

Andorra

Exchange rate: US\$1.00 equals 0.68 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1966 (social security), implemented in 1968, with 2006 amendment.

Type of program: Social insurance system.

Coverage

Employed persons.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person: A choice of 2%, 4%, or 6% of gross earnings.

The insured's contributions finance old-age and survivor benefits and work injury benefits. Disability benefits are financed under Sickness and Maternity, below.

There are no maximum earnings for contribution purposes.

Self-employed person: A choice of a flat-rate contribution of €103.53, €129.41, €155.29, €207.26, or €310.58 according to the chosen income band.

The self-employed person's contributions finance old-age and survivor benefits and work injury benefits. Disability benefits are financed under Sickness and Maternity, below.

Employer: 6% of gross payroll.

The employer's contributions finance old-age and survivor benefits and work injury benefits. Disability benefits are financed under Sickness and Maternity, below.

There are no maximum earnings for contribution purposes.

Government: None.

Qualifying Conditions

Old-age pension: Age 65 (men and women) and insured.

Disability pension: The insured must have an assessed loss of at least 2/3 of earning capacity. If younger than age 21, the insured must also have at least 12 months of contributions; if between ages 21 and 40, at least 36 months of contributions; if between ages 41 and 65, at least 96 months of contributions.

Constant-attendance supplement: Paid if the insured requires the constant attendance of another person.

Survivor pension: The deceased must have had at least 60 months of contributions.

Eligible survivors are a spouse or a divorced spouse aged 45 or older, disabled, or caring for a child younger than age 18; and orphans younger than age 18 (up to age 25 if not in paid employment).

Funeral grant: Paid to eligible survivors. Eligible survivors (in order of entitlement) are the surviving spouse and dependent children, adult children, parents, grandparents, or any other immediate relative. In some cases, the funeral grant is paid to the insurance fund that paid for the cost of the funeral.

Old-Age Benefits

Old-age pension: The value of the insured's pension is linked to the number of contributions made. Each monthly contribution is converted into pension points by dividing total monthly insured person and employer contributions by the value of the pension point used for pension contribution purposes (€12,941 in 2008). On retirement, an annual pension is calculated by multiplying the insured's total lifetime pension points by the value of the pension point used for pension calculation purposes (€2,022 in 2008). The benefit is paid monthly.

Noncontributory supplement: If the insured has accumulated at least 960 pension points, has at least 180 months of contributions, and had worked for at least 5 years before 1968, a supplement equivalent to a pension based on 5,000 pension points is paid. If the insured's pension is less than 50% of the current value of the minimum wage but he or she had at least 240 months of contributions, a supplement of up to 50% of the current value of the minimum wage is paid; with at least 84 months up to 239 months of contributions and residing in Andorra, a supplement equivalent to a pension based on 15% of the insured's accumulated pension points is paid, up to a maximum of 50% of the current value of the minimum wage; with less than 84 months of contributions and residing in Andorra, a supplement equivalent to a pension based on 10% of the insured's accumulated pension points is paid, up to a maximum of 50% of the current value of the minimum wage.

Spouse's supplement: Paid if the insured's spouse is aged 65 or older and is not eligible for a pension in his or her own right. The supplement is equal to 10% of the insured's monthly pension.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to the value of the pension point. The pension point is adjusted annually according to changes in the consumer price index.

Permanent Disability Benefits

Disability pension: If the insured is assessed as totally disabled, the monthly pension is equal to 50% of the insured's average monthly earnings in the 12 months before the disability began.

The disability pension is replaced by the old-age pension at age 60 if the amount payable to the insured is greater.

Constant-attendance supplement: Equal to 25% of the insured's average monthly earnings.

Partial disability: If the insured is capable of some gainful activity, the monthly pension is equal to 30% of the insured's average monthly earnings in the 12 months before the disability began.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Survivor Benefits

Survivor pension: The pension is equal to 50% of the deceased's old-age pension.

Noncontributory supplement: If the survivor pension is less than 50% of the minimum wage, an additional amount up to €50 is paid (up to a maximum equal to 50% of the minimum wage).

Orphan's pension: Each eligible child receives 10% of the deceased's old-age pension.

Noncontributory supplement: If the orphan's pension is less than 30% of the minimum wage, the pension is increased up to this amount.

Dependent parent's pension: Each parent receives 10% of the deceased's average monthly earnings, up to a maximum of 20% of the deceased's average earnings.

Benefits are payable abroad.

Funeral grant: A lump sum is paid equal to the deceased's last 3 months' earnings or €4,244.13, whichever is greater. A lump sum of €3,959.28 is paid for the funeral of a voluntarily insured person.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Administrative Organization

Managed by an Administrative Council and Director, the National Social Security Fund (<http://online.cass.ad/web/lacass/home>) administers the program.

Sickness and Maternity

Regulatory Framework

First and current law: 1966 (social security), implemented in 1968, with 2006 amendment.

Type of program: Social insurance system.

Coverage

Employed persons; pensioners are covered under certain conditions.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person: 3% of gross earnings. Pensioners contribute 3% of the pension for medical benefits.

The insured's contributions also finance disability pensions (see Old Age, Disability, and Survivors, above) and work injury benefits.

Self-employed person: A flat-rate contribution of €141.47 regardless of income level.

The self-employed person's contributions also finance disability pensions (see Old Age, Disability, and Survivors, above) and work injury benefits.

Employer: 7% of gross payroll.

The employer's contributions also finance disability pensions (see Old Age, Disability, and Survivors, above) and work injury benefits.

Government: None.

Qualifying Conditions

Cash sickness benefits: If the insured is an employed person, he or she must have 40 days of contributions for the first claim; for subsequent claims, with less than 1 year of contributions, the insured must have at least 15 days of employment in the last 75 days; with between 1 and 2 years of contributions, at least 15 days of employment in the last 105 days; with more than 2 years of contributions, at least 15 days of employment in the last 135 days.

If the insured is a self-employed person, he or she must have 3 months of contributions for the first claim; for subsequent claims, the self-employed person must not be in arrears with the payment of contributions.

Cash maternity benefits: The insured must have at least 6 months of coverage before the expected date of childbirth (or the adoption of a child) or 3 months of employment in the previous 6 months. A self-employed person must have at least 1 year of coverage.

Sickness and Maternity Benefits

Sickness benefit: The daily benefit is equal to 50% of the reference earnings and is paid after a 3-day waiting period. After the 30th day of incapacity, the daily payment is increased to 2/3 of the reference earnings. The benefit is paid for up to 6 months; may be extended by additional 6-month periods, up to a total of 3 years.

Reference earnings are equal to 1/180 of the insured's earnings in the 6 months before the incapacity began.

Maternity benefit: The daily benefit is equal to 100% of the reference earnings and is paid for 16 weeks; may be extended 2 weeks for each child in the case of multiple

births. The benefit is paid for 12 weeks for the adoption of a child.

Reference earnings are equal to 1/180 of the insured's earnings in the 6 months before stopping work (or the adoption of a child).

Workers' Medical Benefits

Benefits include primary and specialist treatment, pharmaceuticals, hospitalization, maternity care, dental care, minor aids and appliances, and transportation.

Cost sharing: The National Social Security Fund reimburses 100% of scheduled fees for maternity care, 90% for hospitalization, and 75% for the other services and benefits provided.

There is no limit to duration.

Dependents' Medical Benefits

Benefits include primary and specialist treatment, pharmaceuticals, hospitalization, maternity care, dental care, minor aids and appliances, and transportation.

Cost sharing: The National Social Security Fund reimburses 100% of scheduled fees for maternity care, 90% for hospitalization, and 75% for the other services and benefits provided.

There is no limit to duration.

Administrative Organization

Managed by an Administrative Council and Director, the National Social Security Fund (<http://online.cass.ad/web/lacass/home>) administers the program.

Work Injury

Regulatory Framework

First and current law: 1966 (social security), implemented in 1968, with 2006 amendment.

Type of program: Social insurance system for work injuries only (occupational diseases are not covered).

Coverage

Employed persons.

Voluntary coverage for self-employed persons (coverage does not include temporary disability benefit).

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Self-employed person: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Employer: See source of funds under Old Age, Disability, and Survivors and Sickness and Maternity, above.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. No benefits are provided for occupational diseases.

Temporary Disability Benefits

The daily benefit is equal to 50% of the reference earnings. After the 30th day of disability, the daily benefit is increased to 2/3 of the reference earnings. The benefit is paid from the first day of disability.

Reference earnings are equal to 1/180 of the insured's earnings in the 6 months before the disability began.

Permanent Disability Benefits

Permanent disability pension: If the insured is totally disabled, the monthly pension is equal to 100% of the reference earnings.

Reference earnings are equal to the insured's average monthly earnings in the previous year.

The permanent disability pension is replaced by the old-age pension at age 60 if the amount payable to the insured is greater.

Partial disability: For a disability of more than 55%, the monthly pension is equal to the reference earnings multiplied by the assessed degree of disability; for a disability of between 10% and 55%, the pension is equal to the reference earnings multiplied by half the assessed degree of disability; for an assessed degree of disability of less than 10%, a lump sum is paid equal to twice the reference earnings.

If the beneficiary is younger than age 46, he or she can opt for a lump-sum payment instead of the monthly pension.

The lump sum is equal to 6 months' reference earnings if the assessed degree of disability is between 10% and 24%; 12 months' reference earnings, if between 25% and 39%; 18 months' reference earnings, if between 40% and 55%; and 40 months' reference earnings, if greater than 55%.

The assessed degree of disability may be reviewed on the request of the insured or the National Social Security Fund.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Workers' Medical Benefits

Benefits include primary and specialist treatment, pharmaceuticals, dental care, minor aids and appliances, hospitalization, and transportation.

Scheduled fees are reimbursed in full.

There is no limit to duration.

Survivor Benefits

Survivor pension: The monthly pension is equal to 50% of the deceased's reference earnings. The pension is paid to a nondivorced spouse who is not in gainful activity and not eligible for a pension in his or her own right.

Reference earnings are equal to the insured's average monthly earnings in the year before that of the accident that resulted in his or her death.

Orphan's pension: Each child younger than age 18 receives 10% of the deceased's reference earnings a month.

Reference earnings are equal to the insured's average monthly earnings in the year before that of the accident that resulted in his or her death.

All orphans' benefits combined must not exceed 50% of the deceased's reference earnings.

Dependent parent's pension: Each parent (including the spouse's parents) who was totally dependent on the deceased receives 10% of the deceased's reference earnings a month, up to a maximum of 20%.

Reference earnings are equal to the insured's average monthly earnings in the year before that of the accident that resulted in his or her death.

All survivor benefits combined must not exceed 100% of the deceased's reference earnings.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Administrative Organization

Managed by an Administrative Council and Director, the National Social Security Fund (<http://online.cass.ad/web/lacass/home>) administers the program.

Unemployment

Regulatory Framework

There is no separate unemployment program, but assistance is made available by the government for identified cases of need.

Family Allowances

Regulatory Framework

There is no separate family allowances program, but assistance is made available by the government for identified cases of need.