

Andorra

Exchange rate: US\$1.00 = 0.92 euro (€).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1966 (social security).

Current laws: 2008 (social security), implemented in 2009; 2014 (social services); and 2015 (social security).

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 2% of gross earnings (disability, survivors, sickness, maternity and work injury).

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

Social assistance: None.

Self-employed person

Social insurance: 12% of average monthly earnings of all insured persons covered by the National Social Security Fund in the previous year (old age) plus 8% of gross earnings (disability, survivors, sickness, maternity, and work injury).

The minimum monthly earnings used to calculate contributions are €1,973.43.

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

The average monthly earnings of all insured persons covered by the National Social Security Fund are €2,042.54 (2015).

Social assistance: None.

Employer

Social insurance: 8.5% of gross earnings (old age) plus 6% of gross earnings (disability, survivors, sickness, maternity and work injury).

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

Social assistance: None.

Government

Social insurance: Any deficit.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension

Old-age pension (social insurance): Age 65 with at least 180 months of contributions, or age 58 with at least 480 months of contributions.

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

Old-age pension (pensió de solidaritat per a la gent gran, social assistance): Age 65 (age 60 if receiving a survivor pension), satisfies a means test, and has resided in Andorra for at least 10 years immediately before making the claim.

Earnings test: Monthly income less than the legal minimum wage (120% of the legal minimum wage for single-parent families). An asset test is also applied.

The legal monthly minimum wage is €975.87.

Disability pension

Disability pension (social insurance): Must be assessed with at least a 60% loss of earning capacity 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.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

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

The legal monthly minimum wage is €975.87.

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

Disability pension (pensió de solidaritat per a persones amb discapacitat, social assistance): Aged 18 to 65 (to age 60 if receiving a survivor pension), assessed with a disability of at least 60%, satisfies a means test, and has resided in Andorra for at least seven years before making the claim.

Income test: Monthly income less than the legal minimum wage (120% of the legal minimum wage for single-parent families). An asset test is also applied.

The legal monthly minimum wage is €975.87.

Survivor pension

Survivor pension (social insurance): The deceased must have had at least 36 months of contributions during the last 48 months prior to death if younger than age 30, or 60 months of contributions during the last 72 months prior to death if aged 30 or older. If the death occurred as the result of an accident or occupational disease, the contribution period requirement is waived.

Eligible survivors include the spouse, or cohabiting partner aged 50 or older. Divorced spouses or separated partners aged 50 or older at the time of the insured's death are eligible.

The survivor pension ceases on remarriage or new cohabitation.

A surviving spouse younger than age 50 receives a pension for a limited amount of time.

Noncontributory supplement: Paid if the survivor pension is less than 50% of the legal minimum wage and the surviving spouse or partner is a resident of Andorra.

The legal monthly minimum wage is €975.87.

Death pension (social insurance, *rente viagere*): Paid if the spouse or cohabiting partner is aged 50 to 55 and was married to or cohabiting with the deceased for at least 10 years.

Funeral grant (social insurance): The grant is paid to the person who paid for the funeral.

Old-Age Benefits

Old-age pension (social insurance): The value of the insured's pension is linked to the number of contributions, according to a system of pension points. At retirement, an annual pension is calculated by multiplying the insured's total lifetime pension points by the value of the pension point used to calculate the pension benefit.

For salaries of more than €4,000 a month, a reduction factor is applied.

The pension is 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.

Old-age pension (pensió de solidaritat per a la gent gran, social assistance): The difference between the income threshold and the actual insured income is paid.

Permanent Disability Benefits

Disability pension (social insurance): The value of the insured's disability pension is linked to the number of contributions, according to a system of pension points. When the disability is assessed, a theoretical old-age pension is calculated by multiplying the insured's total lifetime

pension points by the value of the pension point used to calculate the pension benefit.

For a total disability (incapable of any work), 100% of the insured's theoretical old-age pension is paid.

Partial disability: If the insured is able to work, 50% of the insured's theoretical old-age 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 €957.87

The disability pension plus noncontributory supplement must not exceed the insured's average monthly earnings in the last 12 months in the 24-month period before the disability began.

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

The disability pension is payable abroad.

Benefit adjustment: Benefits are adjusted annually according to the Budget Law.

Disability pension (pensió de solidaritat per a persones amb discapacitat, social assistance): The difference between the income threshold and the actual insured income is paid.

Survivor Benefits

Spouse's pension: 50% of the old-age or disability pension the deceased received or was entitled to receive is paid.

The minimum spouse's pension is 60% of the legal monthly minimum wage.

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

Noncontributory supplement: The survivor pension is topped up to 50% of the legal monthly minimum wage.

The legal monthly minimum wage is €975.87.

Orphan's pension: 30% of the legal minimum wage is paid to each eligible child up to age 18 (age 25 if a student, no limit if disabled); for full orphans, 60% of the legal minimum wage is paid.

The legal monthly minimum wage is €975.87.

The pension is payable abroad.

Funeral grant: A lump sum of up to three times the average monthly earnings of all insured persons covered by the National Social Security Fund in the previous year is paid.

The average monthly earnings of all insured persons covered by the National Social Security Fund are €2,042.54 (2015).

Benefit adjustment: Benefits are adjusted annually according to the Budget Law.

Administrative Organization

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

Sickness and Maternity

Regulatory Framework

First law: 1966 (social security).

Current law: 2008 (social security), 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: None.

Qualifying Conditions

Cash sickness benefits: Must 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 employment in the last month before the claim; with one to three years of contributions, at least 10 days in the last two months before the claim; with four to five years, at least five days in the last three months before the claim; and with more than five years of contributions, there are no 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 during the last six months before the expected date of childbirth (or adoption).

Sickness and Maternity Benefits

Sickness benefit: 53% of the insured's average daily wage in the last 24 months is paid for the first 30 days of sick leave; 66% of the insured's average daily wage in the last 24 months is paid from the 31st day; 60% of the insured's average daily wage in the last 24 months is paid from the 540th day.

Benefits are paid after a three-day waiting period; from the first day if the insured has more than five years of contributions.

Maternity and paternity benefit: 100% of the insured's average daily wage in the last 24 months before the maternity leave is paid to the mother for 16 weeks; two additional weeks are paid for each child in case of multiple births or multiple adoptions. (The father can receive the benefit from the sixth week after childbirth instead of the mother); 100% of the average daily wage in the last 12 months before childbirth or adoption is paid to the father for 14 days after childbirth or 14 days after the mother returns to work.

Workers' Medical Benefits

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

Cost sharing: The National 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 National 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

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

Work Injury

Regulatory Framework

First law: 1966 (social security).

Current laws: 2008 (social security), implemented in 2009; and 2014 (social security).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: See Old Age, Disability, Survivors, Sickness and Maternity.

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

Employer: See Old Age, Disability, Survivors, Sickness and Maternity.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

66% of the insured's average daily wage in the last 24 months is paid for the first 30 days; 70% of the insured's average daily wage in the last 12 months in the 24-month period before the disability began is paid from the 31st to the 539th day; 60% of the insured's average daily wage in the last 24 months is paid from the 540th day.

Benefits are paid from the first day of disability.

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 (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 €957.87.

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 National Social Security Fund.

Benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to the Budget Law.

Workers' Medical Benefits

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

Scheduled fees are reimbursed according to conventional rates.

Survivor Benefits

Spouse's pension: 50% of the old-age or disability pension the deceased received or was entitled to receive at retirement is paid to a surviving spouse older than age 55 who is not gainfully employed and ineligible for a pension in his or her own right.

Eligible survivors include the spouse, or cohabitating partner aged 55 or older. Divorced spouses or separated partners aged 55 or older at the time of the insured's death are eligible.

The spouse's pension ceases on remarriage or new cohabitation.

A surviving spouse younger than age 55 receives a spouse's pension for a limited amount of time.

Orphan's pension: 30% of the legal monthly minimum wage is paid to each child younger than age 18 (age 25 if a student; without limit if disabled); for full orphans, 60% of the legal minimum wage is paid.

The legal monthly minimum wage is €975.87.

Survivors pensions are payable abroad.

Benefit adjustment: Benefits are adjusted annually according to the Budget Law.

Administrative Organization

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

Unemployment

Regulatory Framework

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

Family Allowances

Regulatory Framework

First law: 2008 (social security).

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 carreg):

Paid to families with one or more children up to age 18 (age 25 if a student) who satisfy an income test and who have been residents in Andorra for the last seven years before claiming the benefit.

Income test: Monthly income less than the legal monthly minimum wage (120% of the legal monthly minimum wage for single-parent families). An asset test is also applied.

The legal monthly minimum wage is €975.87.

Family Allowance Benefits

Child allowance (prestacions familiars per fill a carreg):

10% of the legal monthly minimum wage is paid monthly for each child; an additional 20% of the child allowance is paid if the child is disabled.

The legal monthly minimum wage is €975.87.

Administrative Organization

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