

### 1 Pension

The Japanese public pension system is based on a structure supported by a whole society in order to provide for an unforeseeable future. It is necessary to make insurance benefits feasible and achieve security for the people throughout their lifetime by comprehensive supports through the generations.

The system operates in the way in which premiums paid by working generation will go toward pension benefits for elderly persons. As a rule, all citizens aged 20 to 59 years old and living in Japan are to join.

### 2 National Pension

All citizens aged 20 year old or older but less than 60 and living in Japan who are not covered by the Employees' Pension Insurance are to be Category-1 insured persons or Category-3 insured persons of a national pension.

#### 2-1 Policy holder and subscription procedure

##### (1) Category-1 insured persons

A person who is self-employed or engaged in agricultural/fishery, etc. shall pay a national pension premium on his or her own. Such a person is to be Category-1 insured persons of a national pension.

The insured applies by themselves at a neighborhood municipal government office.

##### (2) Category-2 insured persons

A person who works for a company and join the Employees' Pension Insurance or Mutual Aid associations doesn't pay a national pension premium. Such a person is to be Category-2 insured persons.

Application procedure is initiated by an employer.

##### (3) Category-3 insured persons

A spouse supported by a person who joins Employees' Pension Insurance or Mutual Aid associations and who does not need to pay a national pension premium. Such a spouse is to be Category-3 insured persons.

A spouse supported by Category-1 insured persons needs to pay a premium on his or her own, because such a spouse does not qualify for the category of Category-3 insured persons. Likewise, a spouse supported by an eligible recipient aged 65 year old or older needs to pay a premium on his or her own, because such a spouse also does not qualify for the category of Category-3 insured persons.

Application procedure is initiated through the business organization of the spouse.

## 2-2 Premium

Premium is a fixed amount for “Category-1 insured persons.” “Category-3 insured persons” does not have to pay premium.

A discount may apply when premium is paid in advance; payment can be made via the bank transfer method, payment notices or a credit card.

In case payments of premium become difficult due to reduced income or loss of employment, the exemption of the Contributions system and the Contribution postponement system for the national pension program may be applicable. For details, please inquire at the neighborhood municipal government office or a Japan Pension Service Branch Office.

## 2-3 Insurance benefits

### (1) Old-age basic pension

A person who has paid premiums for the periods of 20 to 59 years of age and who has 10 years or more of the Period of coverage required for entitlement to an old-age benefit consisting of premium payment periods, premium-exempted periods, and so on, receives old-age basic pension benefits from the age of 65. The combined period of validity does not include a period of unpaid premiums.

A person who has paid premiums for 40 years during the periods of 20 to 59 years of age qualifies for full old-age basic pension benefits. In case a premium-exempted period exists, the calculating formula differs according to the kinds of exemption and the share of the state subsidy in the basic pension. For example, the amount of pension for a period during which premiums are all exempted shall be one-half.

### (2) Disability basic pension

If a certain disability remains due to illness or injury of which the first medical exam, the first day of a visit to a doctor or a dentist, is during the enrollment period of national pension, and the contribution requirements for entitlement to benefit of a national pension is satisfied, Disability basic pension shall be paid.

There are two grades of disability, 1 and 2, applicable for a disability basic pension, and the amount of pension is settled according to the grade of disability. The amount of disability basic pension for a person identified as applicable to disability grade 1 is a full old-age basic pension of 1.25 times, and the pension amount for a person identified as applicable to disability grade 2 is a full old-age basic pension. When an insured person has a child, the child’s additional amount is added for both grade 1 and 2.

### (3) Survivors' Basic Pension

When an insured person of a national pension or the person who was an insured person dies, and the contribution requirements for entitlement to benefit of a national pension is satisfied, Survivors' Basic Pension shall be paid to a “spouse who has a child” or a “child,” who was supported by the insured person.

The amount of Survivors' Basic Pension is a full old-age basic pension. When an insured person has a child, the child’s additional amount is added.

one point



Who is a “child”?

- A child who doesn’t exceed March 31<sup>st</sup> of the fiscal year in which a child becomes 18 years old
- A child who is less than 20 years old, and whose grade of disability is grade 1 or 2
- A child who is not married

#### (4) Lump-sum death benefit

When the bereaved family unable to receive Survivors' Basic Pension because of the death of an insured of an old-age basic pension or a disability basic pension without receiving any of these benefits, it shall be paid to the bereaved family.

An insured whose premium payment periods, premium-exempted periods, and so on as a Category-1 insured person is 36 months or more is eligible. The amount of lump-sum death benefit differs according to payment periods and premium-exempted periods.

#### (5) Widow's pension

Widow's pension shall be paid to the wife during the periods that the wife is from 60 to 65 years old if the husband has died, and at the time of his death he had 10 years or more of total premium payment periods and premium-exempted periods as a Category-1 insured person, and moreover on the condition that the wife was supported by the husband and also their marital relation was maintained for 10 years or more at the time of his death.

The amount of widow's pension is three fourths of the old-age basic pension benefits calculated based only on periods of the husband as a Category-1 insured person .

### 3 Employees' Pension Insurance

#### 3-1 Applicable Place of Business

This is a corporate workplace such as a stock company, as well as a private office with 5 or more full-time employees with the exception of industries in the fields of agriculture, forestry and fishery and service businesses.

A worker who works at an insurance applied workplace joins the Employees' Pension Insurance if he or she meets the requirements. Even if the workplace is not a certified Applicable Place of Business, it can qualify as an Applicable Place of Business if employer acquires permission by applying for such and over half of the employees agree to the Employees' Pension Insurance

#### 3-2 Premium

Premium is calculated by multiplying common insurance premiums to a monthly salary; standard monthly remuneration, and the bonus; standard bonuses, and is paid evenly by an employer and a worker.

By the end of the next month, an employer shall pay premiums including the employer's share of insurance contribution, after withholding the worker's share from a monthly salary and bonuses.

### 3-3 Insurance benefits

#### (1) Old-age employees' pension

When an insured person who has the enrollment period of the Employees' Pension Insurance and the Period of coverage required for entitlement to an old-age benefit long enough to receive an old-age basic pension turns 65 years old, an old-age employees' pension shall be paid in addition to an old-age basic pension.

For the time being, however, an insured person aged 60 years or older shall receive a Specially Paid Old-age Employees' Pension until the age of 65 in the case of a special exception and date of birth is an exception where appropriate, if the Period of coverage required for entitlement to an old-age benefit is adequate to receive an old-age basic pension, and eligibility requirements are met by having over one year of enrollment period of the Employees' Pension Insurance.

The amount of old-age employees' pension differs according to the standard remuneration amount and the enrollment period.

#### (2) Disability employees' pension

If certain disability remains due to an illness or injury of which the first medical exam the first day of a visit to a doctor or a dentist, is during the enrollment period of the Employees' Pension Insurance, and the contribution requirements for entitlement to benefit of a national pension is satisfied, Disability employees' pension shall be paid.

There are 3 grades (grades 1, 2 and 3) of disability employees' pension, and the amount of pension is settled according to the grade of disability. There is also a case whereby the disability allowance shall be provided as the lump-sum payment even though the degree of disability is inadequate with regard to receiving a Disability employees' pension.

The amount of Disability employees' pension for a person identified as being applicable to disability grade 1 is full old-age employees' pension of 1.25 times, and the amount for a person identified as being applicable to disability grade 2 is full old-age employees' pension. When a disabled insured person has a spouse, the amount to a spouse shall be added.

#### (3) Survivors' Employees' Pension

The pension shall be provided when an insured person dies, an insured person dies within 5 years from the date of first visit to a doctor due to illness or injury occurred during the enrollment period, an insured person has the Period of coverage required for entitlement to an old-age benefit of 25 years or more, the surviving family of the insured is eligible to receive disability employees' pension benefits in cases of grade 1 and 2. The cases of and must meet the premium payment requirements of a national pension.

Persons eligible to receive pension benefits are those who were supported by the deceased insured person as described below. Parents, a grandchild and grandparents shall not receive pension benefits, however, when the pension is provided to persons of higher rank in order of priority.

- a. Spouse ( in case of the husband, the qualifying condition is to be the age of 55 or older, start receiving a pension from the age of 60. The husband is able to receive an employees' pension for surviving family in addition only when he is receiving a basic pension for surviving family. )
- b. Child ( means a person who doesn't exceed the end of fiscal year in which the person turns the age of 18, or a person who is less than 20 years old, identified as being applicable to disability grade 1 or 2 of a disability pension and who is unmarried. )
- c. Parents ( the qualifying condition is to be the age of 55 or older, start receiving a pension from the age of 60. )
- d. Grandchild ( same requirements as a child )
- e. Grandparents ( the qualifying condition is to be the age of 55 or older, start receiving a pension from the age of 60. ) The amount of Survivors' Employees' Pension is three fourths of an old-age employees' pension of the deceased insured person.

#### 4 Lump-sum Withdrawal Payments

When a person who has six months or more of coverage periods of Employees' Pension Insurance or National Pension returns to his/her home country without fulfilling the required coverage periods of 10 years in total to receive old-age pension, he/she shall be entitled to claim the Lump-sum Withdrawal Payments ( "the Payments" ) within 2 years after the date that he/she no longer has a registered address in Japan.

However, once a person receives the Payments, all of the coverage periods before the claim for the Payments shall no longer be valid periods in the future. Please read " IMPORTANT INFORMATION " in the Application for the Lump-sum Withdrawal Payments carefully, taking into account of the possibility of future pension benefits, and carefully consider whether or not to claim the Payments.

If a person chooses to claim the Payments, he/she has to submit a moving-out notification to the municipal office before leaving Japan, because one of the requirements to receive the Payments is that he/she no longer has a registered address in Japan on the date the Japan Pension Service receives his/her application. If you wish to submit the application before you leave Japan such as by post, please make sure that the Japan Pension Service will receive your application after the (planned) date of your departure from Japan which you need to register at your municipal office. Also, the amount of the Payments is calculated based on the coverage periods up to 36 months (3 years). For this reason, if a person who is going to stay in Japan for several times, with the coverage periods expected to be 37 months or more in total, and plans to receive the Payments based on the coverage periods, there are some cases that he/she needs to claim the Payments after each of the stay in Japan.



#### Social Security Agreement

If a person has coverage periods of a country which has concluded a Social Security Agreement including totalization of periods with Japan, he/she may be eligible for pension benefits from Japan or/and the other country by totalizing coverage periods of both countries.

Once a person receives the Payments, however, all of his/her Japanese coverage periods before the claim for the Payments will no longer be valid for the totalization purpose.

## 5 Long-Term Care Insurance

The long-term care insurance system is founded with the intent of supporting the long-term care by society as a whole, and is mainly operated by municipal governments.

### 5-1 Persons eligible to be insured

A person who belongs to a long-term care insurance program shall be the primary insured person over 65 years old and the secondary insured person who belongs to a medical insurance program at the age of 40 to 64.

As for a foreign national, in the case of residing in Japan legally for over 3 months and with a residence registration, the person is eligible to enroll in a long-term care insurance program. Even when residence of less than 3 months is permitted, approved extension of residence of over 3 months obtained by submission of the required documents and so forth, makes a foreign national eligible for enrollment in a long-term care insurance program.

### 5-2 Premium

(1) A person over 65 years old

A premium is determined in stages according to taxation situations of a municipal tax or other factors.

(2) A person over 40 but less than 65 years old

i. The subscriber of a health insurance

A premium shall be collected by adding to a premium of health insurance. A premium of a long-term care insurance shall be paid evenly by a subscriber and an employer.

ii. The subscriber of a national health insurance

A premium shall be collected by adding to a premium of a national health insurance.

### 5-3 Use of long-term care service

To use a long-term care service, it is necessary to apply for “certification of needed long-term care (needed support)” at a municipal government office. The municipal government officials will verify all related matters and in principle the applicant will be informed of the certification result within 30 days of acceptance of the application.

Based on the result of certification, in the case of using a long-term care service, a care service plan will be made and the care service along with the plan will be provided.

## 6 Child Welfare

### 6-1 Child allowance

Please see “Chapter 4 3-4 Child allowance.”

## 6-2 Child rearing allowance

Child rearing allowance is provided for a child who is being raised in a single-parent family or under similar circumstances.

Eligible persons shall be persons such as a mother, a father or grandparents, who are raising a child under 18 years of age (the 18<sup>th</sup> birthday occurring before before March 31<sup>st</sup> of an associated fiscal year, or a child under 20 years of age if the child is disabled).

The payment amount in fiscal year 2019 shall be set according to an insured person's income earned in the previous year, and 42,910 yen to 10,120 yen per child shall be provided monthly. 10,140 yen to 5,070 yen for a second child, 6,080 yen to 3,040 yen for a third child shall be added on a monthly basis. The payment amount varies every year, and a person who gained a certain amount or more income the previous year shall not be eligible for payment. For details, please consult the neighborhood municipal government office.

## 6-3 Special child rearing allowance

A special child rearing allowance shall be paid to the caregiver, such as a mother or a father, who at home raises and has custody of a child who has a mental or physical disability and who is less than 20 years old.

The monthly payment amount in fiscal year 2019 shall be 52,200 yen per child with a disability equivalent to grade 1 of the disability basic pension, and 34,770 yen per child with a disability equivalent to grade 2 of disability basic pension. A person such as a recipient, who has gained a certain amount of income or more income in the previous year, shall not be eligible to receive this payment. The payment amount varies every year.

For details, please consult the neighborhood municipal government office.

## 6-4 Welfare allowance for children with disabilities

A welfare allowance is provided for children who have a disability, who are less than 20 years old, and who need constant nursing care their daily life because of the severity of their mental or physical disability/disabilities.

The monthly payment amount in fiscal year 2019 shall be 14,790 yen per person. A person such as a recipient, who has gained a certain amount of income or more income in the previous year, shall not be eligible to receive this payment. The payment amount varies every year.

For details, please consult the neighborhood municipal government office.

## 6-5 Administrative services to children with disabilities

Various services for children with a disability, including developmental support and nursing care for such children, are available. For details, please consult the neighborhood municipal government office.

## 7 Welfare for Disabled Persons

### 7-1 Certificate

#### (1) Physical disability certificate

A person with a permanent physical disability is eligible for a physical disability certificate. This certificate is classified according to the degree of disability, from class 1 (severe) to class 6 (slight).

A person holding this certificate is applicable to programs of tax exemption, public transportation discounts, and other such programs that are available.

#### (2) Rehabilitation certificate

A person with an intellectual disability is eligible to apply for this certificate, which is classified according to the degree of disability from class A (severe) to class B (otherwise).

Tax exemption, public transportation discounts, and other such programs become available to a person holding this certificate.

#### (3) Mental disability certificate

A person whose daily life or social life is restricted because of a mental disorder is eligible to receive this certificate, which is classified according to the degree of disability from class 1 to class 3.

Tax exemption, public transportation discounts, and other such programs become available to a person holding this certificate.

### 7-2 Administrative services to persons with disabilities and children with disabilities

A variety of services, nursing care and support for training are two examples, are available to support the daily life and social life of a person with a disability.

For details, please consult the neighborhood municipal government office.

Regarding administrative services for children with disabilities, please see “Chapter 7 6-5 Administrative services for children with disabilities.”



## 8 Public Assistance

After validating that a household income with minimum subsistence expenses (calculated based on the criteria defined by the Minister of Health, Labour and Welfare) is below the minimum subsistence expenses, the amount after subtracting income from minimum subsistence expenses is paid as public assistance expense.

In cases of fulfillment of the following requisites, a foreigner national is eligible for assistance pursuant to public assistance as long as the activities are not restricted for a person holding the resident status of permanent resident, Japanese spouse, permanent resident's spouse, or fixed domicile resident. For details, please consult the neighborhood municipal government office.

### 8-1 Requisites for public assistance, etc.

#### (1) Utilization of assets

Assets are defined as deposits with banks, savings, unused land and/or houses not being used for living, funds earned by selling those assets or by other means, and funds appropriated for living expenses.

#### (2) Utilization of abilities

A person who is able to work shall work in accordance with his/her abilities.

#### (3) Other benefits, etc.

If it is possible to receive benefits through other systems such as pension and allowance, make use of those benefits as a first step.

#### (4) Maintenance by support obligor

### 8-2 Types and contents of assistance

Assistance is determined considering the measure of expenses necessary to carry on a life.

Expenses necessary to carry on a life	Kind of assistance	Contents of assistance payment
Expenses necessary for everyday life ( Food, clothing, utilities, etc. )	Livelihood assistance	<ul style="list-style-type: none"><li>• Personal expenses such as food costs</li><li>• Calculate the basic amount, combined family-unit costs such as utilities</li></ul>
Rent for an apartment, etc.	Housing assistance	Subsidization of actual expenses within the prescribed range
Expenses of necessary school supplies in line with compulsory education	Education assistance	Subsidization of the prescribed basic amount
Expenses of medical services	Medical assistance	Expenses will be paid directly to medical institutions ( No self-payment )
Expenses of long-term care services	Long-term care assistance	Expenses will be paid directly to long-term care business operators ( No self-payment )
Maternity expenses	Maternity assistance	Subsidization of actual expenses within the prescribed range

## 9 Independence Support System for Needy Persons

Staffed inquiry counters are established to help needy persons become independent. The content of assistance related to employment, livelihood and so forth depends on the contents of consultations. For details, please consult a neighborhood municipal government office.