

## Laos

Exchange rate: US\$1.00 = 8,077 kip.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1999 (employees in enterprises), implemented in 2001.

**Current law:** 2013 (social security), implemented in 2014.

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

#### Coverage

Employees of private-sector and state-owned enterprises, civil servants, and police and military personnel.

Voluntary coverage is available for self-employed persons.

#### Source of Funds

**Insured person:** 2.5% of gross monthly insurable earnings (6% for civil servants, and police and military personnel).

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

**Self-employed person:** 5% of declared monthly earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

**Employer:** 2.5% of gross monthly insurable earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

**Government:** 6% of payroll as an employer for civil servants, and military and police personnel.

#### Qualifying Conditions

**Old-age pension:** Age 60 (men) or age 55 (women) with at least 15 years of contributions (25 years for civil servants, and police and military personnel). Age 55 (men) or age 50 (women) for those in hazardous or arduous occupations.

**Old-age lump-sum benefit:** Age 60 (men) or age 55 (women) with less than 15 years of contributions (25 years for civil servants, and police and military personnel).

**Disability pension:** Must have at least 12 months of contributions in the last 24 months and an assessed degree of disability of at least 41%.

**Disability lump-sum benefit:** Must have at least 12 months of contributions in the last 24 months and an assessed degree of disability of less than 41%.

The National Social Security Fund's Medical Committee assesses the disability.

**Caregiver's benefit:** Paid for an assessed degree of disability of at least 80%.

**Survivor pension:** The deceased had at least five years of contributions.

Eligible survivors include a widow (aged 55 or older) or a nonworking widower (aged 60 or older); orphans up to age 18 (no limit if disabled and without working capacity); or a dependent father (aged 60 or older) or mother (aged 55 or older) without any income.

The widow(er)'s pension ceases upon remarriage or employment.

**Survivor lump-sum benefit:** Paid if the deceased had at least three months of contributions.

#### Old-Age Benefits

**Old-age pension:** For private sector employees and self-employed persons, the pension is the insured's total pension points multiplied by the estimated average insured earnings of all insured persons in the calendar year preceding retirement multiplied by 2%.

The number of pension points earned each year equals the insured's average earnings divided by the year's average insured earnings of all insured persons. Pension points are credited for periods when other benefits are received.

For civil servants, and police and military personnel, a percentage of the last insurable earnings is paid depending on the period during which the employee began working for the National Revolutionary Movement: from 80% to 100% for persons who began working before 1954; from 75% to 90% for persons who began working from 1955 to 1974; and from 70% to 80% for persons who began working after 1975.

**Benefit adjustment:** Benefits are adjusted at least once a year according to changes in the average insured earnings of all insured persons.

**Old-age lump-sum benefit:** A lump sum of 1.5 times the insured's average monthly insured earnings in the last six months multiplied by the number of years of contributions is paid.

## Permanent Disability Benefits

**Disability pension:** 90% of the insured's average monthly insured earnings in the last six months multiplied by the assessed degree of disability is paid.

The disability pension is reduced to 25% if the pensioner is employed.

**Disability lump-sum benefit:** 10 times the insured's average monthly insured earnings in the last six months multiplied by the assessed degree of disability is paid.

**Caregiver's benefit:** 70% of the insured's disability pension is paid.

**Benefit adjustment:** Benefits are adjusted at least once a year according to changes in the average insured earnings of all insured persons.

## Survivor Benefits

**Spouse's pension:** 30% of the deceased's last monthly insured earnings, or the old-age or disability pension the deceased received or was entitled to receive is paid.

**Orphan's pension:** 20% of the deceased's last monthly insured earnings, or the old-age or disability pension the deceased received or was entitled to receive is paid.

The maximum orphan's pension is 60% of the deceased's last monthly insured earnings, or the old-age or disability pension the deceased received or was entitled to receive.

**Parent's pension:** 30% of the deceased's last monthly insured earnings, or the old-age or disability pension the deceased received or was entitled to receive is paid.

The maximum combined parents' pensions is 50% of the deceased's last monthly insured earnings, or the old-age or disability pension the deceased received or was entitled to receive.

The maximum total of all survivor pensions is 80% of the deceased's last monthly insured earnings, or the old-age or disability pension the deceased received or was entitled to receive.

**Survivor lump-sum benefit:** A lump sum is paid based on the length of the deceased's contribution period: for the first three to 12 months of contributions, five times the deceased's average monthly insured earnings is paid; for every one to two years of contributions beyond the first year, an additional month of the deceased's average monthly insured earnings is paid.

## Administrative Organization

Ministry of Labor and Social Welfare (<http://www.molsw.gov.la/>) supervises the program.

The National Social Security Fund collects contributions and administers the payment of benefits.

## Sickness and Maternity

### Regulatory Framework

**First law:** 1999 (employees in enterprises), implemented in 2001.

**Current law:** 2013 (social security), implemented in 2014.

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

### Coverage

Employees of private-sector and state-owned enterprises, civil servants, and police and military personnel.

Voluntary coverage for self-employed persons.

### Source of Funds

#### Insured person

**Cash sickness and maternity benefits:** 1.25% of gross monthly insurable earnings.

**Medical benefits (health insurance):** 0.75% of gross monthly insurable earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

#### Self-employed person

**Cash sickness and maternity benefits:** 2.5% of gross monthly insurable earnings.

**Medical benefits (health insurance):** 1.5% of gross monthly insurable earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

#### Employer

**Cash sickness and maternity benefits:** 1.25% of gross monthly insurable earnings.

**Medical benefits (health insurance):** 0.75% of gross monthly insurable earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

**Government:**

*Cash sickness and maternity benefits:* 2.5% of gross monthly insurable earnings.

*Medical benefits (health insurance):* 1.5% of gross monthly insurable earnings.

**Qualifying Conditions**

**Sickness benefit:** Must have at least three months of contributions in the last six months, provide a hospital-issued medical certificate, and be registered with that hospital.

**Maternity benefit:** Paid to an insured woman who stops working because of pregnancy, childbirth, or a miscarriage. Must have at least six months of contributions in the last 12 months before the expected date of childbirth or the date of miscarriage.

**Birth grant:** Paid to an insured woman or the wife of an insured man for a pregnancy, childbirth, or miscarriage. The insured must have at least six months of contributions in the last 12 months before the expected date of childbirth or the date of miscarriage.

**Funeral benefit:** Must have at least three months of contributions.

**Medical benefits:** Must have at least three months of contributions.

**Sickness and Maternity Benefits**

**Sickness benefit:** 70% of the insured's average monthly insured earnings in the last six months is paid for up to six months; 60% if extended for six months. If the insured is still unable to work after the additional six months, the insured will be assessed for permanent disability.

**Maternity benefit:** 80% of the insured's average monthly insured earnings in the six months before the insured stops working is paid for 105 days (120 days for twins).

**Birth grant:** A lump sum of 60% of the insured's average monthly insured earnings in the six months before childbirth.

**Funeral grant:** A lump sum is paid based on the insured person's average monthly insured earnings in the last six months: 12 times the average monthly insured earnings for the death of the insured person; six times for the death of a spouse; or three times for the death of the insured's child.

**Workers' Medical Benefits**

Benefits include medical, preventative, and maternity care and rehabilitation.

Hospitalization is limited to six months for each admission; for longer periods, the insured has a copayment.

**Dependents' Medical Benefits**

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

**Administrative Organization**

Ministry of Labor and Social Welfare (<http://www.molsw.gov.la/>) supervises the program.

National Social Security Fund collects contributions, administers cash benefit payments, and contracts with hospitals to provide medical benefits.

**Work Injury****Regulatory Framework**

**First law:** 1999 (employees in enterprises), implemented in 2001.

**Current law:** 2013 (social security), implemented in 2014.

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

**Coverage**

Employees of private-sector and state-owned enterprises, civil servants, and police and military personnel.

Exclusions: Self-employed persons.

**Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable

**Employer:** 0.5% of gross monthly insurable earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

**Government:** 0.5% of gross monthly insurable earnings.

**Qualifying Conditions**

**Work injury benefits:** Must have at least one month of contributions.

**Disability pension:** Must have at least one month of contributions and an assessed degree of disability of at least 41%.

**Disability lump-sum benefit:** Must have at least one month of contributions and an assessed degree of disability of less than 41%.

The National Social Security Fund's Medical Committee assesses the disability.

**Caregiver's benefit:** Paid for an assessed degree of disability of at least 80%.

**Medical benefits:** Must have at least one month of contributions.

### **Temporary Disability Benefits**

70% of the insured's average monthly insured earnings in the last six months is paid for up to six months; 60% if extended for another six months. If the insured is still unable to work after the additional six months, the insured will be assessed for permanent disability.

### **Permanent Disability Benefits**

**Permanent disability benefit:** The monthly benefit is the percentage of assessed permanent loss of earning capacity multiplied by the insured's average earnings in the last six months before the disability began.

The disability pension is reduced by 50% if the pensioner is employed.

The Social Security Organization's Medical Board assesses the insured's loss of earning capacity initially and reassesses it every three years.

**Disability lump-sum benefit:** A lump sum of 12 times the insured's average monthly insured earnings in the last six months before the disability began multiplied by the insured's assessed loss of earning capacity is paid.

**Caregiver's benefit:** 70% of the insured's disability pension is paid.

**Benefit adjustment:** Benefits are adjusted at least once a year according to changes in the average insured earnings of all insured persons.

### **Workers' Medical Benefits**

Benefits include medical, preventative, and maternity care and rehabilitation.

Hospitalization is limited to six months for each admission; for longer periods, the insured has a copayment.

### **Survivor Benefits**

See survivors' benefits under Old Age, Disability and Survivors.

### **Administrative Organization**

Ministry of Labor and Social Welfare supervises the program.

The National Social Security Fund collects contributions and administers the payment of benefits.

### **Unemployment**

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#### **Regulatory Framework**

**First law and current law:** 2013 (social security), implemented in 2014.

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

### **Coverage**

Employees of private-sector and state-owned enterprises, civil servants, and police and military personnel.

Exclusions: Self-employed persons.

### **Source of Funds**

**Insured person:** 1% of gross monthly insurable earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

**Self-employed person:** Not applicable.

**Employer:** 1% of gross monthly insurable earnings.

The minimum monthly earnings used to calculate contributions are the minimum wage.

The legal monthly minimum wage is 900,000 kip.

The maximum monthly earnings used to calculate contributions are 4,500,000 kip.

**Government:** None.

### **Qualifying Conditions**

**Unemployment benefit:** Must have at least 12 months of contributions in the last 24 months, be involuntarily unemployed, and be registered as unemployed for at least 30 days.

**Vocational training:** Must be unemployed and in need of vocational training.

### **Unemployment Benefits**

60% of the insured's average monthly insured earnings in the last six months before unemployment is paid for up to three months with less than three years of contributions; six months with three to five years of contributions; nine months with six to 11 years of contributions; or 12 months with at least 12 years of contributions.

The benefit is terminated if the unemployed person refuses to accept a job offer.

### **Administrative Organization**

Ministry of Labor and Social Welfare (<http://www.molsw.gov.la/>) supervises the program.

The National Social Security Fund collects contributions and administers the payment of benefits.