

## Andorra

Exchange rate: US\$1.00 = 0.83 euro (€).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1966 (social security), implemented in 1968.

**Current law:** 2008, implemented in 2009.

**Type of program:** Social insurance and social assistance system.

#### Coverage

**Social insurance:** Employed and self-employed persons.

**Social assistance:** Residents of Andorra.

#### Source of Funds

##### Insured person

**Social insurance:** 3.5% of gross earnings (old age) plus 3% of gross earnings (disability, survivors, sickness, maternity, medical, and work injury benefits).

There are no minimum or maximum earnings used to calculate contributions.

**Social assistance:** None.

##### Self-employed person

**Social insurance:** 12% of the average monthly earnings of all insured persons covered by the National Social Security Fund in the previous year (old age) plus 10% of gross earnings (disability, survivors, sickness, maternity, medical, and work injury benefits).

The maximum monthly earnings used to calculate contributions are the average monthly earnings of all insured persons covered by the Andorra Social Security Fund in the previous year.

The average monthly earnings of all insured persons covered by the Andorra Social Security Fund are €2,062.16 (2018).

**Social assistance:** None.

##### Employer

**Social insurance:** 8.5% of gross earnings (old age) plus 7% of gross earnings (disability, survivors, sickness, maternity, medical, and work injury benefits).

There are no minimum or maximum earnings used to calculate contributions.

**Social assistance:** None.

#### Government

**Social insurance:** Finances any deficit; contributes as an employer.

**Social assistance:** The total cost.

#### Qualifying Conditions

##### Old-age pension (*pensió de jubilació, social insurance*):

Age 65 with at least 180 months of contributions.

Employment may continue.

Early pension: Age 61 with at least 480 months of contributions.

Employment must cease.

Deferred pension: The pension may be deferred. There is no age limit.

Insured persons who qualify for the old-age pension can choose to receive the old-age settlement instead.

The old-age pension is payable abroad.

##### Old-age settlement (*capital de jubilació, social insurance*):

Must be aged 65 to 68 with at least 60 months of contributions (12 months of contributions if born before March 1, 1955). Insured persons who qualify for the old-age pension can choose to receive the old-age settlement instead.

##### Old-age solidarity pension (*pensió de solidaritat per a la gent gran, social assistance, means tested*):

Age 65 (age 60 if receiving a survivor pension) and has resided in Andorra for at least 10 years immediately before the claim is made.

Means test: Monthly household income must be less than the social cohesion threshold. An asset test is also applied.

The social cohesion threshold (LECS) is 100% of the legal monthly minimum wage for a person living alone (120% for a single-parent family or 170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

##### Disability pension (*social insurance*):

Must be younger than the normal retirement age, have an assessed loss of earning capacity of at least 60%, and have at least 12 months of contributions if younger than age 21; at least three times the insured's age minus 51 if aged 21 to 57; at least 120 months of contributions if aged 58 to 64. A total disability pension is paid if the insured has lost all working capacity; a partial disability pension is paid if the insured can work.

Noncontributory supplement: Paid if the insured is a resident of Andorra and the disability pension is less than 40% of the legal monthly minimum wage (partial disability) or less than 80% of the legal monthly minimum wage (total disability).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

The assessed loss of earning capacity may be reviewed on the request of the insured or the Andorra Social Security Fund.

The disability pension ceases at the normal retirement age and is replaced by the old-age pension.

The disability pension is payable abroad.

**Disability solidarity pension (pensió de solidaritat per a persones amb discapacitat, social assistance, means tested):** Must be aged 18 or older but younger than the normal retirement age (younger than age 60 if receiving a survivor pension), assessed with a disability of at least 60%, and have resided in Andorra for at least seven years before the claim is made.

Means test: Monthly household income must be less than the social cohesion threshold. An asset test is also applied.

The social cohesion threshold (LECS) is 100% of the legal monthly minimum wage for a person living alone (120% for a single-parent family or 170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

**Spouse's pension and allowance (social insurance):**

The deceased must have had at least 36 months of contributions in the last 48 months before death if younger than age 30, or 60 months of contributions in the last 72 months before death if aged 30 or older.

Eligible survivors include the spouse or cohabiting partner who had children with the deceased or if the marriage or partnership lasted at least two years.

Noncontributory supplement: Paid if the surviving spouse or partner is a resident of Andorra and the spouse's pension is less than 50% of the legal monthly minimum wage (or the spouse's allowance is less than 60% of the legal monthly minimum wage).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

The survivor pension ceases upon remarriage or new cohabitation.

The spouse's pension and allowance are payable abroad.

**Orphan's pension (social insurance):** The deceased must have had at least 12 months of contributions in the last 18 months before death. There is no minimum qualifying period if the insured's death was the result of a work injury or occupational disease.

Eligible survivors include children younger than age 18 (age 25 if disabled and not receiving a disability pension or a student with earnings up to 12 times the legal monthly minimum wage).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

The orphan's pension is payable abroad.

**Death grant (social insurance):** The grant is paid to the person who paid for the funeral. The deceased must have had at least 25 days of contributions in the last month before the claim is made. If the deceased has more than a lifetime total of 25 days but less than one year of contributions, the insured must have at least 15 days of contributions in the last month before the claim is made; with one to three years of total contributions, at least 10 days in the last two months; with four to five years of total contributions, at least five days in the last three months; and with more than five years of total contributions, there are no other qualifying conditions. There is no minimum qualifying period if the insured's death was the result of a work injury or occupational disease.

### Old-Age Benefits

**Old-age pension (pensió de jubilació, social insurance):** The annual pension is calculated by multiplying the insured's total lifetime pension points by the value of the pension point.

Pension points are calculated based on the insured's months of contributions. For pension points acquired since March 1, 2015, the value of a point is reduced for higher incomes.

There is no minimum or maximum old-age pension.

Early pension: The pension is permanently reduced by 7% for each year it is claimed before the normal retirement age.

Deferred pension: Calculated in the same way as the old-age pension.

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

**Old-age settlement (capital de jubilació, social insurance):** A lump sum of the insured's contributions, adjusted for inflation, is paid. The last 24 months of contributions are not adjusted for inflation.

**Old-age solidarity pension (pensió de solidaritat per a la gent gran, social assistance, means tested):** The difference between the insured's monthly household income and the social cohesion threshold, is paid. Benefits may be reduced or withdrawn if assets exceed a certain threshold.

The social cohesion threshold (LECS) is 100% of the legal monthly minimum wage for a person living alone (120% for a single-parent family or 170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

## Permanent Disability Benefits

**Disability pension (social insurance):** The annual pension is calculated by multiplying the insured's total lifetime pension points by the value of the pension point.

Pension points are calculated based on the insured's months of contributions. For pension points acquired since March 1, 2015, the value of a point is reduced for higher incomes.

The insured is credited with contributions for each month after the disability began until the normal retirement age.

Partial disability: If the insured is able to work, 50% of the full disability pension is paid.

Noncontributory supplement: The difference between the disability pension and 40% (partial disability) or 80% (total disability) of the legal monthly minimum wage is paid.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

The maximum monthly disability pension (including the noncontributory supplement) are the insured's average monthly earnings, up to 2.5 times the legal monthly minimum wage.

Average monthly earnings are based on the insured's earnings in the last 12 months worked (or the total period worked if less than 12 months) of the 24-month period before the disability began; if the insured had no earnings in the last 24 months, the legal monthly minimum wage.

Benefit adjustment: Benefits are adjusted annually based on the Budget Law.

**Disability solidarity pension (pensió de solidaritat per a persones amb discapacitat, social assistance, means tested):** The difference between the insured's monthly household income and the social cohesion threshold, is paid. Benefits may be reduced or withdrawn if assets exceed a certain threshold.

The social cohesion threshold (LECS) is 100% of the legal monthly minimum wage for a person living alone (120% for a single-parent family or 170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

## Survivor Benefits

**Spouse's pension (social insurance):** 50% of the old-age pension the deceased received or was entitled to receive is paid to a widow(er) aged 55 or older, or aged 50 or older if the marriage or partnership lasted at least 10 years.

Noncontributory supplement: The difference between the spouse's pension and 50% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

**Spouse's allowance (social insurance):** 50% of the deceased's average monthly earnings or the old-age pension the deceased received is paid for up to 30 months to a widow(er) younger than age 30; for up to 54 months if aged 30 to 44; or for up to 60 months if aged 45 to 54.

Average monthly earnings are based on the deceased earnings in the last 12 months worked (or the total period worked if less than 12 months) of the 24-month period before the death; if the insured had no earnings in the last 24 months, the legal monthly minimum wage.

Noncontributory supplement: The difference between the spouse's allowance and 60% of the legal monthly minimum wage is paid.

The maximum spouse's allowance is 120% of the legal monthly minimum wage.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

**Orphan's pension (social insurance):** 30% of the legal monthly minimum wage is paid to each eligible child; 60% for full orphans.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

**Death grant (social insurance):** A lump sum of up to three times the legal monthly minimum wage is paid.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

## Administrative Organization

Andorra Social Security Fund (<https://www.cass.ad/>), managed by an Administrative Council and Director, administers the programs.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1966 (social security), implemented in 1968.

**Current law:** 2008, implemented in 2009.

**Type of program:** Social insurance system.

### Coverage

Employed and self-employed persons.

### Source of Funds

**Insured person:** See Old Age, Disability, and Survivors.

**Self-employed person:** See Old Age, Disability, and Survivors.

**Employer:** See Old Age, Disability, and Survivors.

**Government:** See Old Age, Disability, and Survivors.

### **Qualifying Conditions**

**Cash sickness benefit:** Must have a total of at least 25 days of contributions for the first claim. For subsequent claims, with less than one year of contributions, the insured must have at least 15 days of contributions in the last month before the claim is made; with one to three years of contributions, at least 10 days in the last two months; with four to five years of contributions, at least five days in the last three months; or with more than five years of contributions, there are no other qualifying conditions.

**Cash maternity and paternity benefits:** Must have at least six months of coverage before the expected date of childbirth or adoption and three months of employment in the previous six months. A self-employed person must have at least six months of coverage and six months of contributions in the last six months before the expected date of childbirth or adoption.

**Medical benefits:** Must be a social insurance pensioner or have at least 25 days of contributions for the first claim. For subsequent claims, with less than one year of contributions, the insured must have at least 15 days of contributions in the last month before the claim is made; with one to three years of contributions, at least 10 days in the last two months; with four to five years of contributions, at least five days in the last three months; or with more than five years of contributions, there are no other qualifying conditions.

Eligible dependents include the spouse or a partner, children (including grandchildren, adopted children and guardians) younger than age 18 (age 25 if living with the parents and a student, or unemployed and registered at the employment services), and disabled guardians. Dependents must legally reside in Andorra, and not be gainfully employed or own or run a business.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 53% of the insured's average daily earnings is paid for the first 30 days of sick leave; 66% of the insured's average daily earnings is paid from the 31st day; 60% of the insured's average daily earnings is paid from the 540th day. The benefit is paid from the 4th day of medical certification for up to 12 months; may be extended for six-month periods, for up to a total of three years.

Average daily earnings are based on the insured's earnings in the last 12 months worked (or the total period worked if less than 12 months) of the 24-month period before the sickness began; if the insured had no earnings in the last 24 months, the legal monthly minimum wage.

**Maternity and paternity benefits:** 100% of the insured's average daily earnings is paid to the mother for 16 weeks; two additional weeks are paid for each child for multiple births or multiple adoptions. (The father can receive the benefit from the sixth week after childbirth instead of the mother); 100% of the insured's average daily earnings is

paid to the father for 14 days after childbirth or 14 days after the mother returns to work.

Average daily earnings are based on the insured's earnings in the last 12 months worked (or the total period worked if less than 12 months) of the 24-month period before the maternity or paternity leave began; if the insured had no earnings in the last 24 months, the legal monthly minimum wage.

### **Workers' Medical Benefits**

Benefits include general, specialist, and maternity care; hospitalization; and transportation under certain conditions.

Cost sharing: Andorra Social Security Fund reimburses medical expenses, up to 75% of the scheduled fees (100% for maternity care; 90% for hospitalization; 65% for functional rehabilitation, speech therapy, and orthopedics). If the health care provider is not a signatory of the Andorra Social Security Fund, reimbursements are based on 33% of the scheduled fees.

There is no limit to duration.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

Andorra Social Security Fund (<https://www.cass.ad/>), managed by an Administrative Council and Director, administers the program.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1966 (social security), implemented in 1968.

**Current law:** 2008, implemented in 2009.

**Type of program:** Social insurance system.

#### **Coverage**

Employed and self-employed persons.

#### **Source of Funds**

**Insured person:** See Old Age, Disability, and Survivors.

**Self-employed person:** See Old Age, Disability, and Survivors.

**Employer:** See Old Age, Disability, and Survivors.

**Government:** See Old Age, Disability, and Survivors.

#### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### Temporary Disability Benefits

66% of the insured's average daily earnings from the first day of disability for the first 30 days; 70% from the 31st to the 539th day; 60% from the 540th day.

Average daily earnings are based on the insured's earnings in the last 12 months worked (or the total period worked if less than 12 months) of the 24-month period before the disability began; if the insured had no earnings in the last 24 months, the legal monthly minimum wage.

### Permanent Disability Benefits

**Permanent disability pension:** For an assessed disability of greater than 65%, the pension is 100% of the insured's average monthly earnings multiplied by the assessed degree of disability.

Average monthly earnings are based on the insured's earnings in the last 12 months worked (or the total period worked if less than 12 months) of the 24-month period before the disability began; if the insured had no earnings in the last 24 months, the legal monthly minimum wage.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

Partial disability: For an assessed disability of greater than 50% and up to 65%, the pension is the insured's average monthly earnings multiplied by 75% of the assessed degree of disability. If the assessed disability is greater than 20% and up to 50%, the pension is the insured's average monthly earnings multiplied by 50% of the assessed degree of disability.

For an assessed degree of disability of greater than 10% and up to 20%, a lump sum of 2.5 to 7 times the insured's average monthly earnings is paid.

For an assessed degree of disability of up to 10%, a lump sum of two times the insured's average monthly earnings is paid.

The permanent disability pension is replaced by the old-age pension at the normal retirement age if the old-age pension amount is greater than the disability pension.

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

The permanent disability pension is payable abroad.

Benefit adjustment: Benefits are adjusted annually based on the Budget Law.

### Workers' Medical Benefits

Benefits include general and specialist treatment, transportation, and hospitalization.

Scheduled fees are reimbursed based on conventional rates.

### Survivor Benefits

**Spouse's pension:** A choice between 50% of the old-age pension the deceased received or was entitled to receive paid for life, or the spouse's allowance paid for up to 60 months.

Eligible survivors include a widow(er) or cohabiting partner aged 55 or older.

Noncontributory supplement: The difference between the spouse's pension and 50% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

**Spouse's allowance:** 50% of the deceased's average monthly earnings or the deceased's old-age pension is paid for up to 30 months for a widow(er) or cohabiting partner younger age 30; for up to 54 month if aged 30 to 44; or for up to 60 months if aged 45 to 54.

Average monthly earnings are based on the deceased's earnings in the last 12 months worked (or the total period worked if less than 12 months) of the 24-month period before the death; if the insured had no earnings in the last 24 months, the legal monthly minimum wage.

Noncontributory supplement: The difference between the spouse's allowance and 60% of the legal monthly minimum wage is paid.

The maximum spouse's allowance is 120% of the legal monthly minimum wage.

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

**Orphan's pension:** See Old Age, Disability, and Survivors.

**Death grant:** See Old Age, Disability, and Survivors.

### Administrative Organization

Andorra Social Security Fund (<https://www.cass.ad/>), managed by an Administrative Council and Director, administers the program.

### Unemployment

#### Regulatory Framework

**First and current law:** 2013 (social assistance for unemployment).

**Type of program:** Social assistance system.

#### Coverage

Employed persons.

Exclusions: Self-employed persons.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### Qualifying Conditions

**Unemployment benefits (prestació econòmica per desocupació involuntària, income tested):** Must be involuntarily unemployed with at least 36 months of contributions in the last 60 months if aged 26 or older (18 months if aged 25 or younger), be registered as a job seeker at the public employment service for at least 45 days before the claim is made, be available and looking for work, and accept suitable employment. Must not qualify for the old-age pension or early old-age pension.

The benefit is terminated for refusing more than one suitable job offer or training offered by the Employment Service.

Means test: Monthly household income must be less than the social cohesion threshold. An asset test is also applied.

The social cohesion threshold (LECS) is 100% of the legal monthly minimum wage for a person living alone (120% for a single-parent family or 170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

### Unemployment Benefits

**Unemployment benefits (prestació econòmica per desocupació involuntària, income tested):** The difference between the insured's monthly household income and the social cohesion threshold is paid for up to six months. Benefits may be reduced or withdrawn if the beneficiary's assets exceed a certain threshold.

The social cohesion threshold (LECS) is 100% of the legal monthly minimum wage for a person living alone (120% for a single parent family or 170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

### Administrative Organization

Ministry of Social Affairs (<https://www.aferssocials.ad/>) administers the program.

### Family Allowances

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#### Regulatory Framework

**First law:** 2008, implemented in 2009.

**Current law:** 2014 (social services).

**Type of program:** Social assistance system.

### Coverage

Residents of Andorra.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### Qualifying Conditions

**Child allowance (prestacions familiars per fill a carrec, income tested):** Paid to families with one or more children up to age 18 (age 25 if a student) who have been residents in Andorra for the last seven years before the claim is made.

Means test: Monthly household income must be less than the social cohesion threshold. An asset test is also applied.

The social cohesion threshold (LECS) is 120% of the legal monthly minimum wage for a single-parent family (170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

### Family Allowance Benefits

**Child allowance (prestacions familiars per fill a carrec, income tested):** 10% of the social cohesion threshold is paid for each eligible child; an additional 20% of the social cohesion threshold is paid if the child is disabled.

The social cohesion threshold (LECS) is 120% of the legal monthly minimum wage for a single-parent family (170% for a couple) plus 50% for each dependent child younger than age 14 (70% if aged 14 or older).

The legal monthly minimum wage is €1,005 (€1,017.47 as of February 1, 2018).

### Administrative Organization

Ministry of Social Affairs (<https://www.aferssocials.ad/>) administers the program.