

Monaco

Exchange rate: US\$1.00 = 0.73 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1944 (workers) and 1958 (self employed).

Current laws: 1944 (disability), 1947 (old age), 1948 (old age), 1949 (disability), 1962 (old age), 1971 (disability), and 2002 (old age).

Type of program: Social insurance system.

Coverage

Employed persons, including state and local government contractors.

Special systems for self-employed persons, civil servants, and hospital personnel.

Source of Funds

Insured person: 6.55% of covered earnings (old-age and survivor benefits, spouse's supplement, complementary retirement allowance, and death allowance). For disability benefits, see source of funds under Sickness and Maternity.

The maximum monthly earnings used to calculate contributions are €4,482.

Self-employed person: Not applicable.

Employer: 6.95% of covered payroll (old-age and survivor benefits, spouse's supplement, complementary retirement allowance and death allowance) and 0.93% of covered payroll (adjusted annually) finances contributions for periods during which workers paid no contributions but received paid sick or maternity leave, disability benefits, or unemployment benefits.

For disability benefits, see source of funds under Sickness and Maternity.

The maximum monthly earnings used to calculate contributions are €8,050.

Government: None.

Qualifying Conditions

Old-age pension: Age 65 with at least 10 calendar years of employment, including at least 151 to 173 hours of work a year (depending on the year of employment) and at least 60 months of coverage (including periods of paid sick or maternity, paternity or adoption leave and periods of disability or unemployment).

Employment may continue.

Early pension: Age 60; age 55 for a woman who has raised three children for at least eight years before the children reach age 16. The insured must not receive sickness, work injury, or unemployment benefits.

Earnings test: May earn up to the minimum legal monthly salary if aged 60 to 65 and receive an old-age pension at the same time. (No earnings test at age 65 or older.)

Deferred pension: The pension can be deferred up to age 70.

Spouse's allowance: Paid if the insured has at least 60 pension points. The spouse must live with the retiree and total household income (including the spouse's allowance) must not exceed 24 times the reference salary.

The number of points acquired during any one-year period is obtained by dividing the insured's monthly declared earnings by the monthly reference salary, up to four pension points a month.

The monthly reference salary is €1,120.50 and is set by ministerial decree.

Old-age benefits are payable abroad.

Complementary retirement allowance (income tested): Must have at least 450 months of contributions or accrued at least 775 pension points.

The number of points acquired during any one-year period is obtained by dividing the insured's monthly declared earnings by the monthly reference salary, up to four pension points a month.

Old-age benefits are payable abroad.

Schedule of payments: Pensions are paid monthly in Monaco, France, and Italy and quarterly in other countries.

Benefit adjustment: Benefits are adjusted annually according to changes in the value of the pension point.

Disability pension: Must be younger than age 60 if living in Monaco, France, or Italy (age 62 if living in another country) and assessed with a loss of 100% of working capacity (total disability) or the loss of 66.7% of working capacity (partial disability). The insured must have at least 12 months of coverage in the previous 15 months and at least 800 hours of employment in the previous 12 months, including 200 hours in the previous three months.

Survivor pension: The deceased was a pensioner or had at least 10 calendar years of employment at the time of death, including at least 151 hours to 173 hours of work a year (depending on the year of employment) and at least 60 months of coverage (including periods of paid sick or maternity, paternity or adoption leave and periods of disability or unemployment).

Eligible survivors include a widow aged 50 or older (any age if caring for a child) or a widower with at least one dependent child; a divorced or separated widow(er) receiving alimony at the time of the insured's death; and orphans younger than age 18 (age 21 if a student or an apprentice).

If the widower ceases to care for at least one dependent child, the pension is suspended until the widower reaches age 65 (age 60 if incapable of gainful activity).

The widow(er)'s pension ceases on remarriage or cohabitation.

Death allowance: Paid to the surviving spouse of an old-age pensioner. The surviving spouse must not have been divorced or separated from the deceased. If there is no eligible surviving spouse, the allowance is paid to eligible orphans.

Death grant: The deceased was a disability pensioner or had worked at least 120 hours in the month (or 200 hours in the quarter) before death. The benefits are paid (in order of priority) to the deceased's surviving spouse, orphans, or parents.

Old-Age Benefits

Old-age pension: The pension is calculated according to the number of pension points acquired over the total working life multiplied by the value of a point. The number of points acquired during any one-year period is obtained by dividing the insured's monthly declared earnings by the monthly reference salary, up to four pension points a month.

The value of a pension point is €18.27.

The monthly reference salary is €1,120.50 and is set by ministerial decree.

Early pension: The pension is calculated in the same way as the old-age pension.

Deferred pension: The pension is increased by 1.5% for each quarter of coverage after age 65, up to 30%.

The maximum monthly pension is six times the reference salary.

Benefit adjustment: Benefits are adjusted annually according to changes in the value of the pension point.

Spouse's allowance: The full supplement is paid if the insured had at least 360 pension points at retirement; a reduced amount is paid according to the total number of pension points less than 360. The benefit is paid annually in the last quarter of the year.

Complementary retirement allowance (income tested): The difference between the insured person's income and the actual value of 775 points is paid.

Permanent Disability Benefits

Disability pension: 50% of the insured's average monthly covered earnings in the 60 months before the disability began is paid for a total disability.

Partial disability: 30% of the insured's average monthly covered earnings in the 60 months before the disability began is paid.

The minimum and maximum monthly pensions depend on the insured's age and whether the insured receives any pension income from another source.

Constant-attendance supplement: 40% of the disability pension is paid.

Disability benefits are payable abroad.

Benefit adjustment: Benefits are adjusted annually in January by ministerial decree.

Survivor Benefits

Spouse's pension: 60% of the old-age or disability pension the deceased received or was entitled to receive is paid to the widow(er). The pension for a divorced or separated spouse is calculated according to the number of pension points acquired by the deceased while he or she lived with the surviving spouse.

The spouse's pension ceases on remarriage or cohabitation.

Orphan's pension: 25% of the old-age or disability pension the deceased received or was entitled to receive is paid to each orphan. 50% of the deceased's pension (50% of the highest pension if both parents were pensioners) is paid to each full orphan.

All orphans' benefits combined must not exceed 100% of the deceased's pension.

Survivor pensions are payable abroad.

Death allowance: A lump sum of 25% of the deceased's annual old-age or disability pension is paid, up to 150% of the reference salary in force at the time of death.

The monthly reference salary is €1,120.50 and is set by ministerial decree.

Death grant: A lump sum of 90 times the deceased's average daily earnings in the last 12 months before death is paid; in the last 60 months before the disability began if the deceased received a disability pension.

The minimum grant is €402.50.

The maximum grant is €24,150.

Administrative Organization

Independent Employees' Pension Fund (<http://www.caisses-sociales.mc>), with representatives of government, employers, and employees, administers the employees' old-age insurance program.

Compensation Fund for Social Services (<http://www.caisses-sociales.mc>), with representatives of government, employers, and employees, administers the employees' disability insurance and death grant program.

Sickness and Maternity

Regulatory Framework

First and current laws: 1944, 1949, 1971 (employees), and 1982 (self-employed persons).

Type of program: Social insurance system.

Coverage

Salaried persons.

Special systems for self-employed persons and civil servants.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 15.6% of covered payroll.

The maximum monthly earnings used to calculate contributions are €7,800.

The employer's contribution also finances disability benefits, family allowances, and certain social benefits.

Government: None.

Qualifying Conditions

Cash sickness benefits: For a benefit that is paid for up to six months, the insured must have at least 120 hours of effective or deemed employment in the last month or 200 hours in the previous quarter. For a benefit that is paid for six months or more, the insured must have at least 12 months of contributions in the previous 15 months with at least 800 hours of work in the previous 12 months, including 200 hours in the last three months.

Cash maternity benefits: Must have at least one month of coverage in the quarter before the date of conception with at least 85 hours of employment for each month of coverage from the date of conception until the pregnancy is confirmed medically.

Paternity leave benefit: Must have at least 120 hours of effective or deemed employment in the last month or 200 hours in the previous three months before childbirth. The leave period must begin within four months after the date of childbirth.

Medical benefits: Must have at least 120 hours of employment in the last month or 200 hours of effective or deemed employment in the last three months before childbirth.

Sickness and Maternity Benefits

Sickness benefit: 50% of the insured's average daily earnings in the last 12 months (66.6% from the 31st day if the insured has three or more dependent children), up to €134 is paid. The benefit is paid after a three-day waiting period for

up to 360 days; may be extended for three or four years for a chronic or recurring illness.

The benefit may be reduced during periods of hospitalization according to the insured's income and number of dependent children.

Benefit adjustment: If the sick leave period is longer than six months, benefits are adjusted automatically twice a year (in January and in July) according to a coefficient set by law.

Maternity benefit: 90% of the insured's average daily earnings in the last 12 months, up to €241 is paid. The benefit for the first and second child is paid for eight weeks before and eight weeks after childbirth; for the third and subsequent children, eight weeks before and 18 weeks after childbirth; for twins with no other children in the household, 12 weeks before and 22 weeks after childbirth; and for other multiple births, 24 weeks before and 22 weeks after childbirth.

Paternity leave benefit: 90% of the father's average daily earnings in the 12 months before the date of birth, up to €234 is paid for up to 12 days, including Sundays and public holidays; 19 days for multiple births or in households with at least two other dependent children.

Adoption benefit: 90% of the insured person's average daily earnings in the 12 months before the date of birth, up to €234 is paid for up to eight weeks; 10 weeks for multiple adoptions or in households with at least two other dependent children.

Workers' Medical Benefits

Reimbursements for medical costs include primary and specialist treatment, hospitalization, laboratory services, pharmaceuticals, dental and eye care, prostheses, and transportation. Medical practitioners and auxiliary medical services charge rates based on family income and size.

80% of the cost of medical services, up to a ceiling is paid. This rate is increased to 100% for pregnancy or certain lengthy and costly treatments.

Dependents' Medical Benefits

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

Administrative Organization

Social Services Compensation Fund (<http://www.caisses-sociales.mc>), with government, employer, and employee representatives, administers the program.

Work Injury

Regulatory Framework

First law: 1930.

Current law: 1958.

Type of program: Mandatory private insurance system.

Coverage

Employed persons.

Exceptions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost. The cost of premiums varies according to the reported risk rate. An additional contribution of 24% of the premiums is paid to the Complementary Compensation Fund.

Government: None.

Qualifying Conditions

Work injury benefit: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

The daily benefit is 50% (66.6% from the 29th day after the accident) of the insured's average daily earnings in the month before the accident. The benefit is paid from the day after the accident (the employer must pay the insured's full salary for the day the accident occurred) until recovery or certification of permanent disability.

The maximum daily earnings used to calculate benefits are 0.32% of 15 times the legal annual minimum wage.

The legal annual minimum wage is €19,124.04.

Schedule of payments: Benefits are paid at least every 16 days.

Permanent Disability Benefits

Permanent disability pension: The annual pension is 100% of the insured's annual earnings in the 12 months before the accident occurred or the occupational disease began.

The minimum annual earnings used to calculate benefits are the legal annual minimum salary.

The maximum annual earnings used to calculate benefits are 15 times the legal annual minimum salary.

The legal annual minimum salary is €19,124.04.

Constant-attendance supplement: 40% of the insured's pension is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability pension: The annual benefit is 100% of reference earnings multiplied by 0.5 for each assessed

degree of disability from 10% to 50% and by 1.5 for a disability greater than 50%.

The monthly reference salary is €1,120.50 and is set by ministerial decree.

If the assessed degree of disability is less than 10%, a lump sum is paid according to a schedule in law.

Schedule of payments: Benefits are paid quarterly.

The permanent disability pension can be replaced in full or in part by a lump sum after five years.

Benefit adjustment: Pensions are adjusted according to a coefficient set by law.

Workers' Medical Benefits

Medical benefits include medical, hospital, surgical, and pharmaceutical treatment; rehabilitation; prostheses; and transportation costs.

The employer or the insurer pays all medical costs.

Survivor Benefits

Spouse's pension: 30% of the deceased's annual earnings is paid; 50% if the survivor is aged 55 or older or with a disability.

The benefit is paid to a surviving spouse who was married to, living with, or divorced from the deceased and receiving alimony at the time of the insured's death. The pension for a divorced spouse is reduced by the amount of any alimony paid. The date of marriage must have been before the date of the accident that resulted in the insured's death or at least two years before the date of the insured's death; conditions are waived if the couple had at least one child.

The pension ceases on remarriage if there are no children receiving a survivor benefit and a lump sum of three times the value of the annual pension is paid.

Orphan's pension: 15% of the deceased's annual earnings is paid for one child; 30% for two children; 40% for three children; plus an additional 10% for the fourth and each subsequent child. Each full orphan receives 20% of the deceased's annual earnings. The child must be eligible for family allowances.

Other eligible survivors: Each dependent parent and grandparent receives 10% of the deceased's annual earnings, up to 30%.

All survivor benefits combined must not exceed 85% of the deceased's annual earnings.

Benefit adjustment: Pensions are adjusted according to a coefficient set by law.

Funeral allowance: Funeral costs are reimbursed, up to a maximum.

Administrative Organization

Licensed private insurance companies administer the program.

Complementary Compensation Fund (<http://www.caisses-sociales.mc>) guarantees benefit payments in case of the insolvency of the employer or insurance company.

Unemployment

Regulatory Framework

Coverage is provided through France's program for unemployment insurance.

Family Allowances

Regulatory Framework

First law: 1938.

Current law: 1954 (family benefits).

Type of program: Employment-related system.

Coverage

Employed persons and persons receiving unemployment benefits.

Exceptions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: See source of funds for Sickness and Maternity.

Government: None.

Qualifying Conditions

Family allowance: The benefit is paid for children younger than age 16 (age 17 if looking for a first job; age 21 if a student, an apprentice, or disabled). The earnings of a working child must not exceed €852.76 a month. The head of the household must be insured and have at least 77 hours of work in the relevant month. If both parents are eligible for family allowances, the benefit is paid only once (normally to the head of the household).

Prenatal allowance: The head of the household must be insured and have at least 77 hours of effective or deemed employment in the three months prior to the last month before the expected date of childbirth. The mother must undergo a medical examination and provide a formal declaration of pregnancy during the first three months following the date of conception. The mother must also undergo medical examination at the third, sixth, and eighth month of pregnancy and after childbirth. The benefit is paid to an insured woman or the wife of an insured man. If both

parents are eligible for family allowances, the benefit is paid only once (normally to the head of the household).

Education grant: Must have received family allowances for at least seven months in the previous calendar year, including at least one month in the last four months of the previous year.

New school year allowance (means tested): The child must be eligible for family allowances and have received family allowances in July of the relevant year. Household income in the year before the application for benefits must not exceed an amount that varies according to the number of dependents.

End-of-year grant (means tested): Must have received family allowances for at least seven months in the previous calendar year, including at least one month in the last three months of the previous year. Household income in the year before the application for benefits must not exceed an amount that varies according to the number of dependents.

Housing allowance (means tested): The benefit is paid to family allowance beneficiaries and to certain other categories of Monaco residents, according to the number of people in the household and household income.

Other benefits: Child care services and other forms of individual and family support may be provided.

Family Allowance Benefits

Family allowance: With 145 hours of covered work, €140.70 a month is paid for each child younger than age 3, €211.10 for each child aged 3 to 5, €253.30 for each child aged 6 to 10, and €295.50 for each child aged 11 or older; for 77 to 144 hours, the amount is in proportion to the hours worked. The benefit is paid monthly to the head of the household or the child's mother or guardian.

Prenatal allowance: With 145 hours of covered work, the allowance is €140.50 a month for up to nine months. For 77 to 144 hours, the amount is in proportion to the hours worked. The allowance is paid in three equal parts (two months of benefits in the third month of pregnancy, four months of benefits in the sixth month of pregnancy, and three months of benefits after childbirth).

Education grant: The amount varies according to the level of the studies and whether the child attends school in Monaco (from €66 to €418) or France (from €35 to €418). The grant is paid in October to the head of the household or the child's mother or guardian.

New school year allowance (means tested): €127 for a child younger than age 3 is paid; €189 for a child aged 3 to 5, €226 for a child aged 6 to 10, and €266 for a child aged 11 to 21. The benefit is paid in August to the head of the household or the child's mother or guardian.

End-of-year grant (means tested): €129 is paid in December.

Housing allowance (means tested): A monthly benefit is paid.

Other benefits: A contribution toward the cost of child care for children up to age 6. Other forms of individual and family support may be provided.

Administrative Organization

Compensation Fund for Social Services (<http://www.caisses-sociales.mc>), with representatives of government, employers, and employees, administers the program.