healthcare costs are paid for individuals whose treatment is not available in Turkey and transferred to a foreign country. In addition to travel expenses of those people, the daily allowance and companion expenses are also paid separately.

4. Conditions for Entitlement to Healthcare Benefits

The following conditions must be fulfilled in order to benefit from healthcare services and other relevant rights.

- a) Having a total of 30 days of paid universal health insurance contributions within one year before the date of application to healthcare service provider.
- b) Self-employed persons should have 30 days of paid universal health insurance contributions within one year before the date of application to healthcare service provider and they should

not have any outstanding contribution debts over 60 days as of the date of application to the healthcare service provider.

- c) The voluntarily insured persons and non-employed foreigners insured under the universal health insurance should have 30 days of paid universal health insurance contributions within one year before the date of application to healthcare service provider and additionally they should not have any outstanding contribution debts as of the date of application to the healthcare service provider.
- d) The foreign students who receive higher education according to the Higher Education Law should pay the total amount of universal health insurance contributions of a school term within a month from the beginning of the term.

However, pensioners, vulnerable persons whose contributions paid by the State and persons losing the status of being a dependant due to being insured on own name are not subject to condition of 30 days of contribution in order to receive

medical care under the universal health insurance. The following periods are not included in the calculation of 30 days of paid contributions within one year before the date of application to the healthcare service provider;

- a) The military service periods of the insured person,
- b) Period of arrest which is not resulted in conviction,
- c) The period of incapacity for work of the insured person who receives temporary incapacity allowance in case of accident at work, occupational disease, sickness and maternity insurances,
- d) Periods of strike and lock-out.

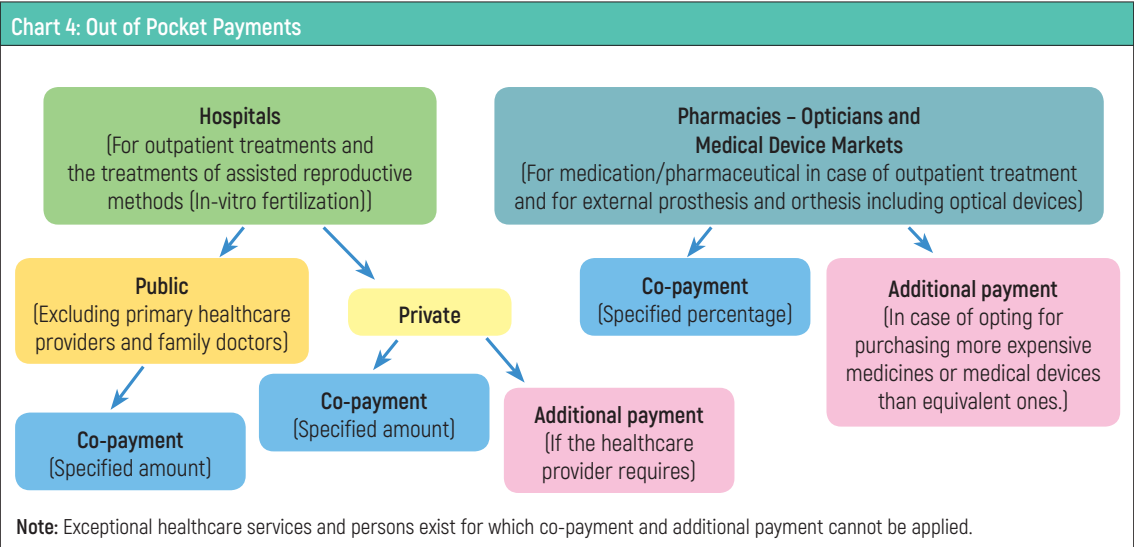
Employed persons, self-employed persons and civil servants continue to be covered by universal health insurance during the 10 days after the termination date of their employment status. If such individuals have 90 days of compulsory insurance within one year before the date they lose their employment status, then they and their dependants benefit from healthcare services for a period of 90 days more following the date of

termination of their employment and insurance status.

In case the insured person loses his/her insurance status while receiving medical care for an ongoing treatment, the person continues receiving that specific treatment until the recovery.

Additionally, as for the assisted reproductive methods (In-vitro fertilization) up to three trials, the following conditions should be met simultaneously;

- If the married couple cannot have baby via normal medical ways and it is medically justified that they can have baby via assisted reproductive methods,
- It is medically justified that the other treatment methods applied within last three years have been unsuccessful,
- The woman is over the age of 23 and younger than the age of 40,
- At least one of the spouses has been health insured person or a dependant for minimum 5 years and has at least 900 contribution days of universal health insurance.



5. Exemptions from Conditions for Entitlement to Healthcare Benefits

Healthcare services are financed by the SGK for the following individuals and situations without any condition:

- Children under the age of 18,
- Individuals who are medically in need of permanent care of another person,
- Traffic accident cases and emergency cases,
- In case of accident at work and occupational diseases,
- Contagious diseases that subject to notification obligation,
- Protective healthcare services for individuals without considering whether they are sick or not and for preventing usage of substances harmful to human health,
- Inpatient or outpatient examinations by a medical doctor due to maternity,
- In case of natural disasters and war,
- In case of strike and lock-out situations.

6. Out of Pocket Payments

Insured persons and their dependants pay out-of-pocket payments for the cost of medical care when using universal health insurance benefits. These payments should be made directly by the person and cannot be reimbursable by the SGK. There are two types of out-of-pocket payments envisaged by the law:

- Co-payment
- Additional Payment

6.1. Co-payment

Co-payment means the fixed amount or percentage of the medical care cost that must be paid by insured persons or dependants in case of receiving healthcare services in general. Co-payments are strictly not allowed to be reimbursable by means of private health insurance. Co-payment is charged for the following healthcare services and medical items:

- a) Medical doctor and dentist examination for outpatient treatment excluding the treatments given by the public primary healthcare service providers and family doctors,

- b) Medication/pharmaceutical provided for outpatient treatment,
- c) External prosthesis and orthosis including optical devices,
- d) Assisted reproductive treatments (In-vitro fertilization).

As it is mentioned above in the bullet a, there is no co-payment applied in case of outpatient treatment given by the public primary healthcare service providers and family doctors. Furthermore, there is also no co-payment in case of receiving inpatient treatment.

Co-payment amounts in case of outpatient treatment given by the secondary and tertiary public hospitals and private hospitals are as follows:

- a) 6% in the State secondary healthcare service providers,
- b) 7% in the education and research hospitals of the Ministry of Health, which are used jointly with universities,
- c) 8% in the tertiary healthcare providers of university hospitals,

- d) 15₪ in private healthcare service providers regardless of their level status,
- e) Plus 5₪ added to above amounts in case the person receives a treatment of the same medical speciality in other healthcare service providers within 10 days after the first outpatient treatment given by the above healthcare service providers excluding referral cases made by doctors when necessary.

Co-payment rates of medication, in case of outpatient treatment are as follows:

- a) 10% of the medication cost for pensioners and their dependants,
- b) 20% of the medication cost for other insured persons and their dependants.

Additionally, there is also prescription co-payment applied in case of outpatient treatment and it is 3₪ up to 3 medicines/boxes prescribed and plus 1₪ for each of the additional medicines/boxes.

Co-payment rate for external prosthesis and orthosis including optical devices is the same as medication rates above:

- a) 10% of the cost of the prosthesis and orthosis for pensioners and their dependants,

- b) 20% of the cost of the prosthesis and orthosis for other insured persons and their dependants.

However, in no case, co-payment amount for external prosthesis and orthosis (medical devices) cannot exceed 75% of gross minimum wage for any of each prosthesis or orthosis.

Co-payment rates for the treatments of assisted reproductive methods (In-vitro fertilization) for all insured persons are established as 30% for first trial, 25% for second trial and 20% for third trial.

6.2. Co-payment Exemptions

Certain exemptions exist from co-payment obligations for some healthcare services and specific persons. There fore, there is no co-payment applied in case of receiving those services and there are also some specific persons who are not subject to pay co-payments.

The following healthcare services are exempted from co-payment:

- a) Medical doctor and dentist outpatient treatments at the State primary healthcare service providers and family doctors,

- b) Control treatments of the same medical speciality in the same healthcare providers within 10 days after the first outpatient treatment given by public secondary and tertiary healthcare providers and all private healthcare providers,
 - c) Laboratory tests, analysis and other diagnostic methods done for both outpatient and inpatient treatment by the public healthcare service providers,
 - d) In-patient treatment and medications,
 - e) Healthcare services provided in case of work accident and occupational disease,
 - f) Healthcare services provided in case of military exercises and manoeuvres,
 - g) Healthcare services provided due to disaster and war cases,
 - h) Personal protective healthcare services,
 - i) Treatments for chronic diseases,
 - j) Medications for chronic diseases,
 - k) Vital prosthesis and orthosis, treatment tools and equipment,
 - l) Organ, tissue and stem cell transfers,
 - m) Control examinations for assessment of the degree of disability of the persons who receive pension or benefit,
 - n) The costs of medical equipment, which is reaccepted by the SGK as return.
- The following persons** are exempted from co-payment:
- a) Honorary pensioners and their spouses as per the provisions of the Law Number 1005 on Putting Individuals Awarded with Medal for Service in the Turkish War of Independence on Honorary Pension from Military Service Planning,
 - b) Pensioners and their dependants according to the Law Number 2330 on Compensation in Cash and Pension,
 - c) Disabled veteran pensioners and their dependants and persons who receive pension under the Law no 3713 on Fighting against Terrorism,
 - d) Persons who are receiving healthcare services

as a victim of terrorism attack under the Law no 3713 on Fighting against Terrorism,

- e) Persons who receive pension according to the provisions of the Law Number 3292 on Military Service Planning Pension,
- f) Children, who benefit, free-of-charge, from protection, care and rehabilitation services according to the Social Services Law No 2828,
- g) Persons who receive duty invalidity pension that is granted due to a public mission,
- h) Cadets who receive education in military academies, high schools for non-commissioned officers, Police Academies or Staff Colleges or continue on the account of the Armed Forces or the General Directorate of Security while attending on his/her own account in faculties or academies,
- i) Soldiers serving compulsory military service and candidate cadets (students) of the military schools.

6.3. Additional Payment

There are two types of additional payments as out of pocket payment:

- Additional payment for outpatient and inpatient treatment in private healthcare service providers within the certain ceilings,
- Additional payment for medication and optical devices in case of opting for more expensive products.

Private healthcare providers can charge insured persons for the standard services they provide, up to twice as much as the standard prices established by Healthcare Services Pricing Commission. Moreover, if they provide luxury hotel services and exclusive healthcare services, they can charge patients for more additional fees, up to three times as much as the established standard healthcare service prices. Luxury hotel services and exclusive healthcare services are defined and listed in the Healthcare Implementation Communique.

The reimbursement amount for medicines and optical devices are determined and published by the

SGK. As per the law, there is no ceiling determined on the prices of medicines and optical devices. Therefore, if the patient prefers to purchase a more expensive medicine/optical device, he/she pays the difference between the pharmacy/optician retail price and the reimbursable price, as additional payment in addition to the regular co-payment explained above. For example, opting for brand name drug instead of generic drug between two equivalent drugs.

There is no restriction on who pays the additional payments envisaged by the law. These payments can be reimbursable by any means such as employer or private health insurances.

Public hospitals are not allowed to charge insured persons and their dependants any additional fees for the standard healthcare services they provide, excluding luxury hotel services and exclusive healthcare services.

On the other hand, there are also exemptions exist for specific persons and specific healthcare services where additional payment cannot be applied by the providers.

7. Method for Providing Healthcare Services

SGK is not a healthcare service provider but financier of the health expenditures of the insured persons under the universal health insurance.

Healthcare services are provided through contracts signed between the SGK and healthcare service providers. Except for emergency cases, the healthcare services given by non-contracted healthcare providers cannot be reimbursable by the SGK.

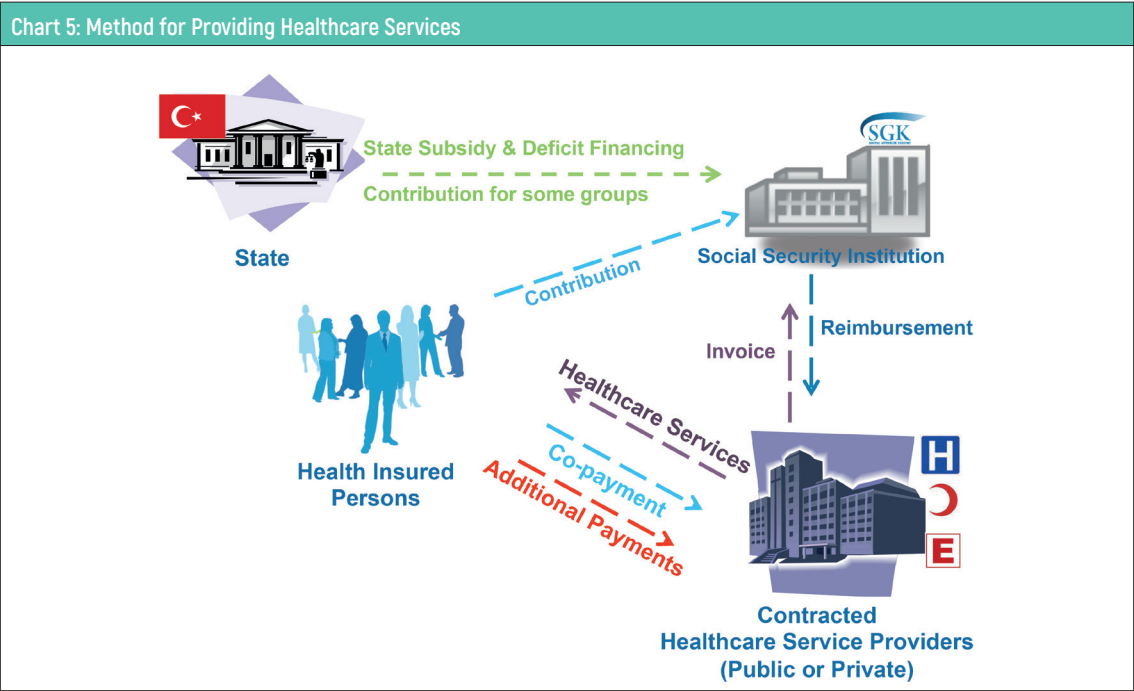
SGK concludes Healthcare Service Contract with the following healthcare service providers:

- Public Hospitals of Ministry of Health
- Public or Private University Hospitals
- Private Hospitals / Medical Centres
- Pharmacies
- Medical Device Sales Centres
- Opticians

SGK regulates the reimbursement of healthcare provision system by publishing Healthcare Implementation Communique in Official Gazette. This Communique declares the procedures and principles of healthcare delivery. It is a voluminous legislation and it includes every detail of the

reimbursements, co-payments, out of pocket payments, diagnoses, treatment and examination methods, lists of medications and medical devices, invoicing methods, types of healthcare service providers, guidelines for referrals and issuing medical certificate, relevant exemptions etc. Additionally, there is the Healthcare Services Pricing Commission whose secretariat is run

by SGK. It is composed of 9 members of which 2 members are from SGK and others are from relevant ministries and unions of university hospitals and private hospitals. Its main duty is the determination of prices of all healthcare services, medications, medical devices and other relevant issues. All decisions of the Commission have to be published in the Official Gazette.



V. CERTAIN IMPLEMENTATIONS AND PROJECTS CARRIED OUT BY SGK

Social Insurances

Following the social security reform, both number of active and passive insured people have substantially increased since 2008 as it is seen in the Table 16. Due to that increase, SGK always needs to improve its capacity and find innovative ways to provide sufficient and smooth services. In this regard, one of the best way to provide quality services is using broad electronic applications. SGK has been ranked the first among the public organizations in using e-government applications for service delivery in Turkey for the last five years.

Table 16: Number of Active and Passive Insured Persons		
Years	2008	2019
Active Insured Total	15.041.268	22.000.964
-Workers (4/a)	9.574.873	16.010.002
-Self-employed (4/b)	3.260.719	2.888.154
-Civil Servants (4/c)	2.205.676	3.102.808
Passive Insured (Pensioners) Total	8.746.703	12.977.719
-Workers (4/a)	5.024.696	8.025.769
-Self-employed (4/b)	1.965.247	2.671.576
-Civil Servants (4/c)	1.756.760	2.280.374

In 2019, e-government website directed 16,2% of total visits to SGK online applications and there are 145 different types of applications provided by the SGK on this web site. Thanks to these applications, insured persons, employers and other citizens can apply online and follow-up their inquiries easily.

In addition to widespread service points across the country, SGK provides several methods to facilitate access to its services such as;

- Payment of benefits and pensions of +65 elderly people and disabled persons at their home,
- SMS information services on registrations and contribution payments etc.,
- Reaching out to users and replying all questions related with labour life via award winning Family, Labour and Social Services Call Centre "ALO 170",
- 135 combi van type vehicles that are designed as Mobile Service Offices are being used by local service units in order to reach remote areas,
- Web based SGK TV has been in service for dissemination of social security information, rights and responsibilities of insured persons and employers. It also promotes SGK activities and policies to the people.

Universal Health Insurance

With the social security reform, universal health insurance system was first introduced in 2008. At present, universal health insurance covers almost all of the population in Turkey including foreigners with residence permit and refugees. Universal health insurance has a very generous benefit package and it provides free healthcare services that are very much accessible. Moreover, health insurance contributions of over 8 million people are paid by the State on the basis of means test.

While yearly average visit number to healthcare providers per person was 3,2 in 2002, this number increased substantially to 8,21 in 2019 due to introduction of universal health insurance and coverage extension.

The electronic/online applications are being used for smooth implementation of universal health insurance can be considered among the best ones of their kind in the world and some of them are explained as follows:

- MEDULA (Medical Communicator) System:

The transactions between SGK and healthcare service providers run via MEDULA system. This system makes easier the provision process and plays very important role for controlling healthcare expenses. It is composed of following components for different healthcare service providers: MEDULA Hastane (for hospitals), MEDULA Eczane (for pharmacies), MEDULA Optik (for opticians) and MEDULA Tibbi Malzeme (for medical device suppliers). Millions of transactions run through MEDULA every day. For example, while MEDULA Hospital System received 750.000 application daily in 2008, this number has reached up to 2 million in 2019.

- Healthcare Provision Activation System (HPAS) (Healthcare Entitlement Verification System):

The aim of HPAS is to merge different provision systems under one single system. Before HPAS, there used to be many separate systems, which made it very much complicated to use and control the overall system. The provision system

aims to check whether the patient is entitled to healthcare service or not. Accordingly, it activates the healthcare provision for the person or rejects. It works by entering only the national identification number and patient visit date. Further, it gives a unique tracking number for the specific healthcare service. HPAS and MEDULA are working in parallel and thanks to these two programmes, all applications and access to universal health insurance can be monitored.

- E-Prescription Application:

Prescriptions are prepared online instead of on physical papers and pharmacies check them through MEDULA. As of 01 January 2012, application of e-prescription started in all hospitals in entire country. Over one million e-prescriptions are issued daily. This practice has proved to be very successful in preventing misuse and abuse in the medication system.

- Biometric Identity Verification System:

In order to identify the identity of individuals correctly, SGK has started using the biometric identification system in all private healthcare service providers in order to prevent and minimise misuses and losses in private sector. The system works by scanning and recording the under-skin vein map of a palm of the patient in a protected secure way, which is personal and unchangeable for the person, at the first visit to hospital. Afterwards, the patient's palm vein map is checked with the recorded patterns by the system at each hospital visit in future.

Promoting Registered Employment

Turkey has shown great success in the area of promoting registered employment. While unregistered employment rate was slightly above 52% in 2002, this rate has fallen dramatically and has reached 32,3% in December 2019. The target rate for 2023 is declared as 28,5% by the State.

There are different studies and hard efforts behind this success story. Both national funds and European Union (EU) projects has promoted new approach in this field. Instead of enforcement and punishment, promotions and incentives has taken place. Information technologies have also facilitated cross checks and inter-institutional cooperation. Widespread inspection capacity of SGK has started to serve as a guidance mechanism for employers and this transformation has helped to increase voluntary compliance among the citizens.

SGK has completed several EU funded projects in total budget of 100 million Euro. Apart from the extensive human resources and technical capacity building activities, nearly 80% of this amount is directly transferred to the citizens to support registered employment and decent jobs by means of grant projects and direct financial supports.

Owing to its biggest project "Operation of Supporting the Registered Employment of Women Through Home-Based Child-Care Services", SGK provided financial support to nearly 20.000 women

and made possible for them to return or stay in registered labour market.

Currently, SGK is implementing several projects in cooperation with EU on aiming at increasing employment of women, helping them to balance work and family responsibilities and supporting them to reach decent work by providing financial grants. There is also one project jointly being implemented with ILO to support Syrians for accessing formal employment and reaching decent work standards the same as nationals. The total budget of these projects amounts about 100 million Euro and the projects will have supported around 35.000 people among workers, employers and entrepreneurs when completed by the end of 2022.

International Recognition in the Field of Social Security

SGK has been awarded many times in Good Practice Awards Competition organized by the International Social Security Association (ISSA) within last decade. Some of the SGK's implementations that received awards are as follows;

- Electronic Prescription (e-prescription),
- Operation of Promoting Registered Employment through Innovative Measures,
- Biometric Identity Verification System,
- Implementation of a Data Matrix in Optics,
- A New Methodology for Forming Positive Lists,
- Financial Management and Automation System Project (MOSİP),
- The Integration of Student Certificates into the Health Provision Activation System,
- Automatic Payment of Electronic Temporary Incapacity Reports (e-Payment) for the Self-employed,
- Operation of Supporting Registered Employment of Women through Home-based Child-care Services,
- Online Payments Inquiry and Bank Account Submission System,
- Registration and Payment of Contributions of Employees Who Work Less than Ten Days in Home Services via SMS Sent to SGK by Their Employers.



Good Practice Awards



A BRIEF GLOSSARY OF SOCIAL SECURITY TERMS IN TURKISH

English	Turkish
Accident at Work Insurance	İş Kazası Sigortası
Additional Payment	İlave Ücret
Bairam Bonus	Bayram İkramiyesi
Breastfeeding Grant	Emzirme Ödeneği
Contribution Rate	Prim Oranı
Co-payment	Katılım Payı
Dependant	Bakmakla Yüklümlü Olunan Kişi
Earnings Subject to Contribution	Prime Esas Kazançlar
Funeral Grant	Cenaze Ödeneği
Healthcare Benefit	Sağlık Yardımı
Invalidity Insurance	Malullük Sigortası
Invalidity Pension	Malullük Aylığı
Long-term Insurance Branch	Uzun Vadeli Sigorta Kolu
Marriage Grant	Evlenme Ödeneği
Maternity Benefit	Analık Yardımı
Maternity Insurance	Analık Sigortası
Occupational Disease Insurance	Meslek Hastalığı Sigortası

English	Turkish
Old-age Insurance	Yaşlılık Sigortası
Old-age Lump Sum Payment	Yaşlılık Toptan Ödemesi
Old-age Pension	Yaşlılık Aylığı
Out of Pocket Payment	Cepten Ödeme
Permanent Incapacity for Work Benefit	Sürekli İş Göremezlik Geliri
Revival of Service Periods	Hizmetlerin İhyası
Short-term Insurance Branch	Kısa Vadeli Sigorta Kolu
Sickness Insurance	Hastalık Sigortası
Social Insurance	Sosyal Sigorta
State Subsidy	Devlet Katkısı
Survivor's Benefit	Ölüm Geliri
Survivor's Insurance	Ölüm Sigortası
Survivor's Lump Sum Payment	Ölüm Toptan Ödemesi
Survivor's Pension	Ölüm Aylığı
Temporary Incapacity for Work Allowance	Geçici İş Göremezlik Ödeneği
Universal Health Insurance	Genel Sağlık Sigortası
Voluntary Insurance	İsteğe Bağlı Sigorta



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