

MESSAGE FROM THE DIRECTOR GENERAL OF VIET NAM SOCIAL SECURITY



As the Director General of Viet Nam Social Security, I would like to introduce the booklet to readers and look forward to winning the attention, support, and cooperation from national and international organizations in our mission-fulfilling journey.

Over a quarter of a century, developed from isolated and scattered social insurance organizations under the management of many ministries and branches to the only social insurance organization with the centralized and unified system from the central to local levels, Viet Nam Social Security has become the government specialized agency implementing social insurance, health insurance, and unemployment insurance policies. Since then, Viet Nam Social Security has constantly grown in size and importance in Vietnam's social security system, and affirmed its role, status, and influence in the regional and global social security system.

The Party, State and Government of Vietnam highly value and pay attention to social development, with a focus on ensuring better social security for people, in which Social insurance and Health insurance are the two main pillars of the national social security system, greatly contributing to the realization of social progress and justice, maintaining socio-political stability, improving people's living standards, and securing the sustainable development of the country.

To fulfill that mission, during its development, Viet Nam Social Security has always tried to take good care of and ensure social security for people, make several great achievements, and contribute to earning the people and the whole society's trust in the superiority, humanity and the good nature of the social security system in Vietnam. In particular, by the end of 2020, the number of people participating in social insurance in Vietnam is 16.16 million people, accounting for 32.8% of the working-age population; unemployment insurance is 13.32 million people; and health insurance is 87.98 million people, reaching 91% of the country's population. People can fully and promptly enjoy basic social security benefits in accordance with the Constitution through Social insurance, Health insurance, and Unemployment insurance guaranteed by Vietnam Social Security. This becomes especially meaningful in the context of the complicated spread of the COVID-19 pandemic, affecting all of the socio-economic aspects of every country.

This booklet is published with the desire to give readers an overall picture of Viet Nam Social Security system, and its achievements and challenges on its mission-fulfilling development path to become a social security pillar, an important foundation for economic development and socio-political stability; at the same time, orient the future vision of developing a professional, modern, sustainable, efficient and internationally integrated Viet Nam Social Security to better meet the interests and satisfaction of people.

NGUYEN THE MANH
Director General of Viet Nam Social Security

OUTSTANDING INDEXES

(As of 31st December 2020)

INSURANCE DEVELOPMENT/ COVERAGE

Health insurance

87.978 mil people

accounting for 90,85% of the population
(i.e. 11,5 mil people in 2003)



Social insurance participation

16.164 mil people

(32,8% of the working-age population)



Number of compulsory social insurance participants:
15,036 mil people (2,2 mil people in 1995)

Number of voluntary social insurance participants:
1,128 mil people

Unemployment insurance participation

13.324 mil people

accounting for 27% of the working-age population (nearly 6 mil people in 2009)



NUMBER OF BENEFICIARIES (2020)

* Pension and monthly allowance payment: **3.2 mil people**

* **876,702 people** are entitled to the lump-sum allowance

* Over **9.69 mil people** are entitled to sickness, maternity, convalescence, and health rehabilitation allowance

* **167.605 mil people** go for inpatient and outpatient medical examination and treatment with health insurance (decrease 8.97% equivalent to 16,5 mil people in comparison with 2019)

* Unemployment allowance is paid for over **1.019 mil people** (increase 16,1% in comparison with 2019)

ADMINISTRATIVE



 Decrease 90% in comparison with 263 administrative procedures in 2012

Social security transaction hours/ year



 Decrease 60% in comparison with 335 hours/ year in 2015

IT APPLICATION AND SERVICES FOR CITIZENS AND BUSINESSES



- Develop "VssID - Digital social security" application on mobile devices
- Build the National Social Insurance Database
 - Provide 100% level 4 online public services; integrate and provide Social security service on the National Public Service Portal
 - Centralize the data collecting and analyzing system
 - Build an online collection and payment system
 - Develop an interactive multimedia system for citizens and businesses
 - Connect and share data with ministries and industries

AWARDS



International Social Security Association (ISSA)

Achievements of IT application in managing medical examination and treatment expenses covered by Health insurance

2018



ASEAN Social Security Association (ASSA)

Develop a method to manage the payment system and monitor medical examination and treatment

2018



Promote administrative procedure reform, and enhance the efficiency of serving citizens and businesses

2019

Viet Nam Social Security expands voluntary social insurance coverage

2020



Ministry of Information and Communications announces

According to the assessment result of IT application degrees of ministries, branches, and localities, Viet Nam Social Security ranks first among Government agencies in IT application

2017 - 2019



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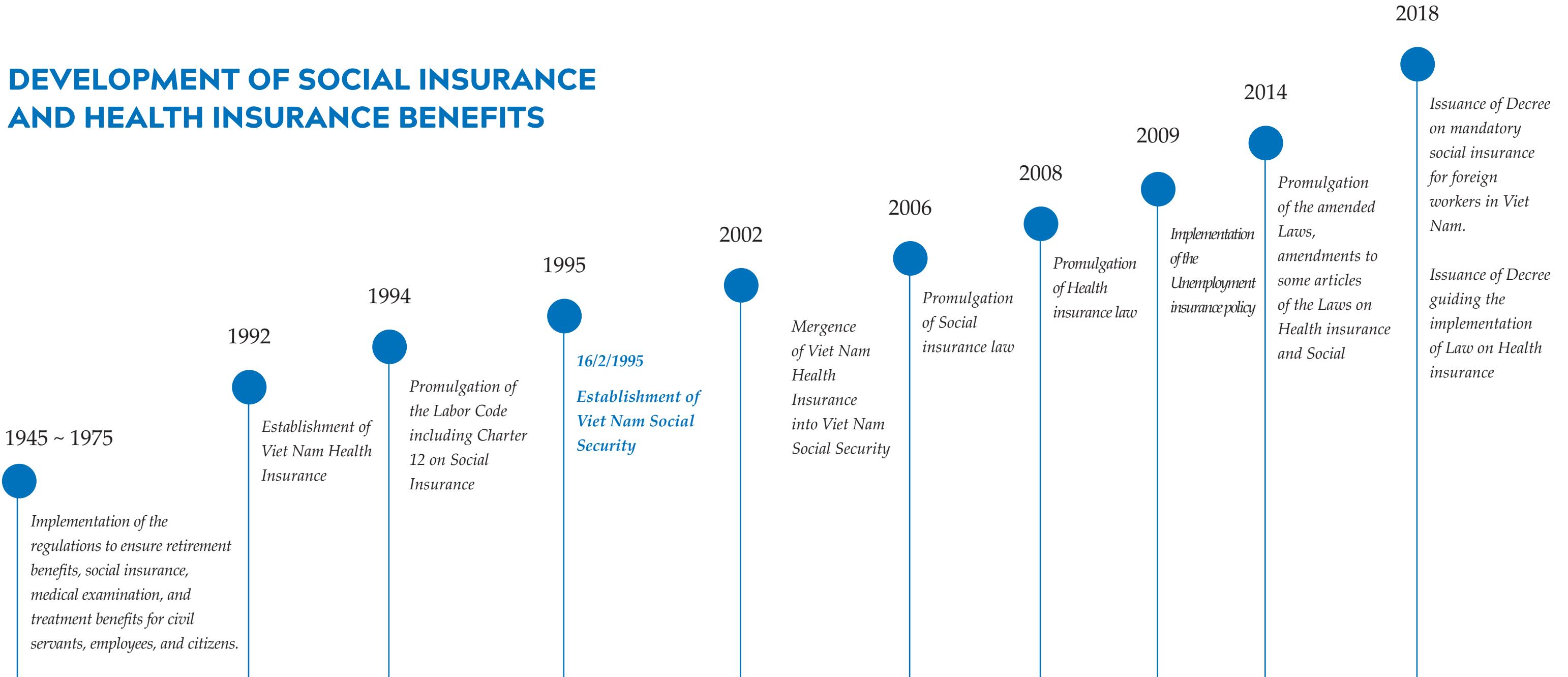


According to World Bank's assessment in the Global Business Environment Report (Doing Business 2018)

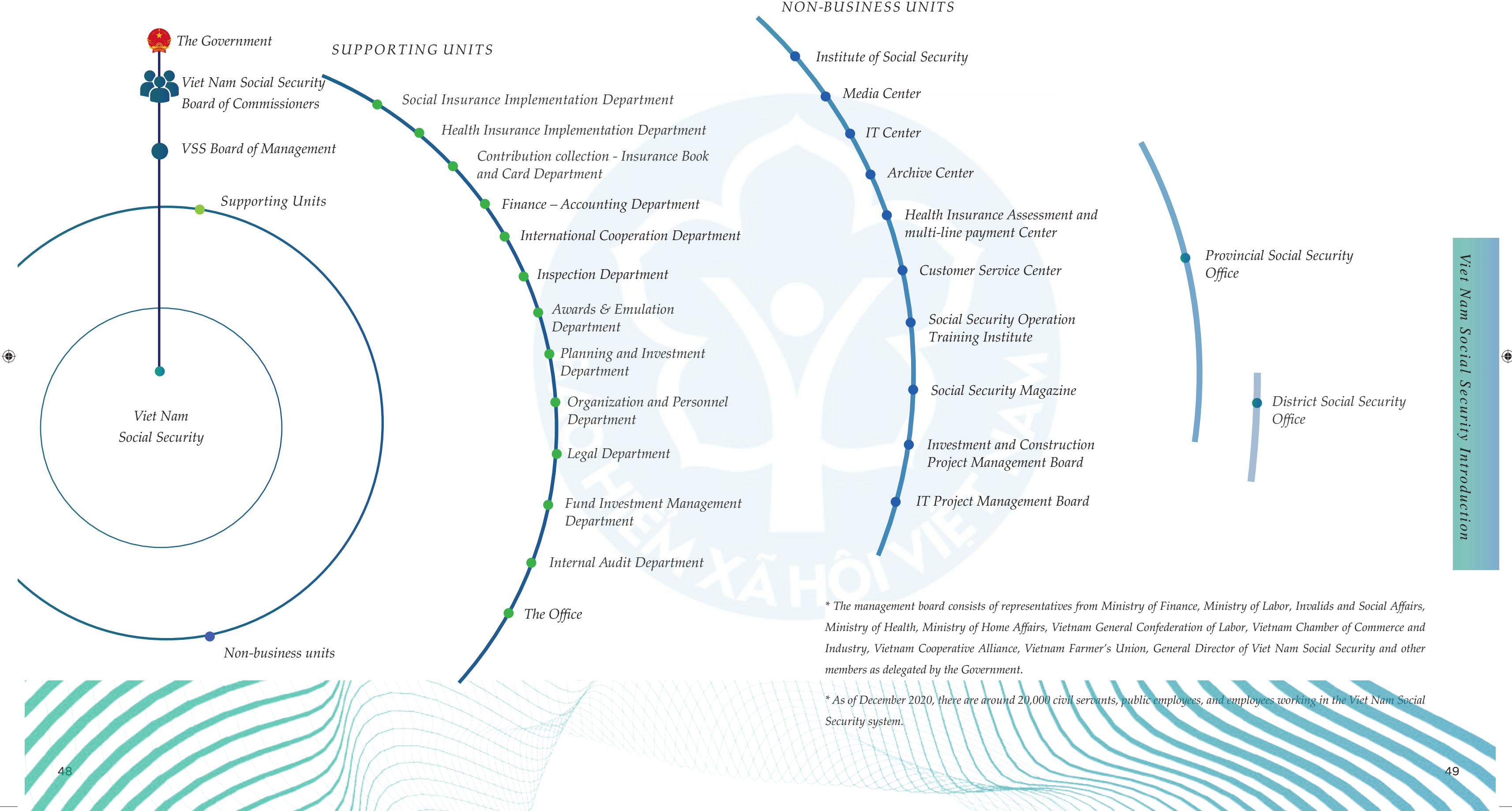
Viet Nam's ease of doing business ranking is 68 out of 190 countries and territories. Regarding tax payment and social security contribution indicators, Viet Nam ranks 86/190 in the world and ranks fourth in ASEAN

2018

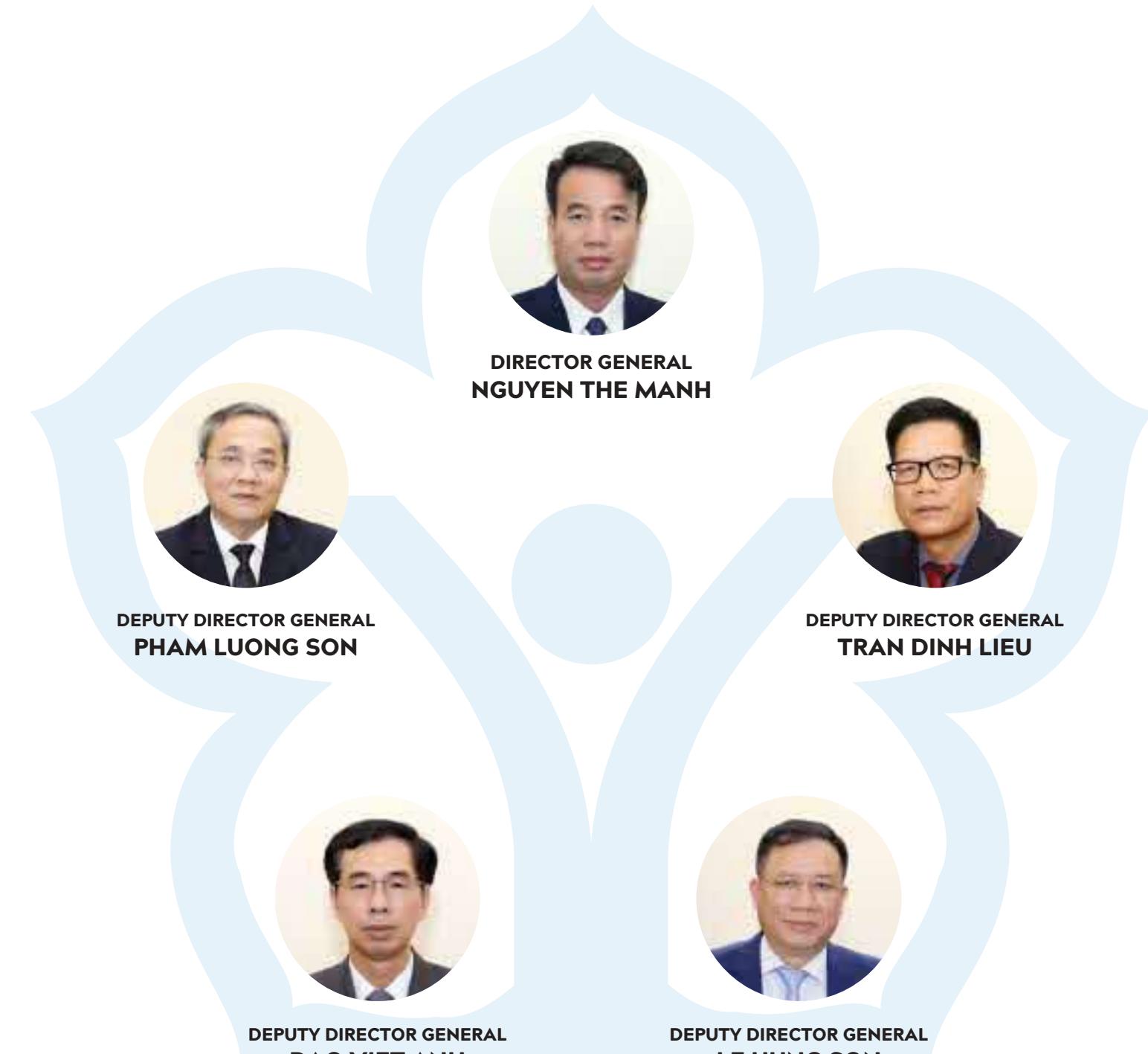
DEVELOPMENT OF SOCIAL INSURANCE AND HEALTH INSURANCE BENEFITS



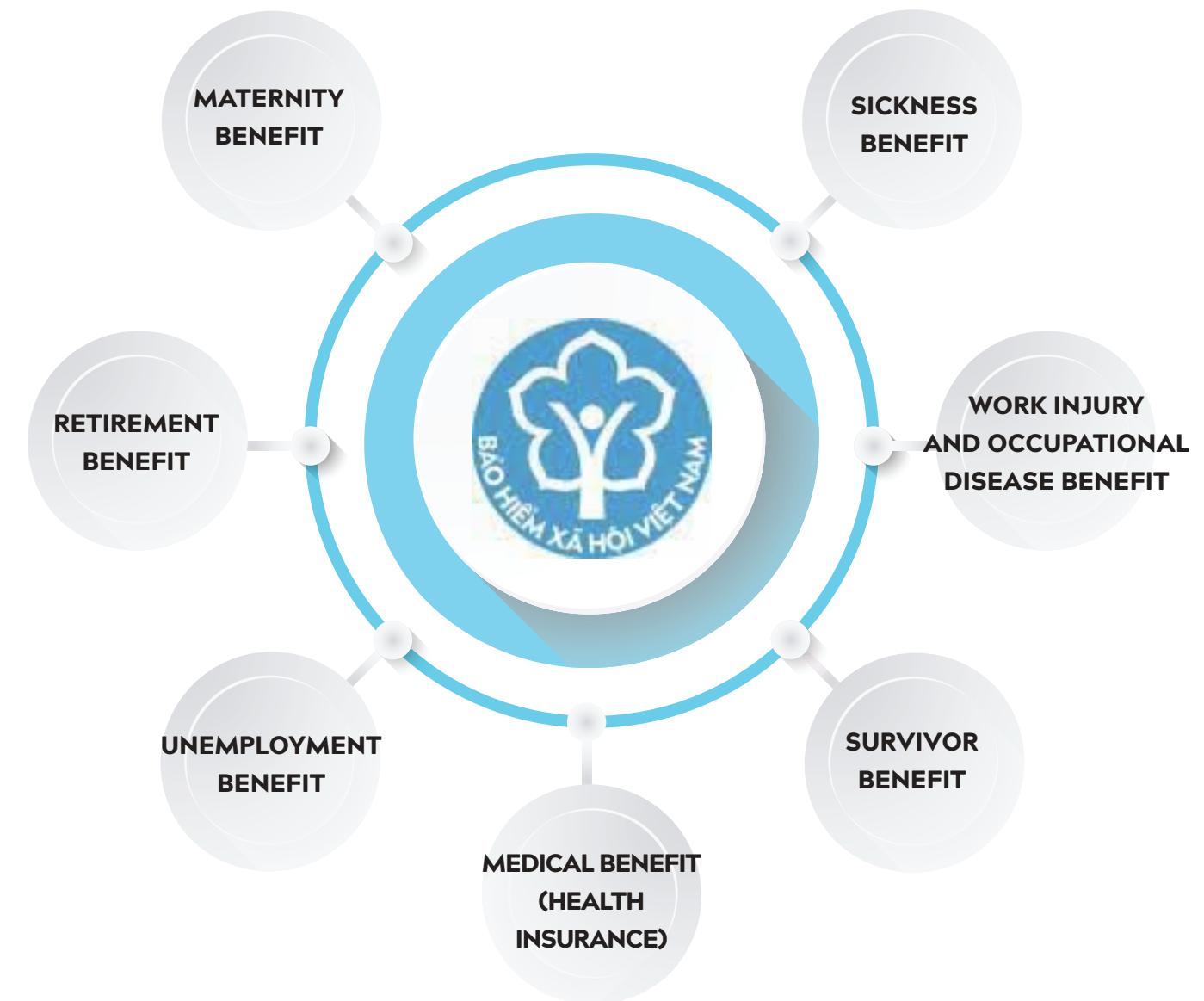
ORGANIZATIONAL STRUCTURE



VSS BOARD OF MANAGEMENT



SOCIAL INSURANCE AND HEALTH INSURANCE BENEFITS



PARTICIPANTS SOCIAL INSURANCE

Compulsory social insurance:

Applicable to employees who are Vietnamese citizens, including:

- * Persons working under indefinite-term labor contracts, definite-term labor contracts, seasonal labor contracts, or contracts for given jobs with a term of between full 3 months and under 12 months;
- * Persons working under labor contracts with a term of between full 01 month and under 03 months;
- * Cadres, civil servants, and public employees;
- * Defense workers, public security workers, and persons doing other jobs in cipher agencies;
- * Officers and professional army men of the people's army; officers and professional non-commissioned officers, technical officers and noncommissioned officers of the people's public security; and persons engaged in cipher work enjoying army-like salaries;
- * Non-commissioned officers and soldiers of the people's army; noncommissioned officers and soldiers on definite-term service in the people's public security; army, public security and cipher cadets who are entitled to cost-of-living allowance;
- * Vietnamese workers working abroad under the labor contracts defined in the Law on Vietnamese Workers working abroad under the labor contract;
- * Salaried managers of enterprises and cooperatives;
- * Part-time staff in communes, wards, and towns.

* Compulsory social insurance must include these benefits, namely: Sickness; Maternity; Work injury, Occupational disease; Retirement, and Survivor.

Voluntary social insurance:

- * Vietnamese citizens aged full 15 years or older are not compulsory social insurance participants.

* Voluntary social insurance must include these benefits, namely: Retirement and Survivor.

PARTICIPANTS HEALTH INSURANCE

All Vietnamese citizens are obliged to participate in health insurance based on 05 groups of contribution responsibilities as follows:



Contributed by employees and employers



Contributed by Social insurance institutions



Contributed by the state budget



Contributed with the state budget's portion support



Contributed by household, including household members other than those mentioned above



PARTICIPANTS UNEMPLOYMENT INSURANCE

Workers are obliged to participate in unemployment insurance when working under indefinite-term labor contracts, definite-term labor contracts, seasonal labor contracts, or contracts for given jobs with a term of between full 3 months and under 12 months.



SI, HI, UI contribution rate for employees based on the salary decided by employers

CONTRIBUTION RATE

The monthly salary on which social insurance, health insurance, and unemployment insurance contribution are based is salary category, salary allowance, and other amounts as prescribed in the labor law written on the labor contracts.

Contributor	Retirement and survivor fund	Work injury and occupational disease fund	Sickness and maternity fund	Unemployment insurance fund	Health insurance fund
Employers	14%	0.5%	3%	1%	3%
Employees	8%	—	—	1%	1.5%

CONTRIBUTION METHODS

- Employers shall make monthly SI, HI, and UI contribution to SI fund, HI fund, and UII fund for employees from their salary.
- Employers being enterprises, cooperatives, household businesses, or cooperative groups engaged in agriculture, forestry, fishery, or salt making that pay product-based or piecework-based salaries shall make monthly social insurance contribution every month, every 03 months, or every 06 months.

SICKNESS BENEFIT

- Employees who take leave due to sickness and accidents shall be entitled to a sickness benefit period from 30 to 70 days based on their social insurance contribution time and working condition.
- The leave period upon sickness of a child in a year for employees shall be calculated based on the number of days of for the sick child care, which must not exceed 20 working days, if the child is under 3 years old, or must not exceed 15 working days if the child is between full 03 years and under 07 years old.
- For employees who take leave due to diseases on the Ministry of Health issued a list of diseases requiring long-term treatment, the period of enjoying the sickness benefits is a maximum of 180 days in a year, including public holidays, New Year holidays, and weekends. If employees still need treatment after the expiration of the period, they shall be entitled to continue enjoying the sickness benefits with the lower level for a period not exceeding the period of social insurance contribution. The allowance equals 75% of the salary of the month preceding their leave on which social insurance contribution is based.
- The sickness period for officers and professional army men of the people's army; professional officers and non-commissioned officers, officers and technical non-commissioned officers of the people's public security; and persons engaged in cipher work enjoying salaries like army men depends on the treatment period at authorized healthcare providers. The allowance equals 100% of the salary of the month preceding their leave on which social insurance contribution is based.
- Employees shall be entitled to a convalescence and health rehabilitation leave period of between 05 days and 10 days in a year if their health has not yet recovered after sickness. The daily allowance equals 30% of the basic salary.

MATERNITY BENEFIT

Conditions for enjoying the maternity benefits:

- Pregnant female employees;
- Female employees giving birth to children;
- Female employees as surrogate mothers and intended mothers;
- Employees adopting under-6-month-old children;
- Female employees having intrauterine devices or employees taking sterilization measures;
- Male employees currently paying social insurance premiums whose wives give birth to children.

Benefits

- * A monthly allowance must equal 100% of the average of salaries of 6 months preceding the leave on which social insurance premiums are based; the maternity leave period of 14 working days or more in a month shall be regarded as a period of social insurance contribution. During this period, they are not required to make social insurance contributions.
- * Female employees shall be entitled to a 6-month leave before and after childbirth under the maternity benefits. For a female employee who gives birth to twins or more infants, she shall be entitled to an additional leave of 01 month for each infant from the second.
- * Female employees shall be entitled to a convalescence and health rehabilitation leave period of between 05 days and 10 days in a year if their health has not yet recovered after maternity. The daily allowance for convalescence and health rehabilitation after maternity equals 30% of the basic salary.
- * Pregnant female employees shall be entitled to take leaves for 5 prenatal checks-up, 01 or 02 days for each check-up. The leave period upon miscarriage, abortion, stillbirth, or pathological abortion is a maximum of 50 days based on the pregnancy weeks. The maximum leave period is 07 days for female employees implanted with intrauterine devices and 15 days for employees taking sterilization measures.
- * Male employees currently paying social insurance premiums whose wives give birth to children shall be entitled to a maternity leave of a maximum of 14 days (in case of quadruplet or more, the number of days is higher) within the first 30 days after the date of childbirth. In case the mother gives birth to a child but only the father is covered by social insurance, the father is entitled to a lump-sum allowance equaling 02 times the basic salary for each child in the month of childbirth.

WORK INJURY AND OCCUPATIONAL DISEASE BENEFITS

Eligibility conditions:

* Employees who suffer a working capacity decrease of 5% or more after suffering accidents while working or performing tasks assigned by their employers, getting diseases on the list of occupational diseases when working in a hazardous environment, or doing hazardous jobs.

Benefits:

- * Employees suffering a working capacity decrease of between 5% and 30% shall be entitled to a lump-sum allowance calculated on the basis of the degree of working capacity decrease and the years of social insurance contribution.
- * Employees suffering a working capacity decrease of 31% or more shall be entitled to a monthly allowance calculated on the basis of the degree of working capacity decrease and the years of social insurance contribution.
- * For employees who die of a labor accident or an occupational disease, their relatives shall be entitled to a lump-sum allowance equaling 36 times the basic salary and the prescribed survivor benefits .
- * Employees getting a labor accident or an occupational disease shall be entitled to an assessment, re-assessment, or thorough assessment of their working capacity decrease, shall be provided with daily-life aid equipment or an attendance allowance based on the conditions of their injury, disease, and the degree of working capacity decrease.
- * Employees whose health has not yet recovered after taking treatment of occupational diseases or injuries shall be entitled to a leave of between 05 and 10 days for convalescence and health rehabilitation. The per-diem allowance is equivalent to 30% of the basic salary.
- * Employees entitled to an allowance after getting a labor accident or an occupational disease shall be granted health insurance cards in case they stop working. In case they continue working and making social insurance contributions, they shall be entitled to both a monthly pension and a monthly labor accident or occupational disease allowance when they are eligible for retirement.

RETIREMENT BENEFIT

Eligibility conditions:

- * Before 2021, employees working in normal conditions were entitled to a monthly pension when they were full 60 years old, for men, or full 55 years old, for women, and had paid social insurance premiums for at least full 20 years.
- * Since January 1, 2021, the retirement age for employees working in normal conditions has been adjusted according to a roadmap in which the retirement age has been increasing by 3 months each year until it reaches full 62 years (for male employees) in 2028 and by 4 months each year until it reaches full 60 years (for female employees) in 2035.
- * Employees can be entitled to a monthly pension at a higher or lower age than the prescribed standard age, depending on their working and health conditions.

Pension rate

- * Based on their social insurance premium contribution at the time when they are eligible for retirement, employees shall be entitled to a lifetime pension, and during the time of pension entitlement, their pension will be subject to increase adjustment.
- * Based on the years of social insurance premium contribution, the maximum monthly pension rate is equal to 75%.
- * Employees shall be entitled to a lump-sum social insurance allowance when they satisfy the prescribed conditions.
- * Employees entitled to a monthly pension shall be granted health insurance cards paid by the Viet Nam Social Security Fund until their death.
- * When employees entitled to a monthly pension die, the persons who take charge of their funeral shall be entitled to a lump-sum funeral allowance equaling 10 times the basic salary of a month and their immediate relatives shall be entitled to a monthly or lump-sum survivor allowance.



SURVIVOR BENEFIT

Conditions for monthly survivor allowance entitlement:

- * Persons who die are those who have paid social insurance premiums for at least full 15 years but have not yet received a lump-sum social insurance allowance, those who are paying social insurance premiums or have their period of social insurance premium contribution reserved, those who are on pension, those who are on monthly labor accident or occupational disease allowance for their working capacity decrease of 61% or more, or those who die of a labor accident or an occupational disease.
- * The above-mentioned cases' relatives (their children, wives or husbands, natural fathers, natural mothers, fathers-in-law, mothers-in-law, or other family members whom the insured are obliged to nurture in accordance with the law on marriage and family) who satisfy the prescribed conditions of age, income, and working capacity decrease.

Benefits

- * The persons who take charge of the dead employees' funeral shall be entitled to a lump-sum funeral allowance equaling 10 times the basic salary of a month when they satisfy the prescribed conditions.
- * Relatives satisfying the prescribed conditions shall be entitled to a monthly survivor allowance. The monthly survivor allowance for each relative is equal to 50% of the basic salary, or 70% of the basic salary for the relatives who have no direct fosterer (the number of relatives entitled to a monthly survivor allowance must not exceed 4).
- * Relatives eligible for a monthly survivor allowance shall be allowed to receive a lump-sum survivor allowance if they wish to, except under-6-year-old children, children, or spouses suffering a working capacity decrease of 81% or more.
- * Relatives shall be entitled to a lump-sum survivor allowance when they satisfy the prescribed conditions; the levels of the lump-sum survivor allowance are calculated on the basis of each specific death case.

UNEMPLOYMENT BENEFIT

- * Unemployed persons shall be entitled to a monthly unemployment allowance equaling 60% of the average monthly wage of 6 consecutive months before they become unemployed on which unemployment insurance premiums are based, but must not exceed 5 times the basic salary or the region-based minimum wage.
- * The duration of unemployment allowance receipt shall be based on the months of unemployment insurance premium contribution, but must not exceed 12 months.
- * The time for unemployment allowance receipt shall be counted from the 16th day after the date of submission of a complete application for unemployment allowance receipt in accordance with the law.
- * Persons on unemployment allowance shall be entitled to health insurance benefits in accordance with the law on health insurance; Viet Nam Social Security shall pay health insurance premiums for those persons, using the Unemployment Insurance Fund.



MEDICAL BENEFIT (HEALTH INSURANCE)

Eligibility conditions:

Persons who have health insurance cards and photo ID documents when they go to health care providers for medical examination and treatment.

Benefits:

The insurance beneficiary shall benefit from the health insurance fund's coverage for permissible medical and technical services, drugs, chemicals, medical supplies, and equipment, depending on specific cases. The insured are entitled to choose the primary health care provider, to have medical transfers, or to have medical examination and treatment at any health care provider in case of emergency.

Rate of health insurance allowances:

When the insured have medical examination and treatment at their primary health care provider as regulated or in case of emergency, the health insurance fund shall cover 80%, 95%, or 100% of the medical expenses depending on which category the insured belongs to.

In case of transfers to a health care provider at a higher or inappropriate level, the health insurance fund shall cover the medical expenses at the following rate:

Cover

40%

of the medical expenses on inpatient treatment in hospitals at the central level.

Cover

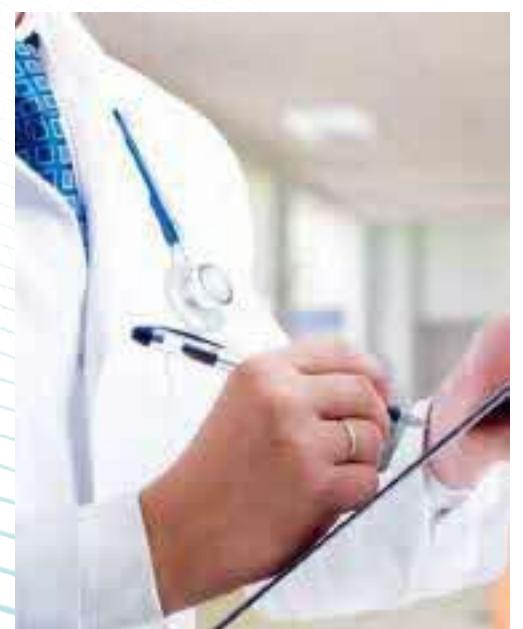
60%

of the medical expenses on inpatient treatment in hospitals at the provincial level.

Cover

100%

of the medical expenses on inpatient or outpatient examination and treatment in hospitals at the district level across the country.



COMPULSORY SOCIAL INSURANCE FOR FOREIGN EMPLOYEES WORKING IN VIET NAM

Eligibility conditions:

Foreign employees working in Viet Nam have work permits, or job certificates, or job licenses issued by the competent authorities in Viet Nam as well as indefinite-term labor contracts or definite-term labor contracts with a duration of at least full 12 months signed with employers in Viet Nam.

Benefits:

Sickness benefits, maternity benefits, retirement, and survivor allowance benefits shall observe Law on Social Insurance; work injury and occupational disease benefits shall observe Law on Occupational Safety and Hygiene.

Contribution rate

- For employees: Since January 1, 2022, employees shall pay 8% of their monthly salary to the retirement and survivorship fund. If they do not work and do not receive wages for at least 14 working days in a month, they shall not be to pay social insurance premiums for that month. This period of time shall not be counted for them to enjoy social insurance benefits, except for maternity leaves.

- For employers: Since December 1, 2018, monthly contributions to the social insurance fund based on employees' monthly salary shall be as follows: 3% to the sickness and maternity fund; 0.5% to the labor accident and occupational disease insurance fund. Since January 1, 2022, an additional 14% shall be paid monthly to the retirement and survivorship fund.

- An employee who signs labor contracts with more than one employer shall only pay social insurance premiums for the first signed labor contract, except for labor accident and occupational disease insurance, employers must pay according to each signed labor contract.

Procedures:

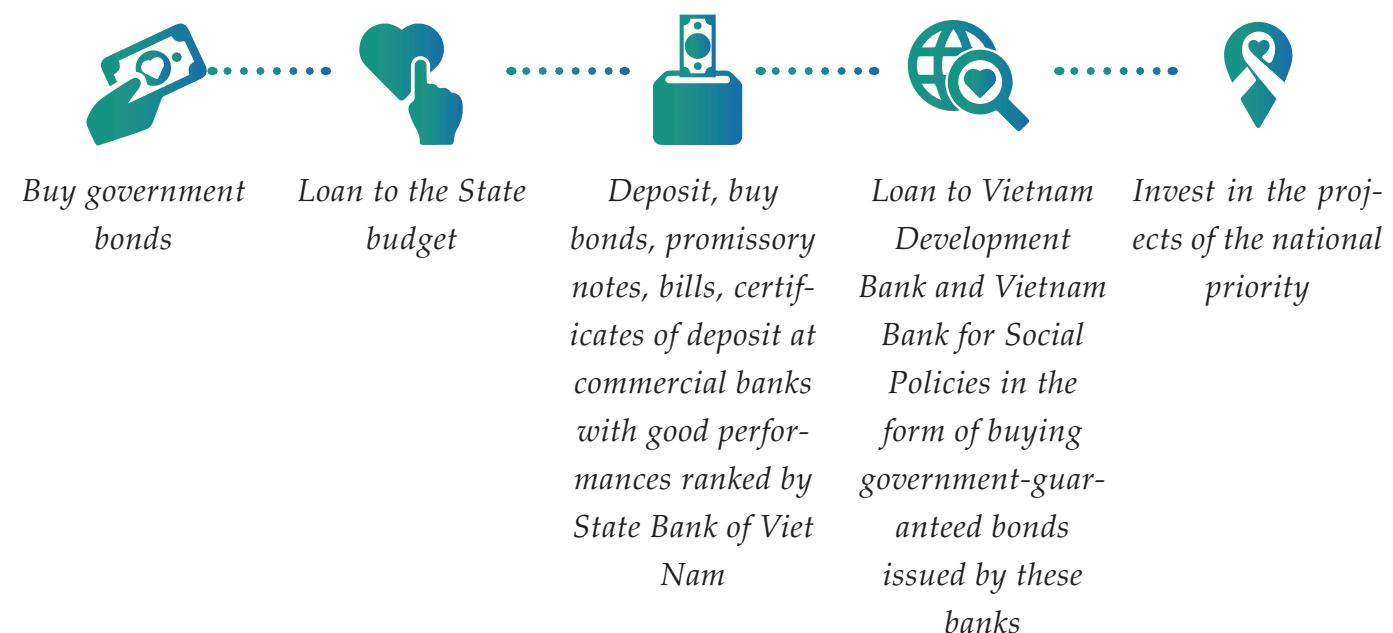
Procedures of participation in and settlement of the social insurance benefits for foreign employees shall comply with the procedures for Vietnamese employees. Dossiers of participation in and settlement of social insurance benefits which are issued by foreign agencies must be translated into Vietnamese and authenticated in accordance with Viet Nam law.

VIET NAM SOCIAL SECURITY FUND INVESTMENT

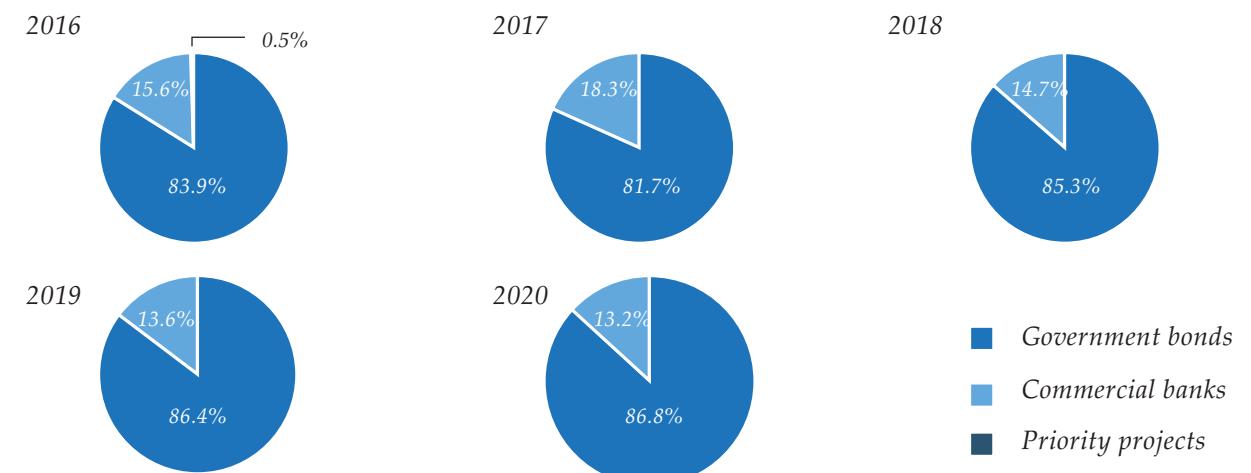
Investment principles:

Investment activities from Social Insurance Fund, Health Insurance Fund, and Unemployment Insurance Fund must be transparent, safe, and efficient, and return of the initial investments.

INVESTMENT METHODS

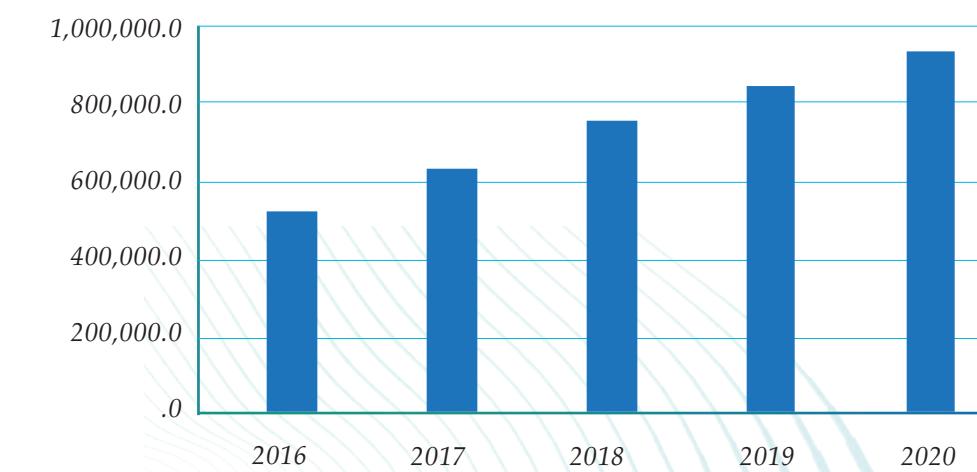


Investment portfolio



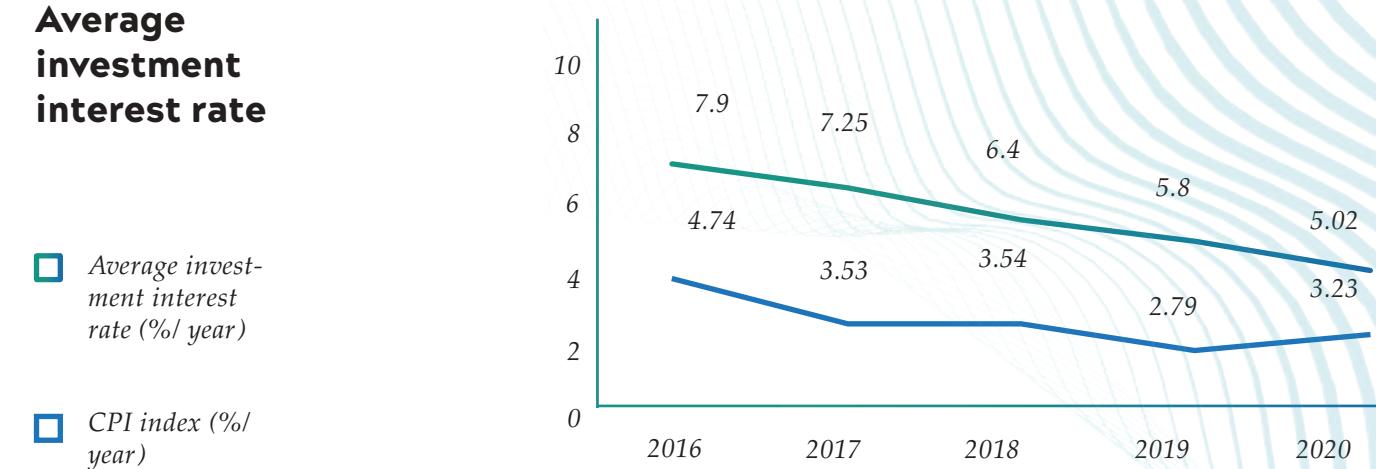
- Government bonds
- Commercial banks
- Priority projects

Investment scale growth



Average investment interest rate

- Average investment interest rate (%/year)
- CPI index (%/year)



INFORMATION TECHNOLOGY APPLICATION & DEVELOPMENT AND CUSTOMER SERVICES

Internal use:

100% of the staff in the VSS system have been provided with workplace emails for daily work;

100% of the documents in the sector have been circulated in the electronic environment (except for secret documents);

100% of the staff in the VSS system are proficient in using E-office and have followed the document processing procedure in E-office;

Since 2020, all paper documents at the receiving and processing department have been subject to digitalization, along with electronic records.

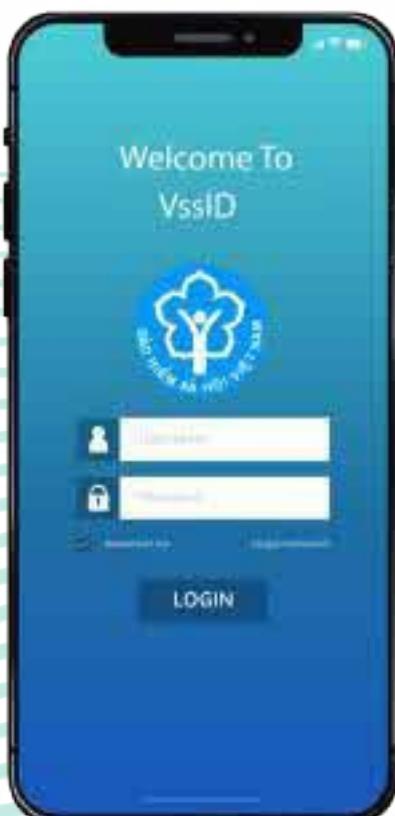
Services for the citizens and businesses:

* At the end of 2020, Viet Nam Social Security completed the provision of 100% of the public services at level 4 for its administrative procedures, enabling organizations and individuals to perform the operations directly on the Viet Nam Social Security's National Public Service Portal at <https://dichvucong.baohiemxahoi.gov.vn> or via I-VAN Service;

* VSS has deployed the connection and integration of providing its public services and providing the inter-connected public services on the National Public Service Portal;

* VSS has coordinated with banks to arrange for bilateral payment; the citizens make monthly contributions to social insurance, health insurance, and unemployment insurance at bank transaction counters, on Internet banking or smart banking systems, or on National Public Service Portal, Viet Nam Social Security's Public Service Portal;

* In November 2020, Viet Nam Social Security officially launched VssID, the digital social insurance application for the citizens.



Some fundamental goals of information technology in the coming time

- * Continue upgrading and perfecting the VssID application, optimizing the users' experiences;
- * Provide many utilities, online public services, and an online payment system;
- * Deploy the national social insurance database;
- * Make the most of sharing and connecting the data with the other national databases;
- * Continue expanding the open data portfolio to develop a digital government, a digital economy, and a digital society;
- * Continue doing research and applying artificial intelligence (AI) in data analysis and processing, developing the 4.0 ecosystem of the Viet Nam Social Security.

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Accelerate the comprehensive digital transformation of Viet Nam Social Security, especially for the digital services and utilities provided for the citizens and employers, contributing to the development of a digital government, a digital nation.



FOREIGN AFFAIRS, INTERNATIONAL COOPERATION



For more than 25 years of formation and development, Viet Nam Social Security has always been proactive and has been actively cooperating with the international and regional social security organizations, in the spirit of learning and sharing experience in operating and implementing social insurance and health insurance policies.

VSS has recently made remarkable progress in foreign affairs and international cooperation, both in breadth and in-depth, which have been more and more practical. VSS has shown its flexibility and creativity as well as inherits the previous successes in the following activities:

Attracting and mobilizing international funding; promoting diplomatic activities; strengthening international training on foreign languages, working skills, code of conduct, professional ethics in accordance with the international standards for the staff; organizing professional training courses and seminars for knowledge and experience sharing.

International cooperation in human resource training has been focused, giving support to the following professional areas:

Pharmaceuticals, medical supplies; inspection and examination; social insurance assessment; financial management, fund investment; as well as foreign language skills for the staff.

Diplomatic activities have helped to transfer international knowledge, experience, and technology, which contributes to accelerating the reform, development, and modernization of the sector in line with the set strategic objectives; the sector has gradually integrated deeply into the region and the world through regular active activities in the forums of ASEAN Social Security Association (ASSA) and International Social Security Association (ISSA); participated in the official diplomatic activities at the State level of the Party leaders and the Government; successfully organized an international conference at a larger scale than ever before, resulting in the sector's new position and power, further enhancing the position, reputation, and image of Viet Nam Social Security at home and abroad, regionally and internationally.



The highlight in the foreign affairs of Viet Nam Social Security in recent years has been a smooth harmonious combination of bilateral and multilateral diplomacy, regional and international multilateral diplomacy.



Prime Minister congratulated Viet Nam Social Security on attending the 37th Conference of ASEAN Social Security Association (ASSA)



Director General Nguyen The Manh, on behalf of Viet Nam Social Security, received ASSA Award for achievements in expanding social insurance coverage



Director General Nguyen The Manh worked with the Embassy of Korea



Prime Minister witnessed the signing ceremony of training cooperation between the University of Waikato and Viet Nam Social Security



Deputy Director General Dao Viet Anh chaired a seminar on the cooperative connection between ISSA and ASSA

VISION AND DEVELOPMENT PLAN

 **Expand** the coverage of social insurance, unemployment insurance, and reach the goal of countrywide health insurance coverage.

Set a target of insurance coverage that by 2025:

People participating in social insurance will have accounted for

45% of the working-age population

People participating in unemployment insurance will have accounted for

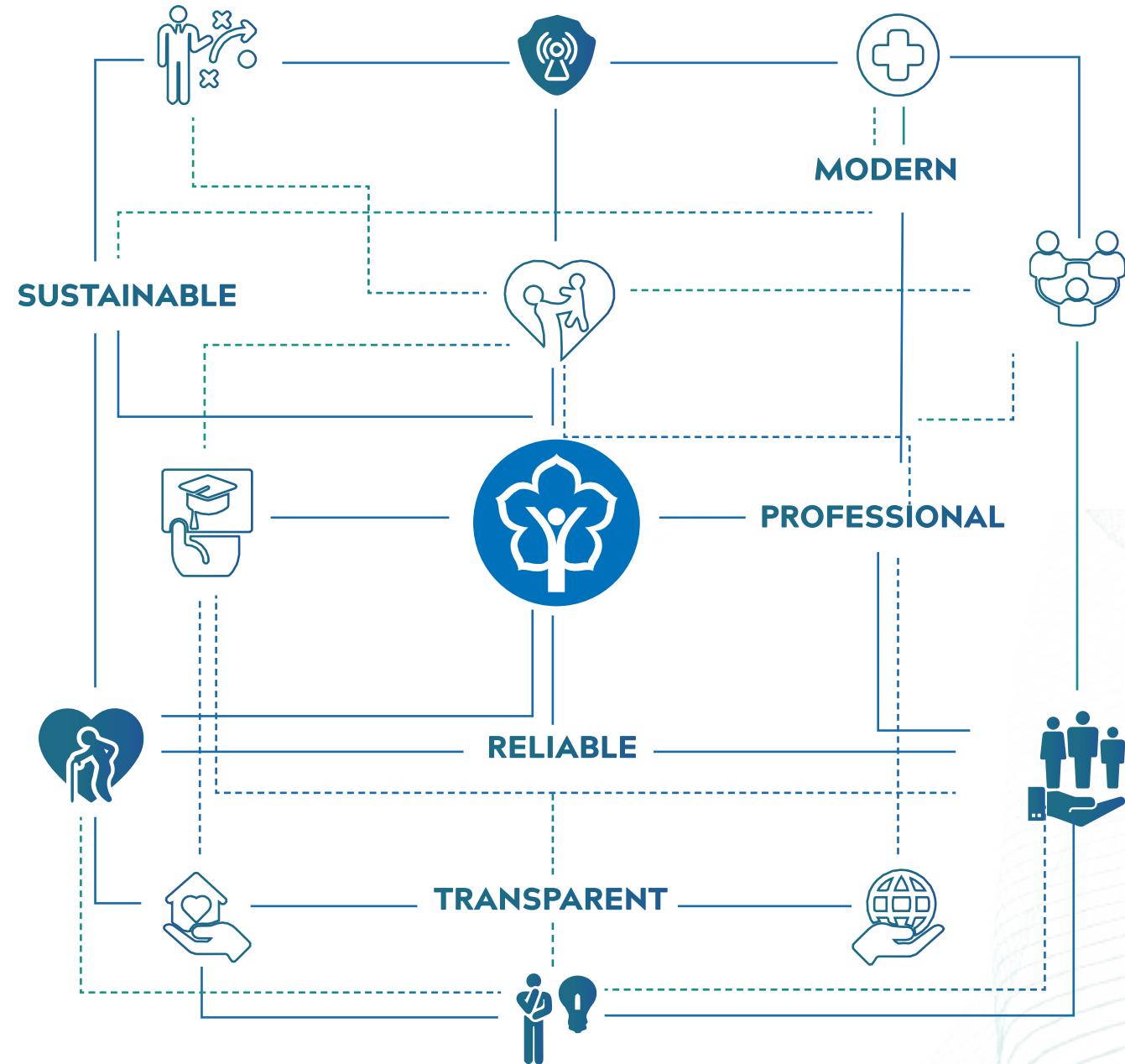
35% of the working-age population

People participating in health insurance will have accounted for

95% of the population

 **Use** safely and ensure the balance of the Social Security Fund in the long term; manage and use effectively as well as ensure the balance of the Health Insurance Fund.

 **Build up** modern and professional social insurance and health insurance systems to meet the citizens' satisfaction, fulfill the requirements of industrialization, modernization, and international integration.



Achievements in implementing social insurance, health insurance, and unemployment insurance policies clearly demonstrate the superiority and humanity of the socialism in Viet Nam; the citizens have been enjoying the fundamental social security benefits prescribed in the Constitution through social insurance and health insurance coverage, towards the goal of countrywide social insurance and health insurance.

Viet Nam Social Security sets a developmental goal with a motto of sustainability, professionalism, and reliability, striving to become one of the leading social security organizations in the region by 2030.