

Monaco

Exchange rate: US\$1.00 equals 0.70 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

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

Current laws: 1944 (disability), 1947 (old-age), 1949 (disability), and 1971 (disability).

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: 6.15% of covered earnings.

The maximum monthly earnings used to calculate contributions are €4,128.

The insured's contribution finances the old-age pension, survivor pension, and death allowance. For disability benefits, see Sickness and Maternity.

Self-employed person: Not applicable.

Employer: 6.15% of covered payroll finances the old-age pension, survivor pension, and death allowance; and an annually adjusted amount of 0.74% of covered payroll 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 Sickness and Maternity.

The maximum monthly earnings used to calculate contributions are €4,128.

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 leave and periods of disability or unemployment).

Retirement from work is not necessary.

Early pension: Age 60 and retired from all active work or employment; age 55 for a woman who has raised three children for at least 8 years before the children reach age 16.

The insured must not receive sickness, work injury, or unemployment benefits.

Deferred pension: The pension can be deferred after age 65.

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 monthly reference salary is €1,032 (October 2009) and is fixed by ministerial decree.

Disability pension: The insured must be younger than age 60 and assessed with a total loss 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 3 months.

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

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 leave and periods of disability or unemployment).

Eligible survivors are a widow aged 50 or older (any age if she is 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 20 if an apprentice, age 21 if a student).

If the widower ceases to care for at least one dependent child, the pension is suspended until the widower reaches age 65 or age 60 if he is 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. In the absence of an 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 benefit is 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 1-year period is obtained by

dividing the insured's monthly declared earnings by the monthly reference salary, up to four pension points per month.

The value of a pension point is €17.20.

The monthly reference salary is €1,032 (October 2009) 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 6 times the reference salary (€6,192 as of October 2009).

Spouse's supplement: The full supplement is paid if the insured had at least 360 pension points; 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.

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.

Permanent Disability Benefits

Disability pension: The pension is 50% of the insured's average monthly covered earnings in the 60 months before the disability began for a total disability or 30% for a partial disability.

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.

Disability benefits are payable abroad.

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

Survivor Benefits

Survivor pension: The widow(er) receives 60% of the pension the deceased received or was eligible to receive. 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.

Orphan's pension: Each half orphan receives 25% of the pension the deceased received or was eligible to receive. Each full orphan receives 50% of the deceased's pension (50% of the highest pension if both parents were pensioners).

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

Survivor pensions are payable abroad.

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

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

The reference salary is €1,032 (October 2009).

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 €370.

The maximum grant is €22,200.

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 program.

Independent Pension Fund for Self-Employed Workers (<http://www.caisses-sociales.mc>), with representatives of government, employers, and self-employed persons, administers self-employed persons' old-age insurance 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

Employed persons.

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

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 15.20% of covered payroll. The contribution also finances disability, family, and certain social benefits.

The maximum monthly earnings used to calculate contributions are €7,400.

Government: None.

Qualifying Conditions

Cash sickness benefits: For an incapacity of up to 6 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 an incapacity lasting 6 or more months, 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 3 months.

Cash maternity benefits: The insured must have 1 month of coverage in the quarter before the date of conception with at least 85 hours of employment for each month of coverage between the date of conception and the medical confirmation of pregnancy.

Paternity leave benefit: The insured must have at least 120 hours of effective or deemed employment in the last month or 200 hours in the previous 3 months. The leave period must begin within 4 months after the date of childbirth.

Medical benefits: The insured must have at least 120 hours of employment in the last month or 200 hours of work or deemed work in the last 3 months.

Sickness and Maternity Benefits

Sickness benefit: The benefit is 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 €123.84. The benefit is paid after a 3-day waiting period for up to 360 days; may be extended for 3 or 4 years for 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 6 months, benefits are adjusted automatically twice a year (in January and in July) according to a coefficient set by law.

Maternity benefit: The benefit is 90% of the insured's average daily earnings in the last 12 months, up to €123.84. The benefit for the first and second child is paid for 8 weeks before and 8 weeks after childbirth; for the third and subsequent children, 8 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: The benefit is 90% of the father's average daily earnings in the 12 months before the date of birth, up to €123.84. The benefit is paid for up to 12 days, including Sundays and public holidays; 19 days for multiple births or in households with at least two 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 income and family size.

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

Dependents' 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 income and family size.

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

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 premium cost 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.

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 (8 times the legal annual minimum salary for professional athletes, with only 33% of earnings between twice the minimum salary and 8 times the minimum salary used to calculate benefits).

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

Partial disability pension: The benefit is 50% of the loss in earnings for a disability of between 10% and 50%; 150% for a disability of greater than 50%.

The degree of disability is assessed by a commission.

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 in arrears.

The permanent disability pension can be replaced in full or in part by a lump sum after 5 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

Survivor pension: The pension is 30% of the deceased's annual earnings; 50% if the survivor is aged 55 or older or disabled.

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 2 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 3 times the value of the annual pension is paid.

Orphan's pension: The pension is 15% of the deceased's annual earnings 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 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: Social insurance 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; contributes toward the cost of certain social benefits.

Qualifying Conditions

Family allowance: The benefit is paid for children up to age 20. Children older than age 6 must attend school. 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 work or deemed work in the relevant month. The mother must undergo a medical examination and provide a formal declaration of pregnancy during the first 3 months following the date of conception. The mother must also undergo medical examination at the 3rd, 6th, and 8th 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: The insured must have received family allowances for 7 months in the previous calendar year, including at least 1 month in the last 4 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): The insured must have received family allowances for 4 months in the previous calendar year, including at least 1 month in the last 3 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 person residing in Monaco, 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, the allowance is €131.80 a month for each child younger than age 3, €197.60 for each child aged 3 to 5, €237.20 for each child aged 6 to 10, and €276.70 for each child aged 11 or older. The allowance is proportionately reduced for 77 hours to 144 hours of covered work. The allowance 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 €131.80 a month for up to 9 months. The allowance is proportionately reduced for 77 hours to 144 hours of covered work. The allowance is paid in three installments (2 months of benefits in the 3rd month of pregnancy, 4 months of benefits in the 6th month of pregnancy, and 3 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 (between €62 and €391) or France (between €32 and €391). 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): The benefit is €118 for a child younger than age 3, €176 for a child aged 3 to 5, €211 for a child aged 6 to 10, and €248 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): €121 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.