

# Employees' Health Insurance and Pension (Shakai Hoken 社会保険)

Published by the Civic Life Division of Annaka City (December 2017)  
TEL: 027-382-1111 (local 1139)

Registered residents, regardless of nationality, are required by the Japanese government to enroll in an approved health insurance and pension scheme. There are basically 3 options to choose from:

- a) **Employees' Health Insurance** (Shakai Hoken 社会保険)
- b) **National Health Insurance** (Kokumin Kenko Hoken 国民健康保険)
- c) **Mutual Aid System** (Kyouzai Kumiai 共済組合)

## Employees' Health Insurance and Pension

If all of the items below apply to you, it is compulsory for your employer to enroll you in the Employees' Health Insurance and Pension or Shakai Hoken:

- 1) works 20 hours or more per week
- 2) earns at least 88,000 yen a month or 1,060,000 yen a year
- 3) expected to work for at least 1 year
- 4) not a fulltime student
- 5) your company has more than 500 employees

### Cost

Shakai Hoken premiums are based on your total annual taxable salary divided by 12 months. Premium rates are set by Gunma Prefecture and are subject to change approx. every 6 months. As of December 2017, monthly premium for medical insurance portion is equal to 9.93% of your monthly taxable salary if you are 20-40 years old; 11.58% if you are 40-65 years old (additional 1.65% for Nursing Care Insurance or Kaigo Hoken). In addition, monthly premium for pension is 18.3% of your monthly taxable salary. Your employer will shoulder 50% of your monthly premiums while you pay for the remaining 50% usually through automatic salary deductions.

For example, if your average monthly salary is 200,000 yen and you are 25 years old

Premium	Amount Paid by Employer	Amount Paid by Employee
Medical Insurance (9.93%)	9,930 yen	9,930 yen
Pension (18.3%)	18,300 yen	18,300 yen
Total Shakai Hoken Premium/month	28,230 yen	28,230 yen

### Medical Insurance Coverage

- 1) Medical visits, medication, surgery, hospitalization, and dental costs
  - insurance covers 70% of the cost while the patient pays the remaining 30%
  - covers injuries and illnesses but does not apply to physical check-ups, cosmetic surgery, healthy pregnancies, or childbirth
  - high medical costs compensation
- 2) Lost wages due to illness or injury
  - insurance pays 60% of the member's average daily wages for up to 1.5 years
  - cannot be claimed if the person is also claiming Workers Accident Compensation Insurance (Rosai Hoken)
- 3) Childbirth
  - 420,000 yen lump sum given after childbirth or directly paid to hospital (Shusan Ikuji Ichiji Kin or Haigusha Shusan Ikuji Ichiji Kin)
- 4) Maternity leave
  - if you take a maternity leave, you are eligible for 60% of your wages (Shusan Teate Kin) for 42 days prior and 56 days after giving birth
  - Death
  - lump sum for burial costs
  - compensation for death of a dependent

## Pension Benefits

- 1) Elderly Pension (Rorei Kosei Nenkin)
  - paid monthly premiums for 10 years or more
  - eligible from 60 years old
- 2) Death
  - Survivors Pension (Izoku Kosei Nenkin) is paid to surviving dependents
- 3) Disability (Shogai Kosei Nenkin)
  - not fit to work due to disability
  - amount varies depending on type and severity of disability

## Dependents

Family members who may or may not dwell with the insured person and non-blood relatives who share the same household with the insured person may be considered as dependents if they meet the income requirement. Dependents can be covered by the medical insurance upon submitting an Ifuyosha Todoke. If a dependent's status changes (employment, residence, death, etc.), it is the insured person's obligation to inform his employer and update his records by submitting a Hifuyosha Ido Todoke.

## Pension Lump Sum Withdrawal (Dattai Ichiji Kin)

Foreign nationals enrolled in the Shakai Hoken for 6 months or more can receive a lump sum pension refund. Rebates are calculated based on the length of time that a person is enrolled in the pension scheme and his/her last month when the last premium was paid. To qualify, the following conditions should apply:

- 1) must not be a Japanese citizen
- 2) must not have a residence in Japan
- 3) no previous applications to claim pension benefits
- 4) application must be made outside Japan
- 5) application must be submitted within 2 years upon leaving Japan

To apply for a lump sum pension refund, one must prepare the following documents:

- 1) Lump sum Withdrawal Payment Claim Form (get from Health Insurance and Pension Division or download from Japan Pension Service website)
- 2) photocopy of passport showing the claimant's
  - a) name
  - b) date of birth
  - c) nationality
  - d) signature
  - e) resident status
  - f) date of final departure from Japan
- 3) pension handbook (Nenkin Techo 年金手帳)
- 4) applicant's bank information (name, location, address) and account information (name and number)

Submit these documents to:

Japan Pension Service  
3-5-24 Takaido-nishi, Suginami-ku  
Tokyo 168-8505 Japan

Some countries have international social security agreements with Japan which allow their citizens' pension scheme enrollment period in Japan and their own to be combined. Check if your country has a social security agreement with Japan before applying for a lump sum pension refund.