

## Iran

Exchange rate: US\$1.00 equals 8,229 rials.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1953.

**Current laws:** 1975 (social security); and 1986 (self-employed insurance), implemented in 1987.

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

#### Coverage

All employed and self-employed persons.

Voluntary coverage for previously insured persons up to age 55 with at least 30 days of coverage and for drivers of commercial vehicles.

Special systems for government employees and armed forces personnel.

#### Source of Funds

**Insured person:** 7% of earnings. Voluntarily insured persons contribute 26% of earnings for old-age and survivor benefits; commercial drivers contribute 10% of earnings.

The minimum monthly earnings for contribution calculation purposes for salaried employees are 2,196,000 rials.

The insured's contributions also finance medical, sickness, maternity, and work injury benefits.

**Self-employed person:** 12% of earnings for old-age; 14% for old-age and survivor benefits; or 18% for old-age, disability, and survivor benefits.

**Employer:** 20% of payroll. To subsidize certain strategic industries, the government pays the employer's contributions for up to 5 employees per company.

The minimum monthly earnings for contribution calculation purposes for salaried employees are 2,196,000 rials.

The employer's contributions also finance medical, sickness, maternity, and work injury benefits.

**Government:** 3% of payroll, including voluntarily insured persons; 17% for commercial drivers. To subsidize certain strategic industries, the government pays the employer's contributions for up to 5 employees per company.

The minimum monthly earnings for contribution calculation purposes for salaried employees are 2,196,000 rials.

#### Qualifying Conditions

**Old-age pension:** Age 60 (men) or age 55 (women) with at least 16 years of contributions; age 50 (men) or age 45 (women) with at least 30 years of contributions; at any age with at least 35 years of contributions; at any age with at least 20 continuous years or 25 noncontinuous years of work in an unhealthy working environment or in a physically demanding natural environment. Women aged 42 with at least 20 years of contributions receive a reduced pension. Retirement from insured employment is necessary.

**Disability pension:** The insured must be assessed with a total disability (loss of at least 66% earning capacity).

**Survivor pension:** The deceased was an old-age or a total disability pensioner at the time of death; had paid at least a year of contributions in the last 10 years, including 90 days in the year before death; had paid at least 20 years of contributions; with more than 10 years but less than 20 years of contributions, a lump sum is paid equal to one month of minimum wage for each year of service.

Eligible survivors are a widow or dependent widower, children younger than age 18 (age 20 if a student or disabled), an unmarried daughter until she marries, and aged dependent parents (a father older than age 60; a mother older than age 55).

#### Old-Age Benefits

**Old-age pension:** The pension is equal to 1/30th of the insured's average earnings during the last 24 months multiplied by the number of years of contributions. The maximum number of years of contributions for pension calculation purposes is 35.

For insured persons working in difficult or hazardous occupations, each year of paid contributions counts as 1.5 years.

The minimum pension is equal to the minimum wage of an unskilled laborer (2,196,000 rials a month).

**Benefit adjustment:** Benefits are adjusted annually according to wage changes.

#### Permanent Disability Benefits

**Disability pension:** The pension is equal to 1/30th of the insured's average earnings multiplied by the number of years of contributions.

The minimum pension is equal to 50% of the insured's average earnings or 100% of the minimum wage of an unskilled laborer (2,196,000 rials a month).

The maximum pension is equal to 100% of the insured's average earnings.

**Pension supplement:** If the pension is less than 60% of the insured's average earnings and the insured has dependents, an additional 10% of the pension is paid up 60% of the insured's average earnings.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

### Survivor Benefits

**Survivor pension:** The widow(er) receives 50% of the deceased's pension. If there is more than one legitimate widow, the pension is split equally between them.

**Orphan's pension:** 25% of the deceased's pension (50% for a full orphan) is paid for each orphan younger than age 18; no limit if a student, disabled, or an unmarried daughter.

**Parent's pension:** 20% of the deceased's pension is paid for each dependent, aged parent (a father older than age 60 or disabled; a mother older than age 55 or disabled).

The minimum total survivor pension is equal to the minimum wage of an unskilled laborer (2,196,000 rials a month).

The maximum total survivor pension is equal to 100% of the deceased's pension. If the total survivor pension exceeds 100% of the deceased's pension, the survivor pensions are reduced proportionately.

Benefit adjustment: Benefits are adjusted annually according to changes in the cost of living.

**Funeral grant:** A lump sum is paid equal to 1 month of the minimum wage of an unskilled laborer (2,196,000 rials).

### Administrative Organization

Ministry of Welfare and Social Security provides general supervision.

Social Security Organization (<http://www2.tamin.org.ir/web/sso>) administers the program through provincial branch offices and local agencies.

### Sickness and Maternity

#### Regulatory Framework

**First law:** 1949.

**Current laws:** 1975 (social security); and 1986 (self-employed insurance), implemented in 1987.

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

#### Coverage

All employed persons.

Voluntary coverage for self-employed persons for medical benefits only.

Voluntary coverage for previously insured persons and for drivers of commercial vehicles.

Special systems for government employees and armed forces personnel.

### Source of Funds

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

**Self-employed person:** Medical benefits are financed according to set tariffs.

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

**Government:** See source of funds under Old Age, Disability, and Survivors, above.

### Qualifying Conditions

**Cash sickness and medical benefits:** There is no minimum qualifying period.

**Cash maternity benefits:** Must have at least 60 days of contributions in the year before the expected date of childbirth for the first three children.

### Sickness and Maternity Benefits

**Sickness benefit:** The benefit is equal to 75% of the insured's average earnings in the previous 3 months for a worker with dependents; 66% for a single worker.

The benefit is reduced to 50% of the insured's average earnings if unmarried and hospitalized in a Social Security Organization hospital; there is no reduction if the insured person has dependents.

The benefit is paid after a 3-day waiting period (unless hospitalized) until recovery.

**Maternity benefit:** The benefit is equal to 66% of the insured woman's average earnings in the previous 3 months and is paid for up to 6 months (1 year in the case of triplets).

### Workers' Medical Benefits

#### Medical benefits

**Direct system:** Medical care and medicines are provided directly to patients through medical facilities belonging to the Social Security Organization.

Dental grant: 300,000 rials for a half set of dentures or 600,000 rials for a full set.

Other medical expenses are paid according to set tariffs.

**Indirect system:** Medical services are provided through public and private hospitals and clinics, as well as through university hospitals and contracted-out physicians. The cost of inpatient care and outpatient care varies among medical care providers, as does the degree of cost sharing and the rate of reimbursement.

## Dependents' Medical Benefits

### Medical benefits for dependents:

*Direct system:* Medical care and medicines are provided directly to patients through medical facilities belonging to the Social Security Organization.

Dental grant: 300,000 rials for a half set of dentures or 600,000 rials for a full set.

Other medical expenses are paid according to set tariffs.

*Indirect system:* Medical services are provided through public and private hospitals and clinics, as well as through university hospitals and contracted-out physicians. The cost of inpatient care and outpatient care varies among medical care providers, as does the degree of cost sharing and the rate of reimbursement.

Eligible dependents are a wife and the first three children younger than age 18 (age 20 if a student; no age limit for an unmarried daughter or a child with a disability), a disabled dependent husband older than age 60, and aged dependent parents. Voluntary insurance can be taken from the Social Security Organization for the fourth and subsequent children.

## Administrative Organization

Social Security Organization (<http://www2.tamin.org.ir/web/sso>) administers the program.

## Work Injury

### Regulatory Framework

**First law:** 1936.

**Current law:** 1975 (social security).

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

### Coverage

All employed and self-employed persons.

Special systems for government employees and armed forces personnel.

### Source of Funds

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

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

**Employer:** Not applicable.

**Government:** See source of funds under Old Age, Disability, and Survivors, above.

### Qualifying Conditions

**Work injury benefits:** There is no minimum qualifying period.

## Temporary Disability Benefits

The daily benefit is equal to 75% of the insured's last daily wage for a worker with dependents; 66% for a worker without dependents.

The benefit is reduced to 50% of the insured's last daily wage if the insured is hospitalized in a Social Security Organization hospital.

The benefit is paid from the first day of incapacity until recovery or certification of permanent disability.

## Permanent Disability Benefits

**Permanent disability pension:** With an assessed degree of disability of at least 66% (total disability), the pension is equal to 1/30th of the insured's average earnings multiplied by the number of years of contributions.

The minimum pension is equal to 50% of the insured's average earnings or 100% of the minimum wage of an unskilled laborer (2,196,000 rials a month).

The maximum pension is equal to 100% of the insured's average earnings.

**Pension supplement:** If the pension is less than 60% of the insured's average earnings and the insured has dependents, an additional 10% of the pension is paid up to 60% of the insured's average earnings.

**Partial disability:** With an assessed degree of disability of between 33% and 66%, a percentage of the full disability pension is paid according to the assessed degree of disability.

**Benefit adjustment:** Benefits are adjusted annually according to changes in the cost of living.

**Disability grant:** With an assessed degree of disability of between 10% and 32% and a disability that is the result of losing a limb, a lump sum is paid equal to 36 times the full disability pension multiplied by the assessed degree of disability.

## Workers' Medical Benefits

Medical care and medicines are provided directly to patients through medical facilities belonging to the Social Security Organization. There is no qualifying period for prostheses.

## Survivor Benefits

**Survivor pension:** The pension is equal to 1/30th of the insured's average earnings multiplied by the number of years of contributions.

50% of the deceased's pension is paid to a widow of any age or to a dependent widower. If there is more than one legitimate widow, the pension is split equally between them.

**Orphan's pension:** 25% of the deceased's pension (50% for a full orphan) is paid for each orphan younger than age 18

(no age limit for a student or orphan with a disability) and to an unmarried daughter until she marries.

**Parent's pension:** 20% of the deceased's pension is paid for each dependent aged parent (a father older than age 60 or disabled; a mother older than age 55 or disabled).

The minimum survivor pension is equal to 50% of the insured's average earnings or 100% of the minimum wage of an unskilled laborer (2,196,000 rials a month).

The maximum total survivor pension is equal to 100% of the deceased's pension. If the total survivor pension exceeds 100% of the deceased's pension, the survivor pensions are reduced proportionately.

**Benefit adjustment:** Benefits are adjusted annually according to changes in the cost of living.

**Funeral grant:** A lump sum is paid equal to 1 month of the minimum wage of an unskilled laborer (2,196,000 rials).

### **Administrative Organization**

Ministry of Welfare and Social Security provides general supervision.

Social Security Organization (<http://www2.tamin.org.ir/web/sso>) administers the program through provincial branch offices and local agencies.

## **Unemployment**

### **Regulatory Framework**

**First law:** 1987.

**Current law:** 1990 (unemployment insurance).

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

### **Coverage**

All employed persons covered by the labor law.

Voluntary coverage for previously insured persons and foreign citizens.

**Exclusions:** Self-employed persons, retired persons, totally disabled persons, foreign citizens, and voluntarily insured persons.

### **Source of Funds**

**Insured person:** None.

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

**Employer:** 3% of payroll.

**Government:** Any deficit.

### **Qualifying Conditions**

**Unemployment benefit:** Must have at least 6 months of insurance before the date of unemployment. Must be registered at an employment office and capable of, and available for, work. Unemployment is not due to leaving voluntarily, misconduct, or the refusal of a suitable job offer.

### **Unemployment Benefits**

The benefit is equal to 55% of the insured's average earnings in the 90-day period before unemployment, increased by 10% for each of the first four dependents.

The maximum duration of benefits depends on the length of coverage and marital status. If a married individual has between 6 and 24 months of coverage, the benefit is paid for up to 12 months (6 months if single); for between 25 and 120 months of coverage, up to 18 months (12 months if single); for between 121 and 180 months, up to 26 months (18 months if single); for between 181 and 240 months, up to 36 months (24 months if single); for 241 months and longer, up to 50 months (36 months if single).

The minimum benefit is equal to the minimum wage of an unskilled laborer (2,196,000 rials a month).

The maximum benefit is equal to 80% of the insured's average earnings.

Insured persons aged 55 or older may receive unemployment benefits up to the retirement age.

**Benefit adjustment:** Benefits are adjusted annually according to changes in the cost of living.

### **Administrative Organization**

Ministry of Labor provides general supervision.

## **Family Allowances**

### **Regulatory Framework**

**First law:** 1953.

**Current law:** 1975 (social security).

**Type of program:** Employment-related system.

### **Coverage**

Employed persons.

### **Source of Funds**

**Insured person:** None.

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

**Employer:** The total cost.

**Government:** None.

### **Qualifying Conditions**

**Family allowances:** The parent must have at least 720 working days of contributions. The child must be younger than age 18 (no limit if a student or disabled).

**Marriage grant:** Must have at least 720 days of contributions in the previous 5 years before the date of marriage. The marriage must be registered and valid before unemployment began.

### **Family Allowance Benefits**

**Family allowances:** The monthly allowance is equal to three times the lowest daily wage of an unskilled laborer (2,196,000 rials a month). The allowance is paid for a maximum of two children.

**Benefit adjustment:** Benefits are adjusted annually according to changes in the cost of living.

**Marriage grant:** The grant is a lump sum equal to 1 month of the insured's average earnings. If both spouses are insured, both the husband and wife will receive the grant.

### **Administrative Organization**

Ministry of Labor provides general supervision.

Social Security Organization (<http://www2.tamin.org.ir/web/sso>) administers the program.