

Social insurance in Switzerland

(compulsory insurance) 1.1.2019



Social insurance in Switzerland

(compulsory insurance) 1.1.2019

		AHV, IV, EO
		<p>Federal laws on</p> <ul style="list-style-type: none"> – Old age and survivors' insurance (AHV) – Disability insurance (IV) – Income replacement scheme (EO) (income replacement for those in service, maternity compensation)
Insured group of persons	<p>Compulsory: All persons who are gainfully employed or who have their place of residence under civil law in Switzerland. Without prejudice to EU/EFTA agreements.</p> <p>Voluntary: Swiss nationals and EU/EFTA nationals residing in a non-EU/EFTA country.</p> <p>Contributions compulsory for:</p> <ul style="list-style-type: none"> – those gainfully employed, from 1 January following their 17th birthday – the unemployed, from 1 January following their 20th birthday 	
Assessment basis	<p>Contributions from total income from employment; no upper limit Pension calculated on income up to CHF 85 320.– Pension calculated for each person individually (splitting) with education and care credits</p>	
Old-age benefits	<p>Retirement pension (RP) min. CHF 14 220.– per year / max. CHF 28 440.– per year Pension for married couples capped at 150% of max. AHV pension Men: from 65 years of age / women: from 64 years of age Early retirement: 1 or 2 years / 6.8% annual reduction rate Postponement of retirement: 1 year: 5.2% / 2 years: 10.8% / 3 years: 17.1% / 4 years: 24.0% / 5 years: 31.5% (parts of years also possible)</p>	
Survivors benefits	<p>Widow's pension (current wife): 80% RP min. CHF 11 376.– / max. CHF 22 752.– – if there are children (of any age)- at least 45 years of age and the marriage lasted a minimum of five years</p> <p>Widow's pension (including divorced wives): 80% RP – if there are children and the marriage lasted a minimum of ten years – at least 45 years of age at the time of divorce and marriage lasted ten years- youngest child reached 18 years of age after mother turned 45</p> <p>Widower's pension (including divorced husbands): 80% RP until youngest child turns 18</p> <p>Orphan's pension: 40% (per parent) until 18/25 years of age (capped at 60% of max. AHV single pension) min. CHF 5688.– / max. CHF 11 376.–</p>	
Benefits in the event of disability	Treatment, care, rehabilitation	<p>Reintegration measures medical aids Incapacity allowance for long-term assistance, care and monitoring</p>
	Temporary disability	<p>Daily allowance during reintegration measures Amount differs depending on income 80% of average daily income plus child allowance</p> <p>Maternity benefits: Employed and self-employed women are entitled to 80% of the average earned income prior to the birth for 14 weeks. Max. CHF 196.– per day.</p>
	Permanent disability	<p>100% disability pension min. 14 220.– / max. 28 440.– Disabled person's child's pension: 40%</p> <p>Pension payment rate: 100% from 70% disability 75% from 60% disability 50% from 50% disability 25% from 40% disability</p>
Benefits adjustment	<p>Pension payments adjusted to mixed index (average of price and wage development)</p>	
Financing	<p>AHV 8.4% / IV 1.4% / EO 0.45% / ALV 2.2% (salary up to CHF 148 200.–) ALV 1% (salary as from CHF 148 201.–) Employer and employee each pay half 9.65% contribution for the self-employed; sliding scale of contributions for annual incomes under CHF 56 900.– Minimum contribution: CHF 482.– per year</p>	

Social insurance in Switzerland

(compulsory insurance) 1.1.2019

Supplementary benefits

Swiss Federal Law on supplementary benefits to old-age, survivors' and disability pensions (EL):

<p>Insured group of persons</p>	<p>Individuals living in Switzerland and drawing AHV/IV benefits Foreigners with 10 years of uninterrupted residence in Switzerland; stateless persons with 5 years. No waiting period for nationals of countries party to agreements on the free movement of persons.</p>
<p>Assessment basis</p>	<p>Cover for basic living costs (spending/income) (upper limit lifted)</p>
<p>Old-age benefits</p>	<p>An AHV pension is a prerequisite for supplementary benefits</p>
<p>Survivors benefits</p>	<p>Benefit entitlement only with parallel entitlement to an AHV widow's/widower's pension</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Benefits in the event of disability</p>	<p>Treatment, care, rehabilitation Compensation for ancillary costs such as dentist costs, health insurer deductibles, etc. (new cantonal law)</p>
	<p>Temporary disability Benefit entitlement arises with entitlement to at least 180 IV daily allowances</p>
	<p>Permanent disability Benefit entitlement arises with entitlement to pensions or incapacity allowance under IV</p>
<p>Benefits adjustment</p>	<p>Benefits adjusted with each increase in AHV pension and with changes in personal or financial circumstances</p>
<p>Financing</p>	<p>New, complex regulations; federal government now provides approx. 5/8</p>

Social insurance in Switzerland

(compulsory insurance) 1.1.2019

BVG		
Swiss Federal Law on occupational retirement, survivors' and disability pension plans		
Insured group of persons	<p>Compulsory:</p> <ul style="list-style-type: none"> – All employees with earned income above CHF 21 330.– with one and the same employer and who are required to pay AHV contributions – Death and disability insurance from 1 January following the 17th birthday – Retirement as well from 1 January following the 24th birthday <p>Voluntary:</p> <ul style="list-style-type: none"> – Self-employed individuals – Persons not required to pay AHV contributions who work for more than one employer and whose earned income exceeds CHF 21 330.– – Employees who are required to pay AHV contributions and whose employer has its registered office located outside the EU/EFTA and does not operate business premises in Switzerland 	
Assessment basis	<ul style="list-style-type: none"> – Maximum pensionable salary: CHF 85 320.– – Coordination deduction: CHF 24 885.– – Maximum salary subject to compulsory insurance: CHF 60 435.– – Minimum salary subject to compulsory insurance: CHF 3555.– 	
Old-age benefits	<p>Interest rate on retirement assets: 1%. Old-age pension from 64/65 years of age The retirement assets available at the time of retirement are converted to a life-long guaranteed pension at a stipulated conversion rate The following conversion rates apply: women: 6.80% men: 6.80% The insured person may request that at least ¼ of the obligatory BVG retirement savings capital be paid out in the form of a lump sum.</p>	
Survivors benefits	<p>Widow's/widower's pension: 60% of disability/old-age pension A divorced partner is treated as a widow/widower if the marriage lasted a minimum of ten years and the divorced partner was promised a lifetime annuity or a corresponding lump sum settlement in the divorce decree. Orphan's pension: 20% of IV/retirement pension (including foster children) (up to 18/25 years of age or if child is at least 70% disabled) Lump sum payment equal to three annual pension payments for spouses who are not responsible for the maintenance of one or more children, are not yet 45 years of age and with whom the marriage lasted a minimum of five years.</p>	
Benefits in the event of disability	Treatment, care, rehabilitation	No benefits
	Temporary disability	No benefits during the waiting period
	Permanent disability	<p>The disability benefit is calculated using the same conversion rate as for the old-age pension. The capital to which this conversion rate is applied comprises:</p> <ul style="list-style-type: none"> a) the retirement assets available at the time the insured person becomes eligible for the disability benefit; and b) the total retirement savings credits that would have been accumulated for the years until retirement age, without interest. <p>Disabled person's child's pension: 20% of disability pension Pension payment rate: 100% from 70% disability / 75% from 60% disability / 50% from 50% disability / 25% from 40% disability</p>
Benefits adjustment	Disability and survivors' pensions in payment are adjusted to price development up until the ordinary retirement age	
Financing	<p>Contributions as a % of the coordinated salary Retirement assets: 25–34 = 7% / 35–44 = 10% / 45–54 = 15% / 55–64/65 = 18% Risk insurance: 1-4% Security fund: 0.12% for unfavourable age structure and 0.005% of exit benefits for insolvency cover Employer contribution at least matching the contributions of all employees</p>	

Social insurance in Switzerland

(compulsory insurance) 1.1.2019

UVG		
Swiss Federal Law on accident insurance		
Insured group of persons	<p>Compulsory: The following are insured against occupational and non-occupational accidents and occupational illnesses:</p> <ul style="list-style-type: none"> – Employees, including teleworkers, trainees and interns, employed in Switzerland – Part-time employees working at least 8 hours a week for one employer – Unemployed persons meeting the criteria for entitlement under AVIG (Swiss Federal Law on compulsory unemployment insurance and insolvency compensation) <p>Voluntary: Employers/self-employed persons and their family members or registered partners not subject to compulsory insurance</p>	
Assessment basis	Insured income up to a maximum of CHF 148200.–	
Old-age benefits		
Survivors benefits	<p>Widow's pension: 40% W is over 45 / W has children / W is $\frac{2}{3}$ disabled, otherwise: lump sum payment (in multiples of annual pension) (marriage <1Y = x1 / marriage <5Y = x3 / marriage >5Y = x5) Divorced: 20% of last income (up to the amount of alimony owed)</p> <p>Widower's pension: 40% There are children (under 18 years of age) at the time of death or W is $\frac{2}{3}$ disabled 15% half orphan's pension / 25% full orphan's pension Widow's/widower's and orphan's pensions combined, max. 70% of insured income (max. CHF 148 200.–) Maximum of 90% when combined with the AHV pension (supplementary pension) Lump sum payment for childless widows up to 45 years of age (dependent on the duration of the marriage)</p>	
Benefits in the event of disability	Treatment, care, rehabilitation	Doctor's expenses, costs of medication, hospital costs in a general ward, prescribed health cures, medical aids Rescue costs, transportation costs etc.
	Temporary disability	Daily allowance of 80% of pensionable salary from day 3 until fully able to work or until commencement of the disability pension
	Permanent disability	80% of insured earnings in the event of full disability. Max. 90% in combination with AHV/IV pension Reduced proportionately for partial disability Integration and incapacity allowance
Benefits adjustment	Pensions in payment are adjusted to price development	
Financing	<p>NBUV (Non-occupational accident insurance, Suva) – 1.05–2.40% of insured income (organisations without bonus/penalty systems) – 0.53–4.76% of insured income (organisations with bonus/penalty systems) – Contributions are usually paid by the employee</p> <p>NBUV (Non-occupational accident insurance, private insurers) Contribution rate varies by industry</p> <p>BUV (Occupational accident insurance) Contribution rate varies by industry, Contributions paid by the employer</p>	

Social insurance in Switzerland

(compulsory insurance) 1.1.2019

KVG

Swiss Federal Law on health insurance

<p>Insured group of persons</p>	<p>Compulsory basic insurance for all individuals residing in Switzerland independent of nationality and for all individuals from EU or EFTA countries in gainful employment in Switzerland Facultative supplementary insurance as per VVG (Swiss Federal Law on Insurance Contracts). Special provisions apply to Swiss nationals in EU and EFTA countries</p>
<p>Assessment basis</p>	<p>Illness Accident Maternity</p>
<p>Old-age benefits</p>	
<p>Survivors benefits</p>	
<p>Benefits in the event of disability</p> <p>Treatment, care, rehabilitation</p> <p>Temporary disability</p> <p>Permanent disability</p>	<p>Doctor's expenses, costs of medication, nursing care, hospital costs in a general ward, maternity, medical aids etc. Supplementary insurance as per VVG</p> <p>Voluntary daily allowance as per KVG</p>
<p>Benefits adjustment</p>	
<p>Financing</p>	<ul style="list-style-type: none"> - Standard premium per canton/ premium region and fund (max. 3 premium regions per canton) - Premium discounts according to the canton for families and individuals on low incomes - Insureds contribute to costs via the deductible (at least CHF 300.-; CHF 0.- for children) and cost participation of 10% (incl. in hospitals), 10% or 20% for medication - The maximum excess is CHF 700.-

Social insurance in Switzerland

(compulsory insurance) 1.1.2019

MVG

Swiss Federal Law on military insurance

<p>Insured group of persons</p>	<p>Individuals in military, civilian or civil defence service, those on peacekeeping missions and acting in the service of the Confederation, members of the Swiss Humanitarian Aid Unit (SKH)</p>
<p>Assessment basis</p>	<p>Insured income up to a maximum of CHF 152276.– Individuals of legal age in training placements: 20% of the highest contribution</p>
<p>Old-age benefits</p>	<p>Old-age pension from AHV retirement age on the basis of 50% disability pension</p>
<p>Survivors benefits</p>	<p>40% for widow's/widower's pension 15% for orphan's pension 25% for full orphan's pension up to a maximum of the pensionable annual salary</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Benefits in the event of disability</p> <p>Treatment, care, rehabilitation</p> <p>Temporary disability</p> <p>Permanent disability</p>	<p>Doctor's expenses, costs of medication, hospital treatment, medical aids, allowance for home care or incapacity, reintegration measures</p> <p>Daily allowance/pension of 80% of insured income from day 1 of income loss in the event of incapacity for work and reintegration</p> <p>Disability pension is 80% of insured annual earnings. Integrity reimbursement payments.</p>
<p>Benefits adjustment</p>	<p>Pensions in payment are adjusted to price and/ or salary developments</p>
<p>Financing</p>	<p>Military insurance spending is financed by the Confederation. Occupationally and voluntarily insured individuals pay premium contributions.</p>

Social insurance in Switzerland

(compulsory insurance) 1.1.2019

AVIG

Swiss Federal Law on compulsory unemployment insurance and insolvency compensation

<p>Insured group of persons</p>	<p>All employees compulsorily insured under AHV</p>
<p>Assessment basis</p>	<p>Insured salary up to a maximum of CHF 148200.– (as for UVG)</p>
<p>Old-age benefits</p>	<p>Special benefits Bad weather allowance in some industries: 6 calculation periods (usually of one calendar month) within two years</p>
<p>Survivors benefits</p>	<p>Special benefits Insolvency compensation for the last 4 months of employment for the salary subject to AHV (incl. allowances)</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Benefits in the event of disability</p> <p>Treatment, care, rehabilitation</p> <hr/> <p>Temporary disability</p> <hr/> <p>Permanent disability</p>	<p>Labour market measures: Courses (retraining, further training), Programmes providing temporary employment, Training allowances, Education allowances, Support for self-employment</p> <p>Short-time work unemployment benefit: 18 calculation periods within two years (bad weather allowance taken into account in the calculation of maximum entitlement)</p> <p>Maximum number of daily allowances: a) 260 daily allowances if the insured can demonstrate a contribution period of a total of 12 months; b) 400 daily allowances if the insured can demonstrate a contribution period of a total of 18 months; c) 520 daily allowances if the insured can demonstrate a contribution period of at least 22 months and: is aged 55 or over; OR receives a disability pension for a disability of 40% or more</p> <p>Amount of daily allowance: a) 80% of insured income is equal to the full daily allowance; b) Insureds who are not disabled, who reach a fully daily allowance of more than CHF 140 and who have no support obligations towards children will receive 70% of insured income.</p>
<p>Benefits adjustment</p>	<p>Contributions: 2.2% of salary up to CHF 148200.– Employer and employee each pay half 1% of salary as from CHF 148201.–</p>
<p>Financing</p>	<p>Contributions: 2.2% of salary up to CHF 148200.– Employer and employee each pay half 1% of salary as from CHF 148201.–</p>

Generali Insurances
Soodmattenstrasse 2
8134 Adliswil 1, Switzerland
T +41 800 881 882
info.ch@generali.com

generali.ch