

OVERVIEW OF SOCIAL INSURANCE IN SWITZERLAND

Insurance		Benefits						Financing		
	Insured persons	Benefit calculation bases	Temporary incapacity for work	Treatment, care, recovery	Permanent loss of earning capacity	Benefits in case of death before retirement age	Benefits after retirement age	Cost of living adjustments	Contribution rates	Financing
Retirement and survivors' insurance Federal Disability Insurance (AVS/AI - AHV/IV)	Compulsory insurance Persons domiciled or working in Switzerland. Swiss citizens working abroad for the Confederation or for institutions designated by the Federal Council. Persons sent abroad on a contractual fixed-term assignment.	Individual pension (full pension) The reference average annual income is calculated based on: – the number of contributory years; – revalued income from gainful employment (splitting of income during marriage); – credits for educational activities and support functions (AI/IV). Minimum pension CHF 14,100/year. Maximum pension CHF 28,200/year.	Daily allowance depending on income and number of children; but only during rehabilitation (AI/IV only).	– Disability medical equipment, invalidity allowance (permanent help, care or supervision), loss of physical integrity; – Early intervention measures (work place adjustments, placement service, training incentive allowance); – Rehabilitation measures (training, regrading and employment measures).	Pension depending on degree of disability: – from 40%: 1/4 pension; – from 50%: 1/2 pension; – from 60%: 3/4 pension; – from 70%: full pension. Disability pension: according to pension scale. Child's pension: 40% of the relevant disability pension.	Surviving spouses's pension*, 80%: – widow with children; – widow without children if the widow is over 45 and the marriage lasted at least 5 years; – widower, until the youngest child turns 18. Orphan's pension: 40% of the retirement pension Orphan having lost both parents: 60% of the relevant retirement pension.	Retirement age: 65 for men, 64 for women. Early retirement pension may be paid 1 or 2 years before normal retirement age. Individual pension: 100%. Couples: 2 individual pensions (limited to 150% of the maximum pension). Surviving spouse's pension*: 80%. Child's pension: 40%.	Pensions in payment are adjusted for increases in the cost of living (mixed index) – every two years; or – every year if the index varies by more than 4%.	Total employer and employee contributions: AVS/AHV 8.4%; AI/IV 1.4%. Self-employed: AVS/AHV – AI/IV – APG/EO: 5.223% to 9.7% Min. CHF 480 Non-gainfully employed persons depending on assets and pensions: Min. CHF 480, max. CHF 24,000 (Not required to pay contributions if the spouse who is gainfully employed and is not yet entitled to a retirement pension paid at least twice the minimum contribution: CHF 960.)	Employees and employers each pay 50% of the contribution; public subsidies are additional. No upper limit on contributory salary (no maximum salary).
Supplemental benefits (PC)	Beneficiaries Recipients of AVS/AI - AHV/IV benefits who are Swiss residents, Swiss nationals and foreigners residing in Switzerland uninterruptedly for at least 10 years, refugees or stateless persons residing in Switzerland uninterruptedly for at least 5 years. The 10-year waiting period does not apply to EU and EFTA nationals.	Minimum subsistence Difference between reference income and recognised expenses (rent, health insurance, etc.)	No benefits.	Supplemental benefits such as reimbursement of dental care, health care, medical aids and appliances and a contribution to health insurance costs.	Supplemental benefits cover minimum subsistence.	Supplemental benefits cover minimum subsistence.	Supplemental benefits cover minimum subsistence.	The Federal Council may adjust benefits appropriately.	No benefits.	Confederation, cantons and municipalities.
Occupational pension benefits (LPP/BVG)	Compulsory insurance Employees subject to AVS/AHV earning an annual salary of more than CHF 21,150 from 1 January after their 17th birthday. Beneficiaries of LACI/AVIG daily allowances, for death and disability risks. Voluntary insurance Self-employed persons, employees working for several employers.	Pensionable salary AVS/AHV salary minus a coordination deduction of CHF 24,675/year. LPP/BVG entry threshold: CHF 21,150/year. Maximum LPP/BVG coordinated salary CHF 59,925/year. Coordinated salary Minimum LPP/BVG salary CHF 3,525/year.	Waiting period: – contribution waiver: according to contract; – disability pension: according to contract.	No benefits.	Pension depending on AI/IV degree of disability: – from 40%: 1/4 pension; – from 50%: 1/2 pension; – from 60%: 3/4 pension; – from 70%: full pension. Disability pension: projected retirement savings capital without interest multiplied by the applicable retirement pension conversion rate. Child's pension: 20% of the relevant disability pension.	Surviving spouses with dependent children is entitled to a pension. Surviving spouse without children is only entitled to a pension if he/she is over 45 and the marriage lasted at least 5 years. Surviving spouse's pension*: 60%. Orphan's pension: 20% of the disability pension to which the insured would have been entitled. Extended coverage is possible and entitles the surviving spouse to an unlimited spouse's pension.	Retirement age: 65 for men, 64 for women. Early retirement possible subject to reduction in benefits. Surviving spouse's pension*: 60% of the retirement pension. Pensioner's child pension: 20% of the retirement pension. Retirement pension: projected retirement savings capital, with interest, multiplied by the relevant conversion rate The conversion rate is 6.80% for both men and women.	Disability and survivors' pensions in payment are adjusted for increases in the cost of living.	Risk premiums, administrative costs and cost-of-living adjustments from age 18. Savings contributions of 7% to 18% and guarantee fund from age 25.	Pension institutions set contributions so as to ensure that the employer pays at least the same amount as the employees' aggregate contributions.
Accident insurance (LAA/UVG)	Compulsory insurance Persons employed in Switzerland (with exceptions). Employees working less than 8 hours per week are only insured against occupational accidents. Voluntary insurance Self-employed persons (special regulations for members of farm operators' families).	Insured salary: AVS/AHV salary Max. CHF 148,200/year.	80% of insured salary from day 3 until payment of disability pension or recovery of capacity for work.	Doctors' fees and hospitalisation costs (general ward), prescribed cures, disability medical equipment, transport and rescue costs, burial costs, invalidity and loss of physical integrity allowances.	Disability pension in accordance with LAA/UVG. Disability pension: 80% of insured earnings. AVS/AHV and AI/IV benefits combined with LAA/UVG benefits and LPP/BVG benefits, if any, may not exceed 90% of the insured salary (supplemental pension).	Widow without children is entitled to a pension provided she is over 45 or at least 2/3 disabled. Otherwise, she is entitled to a one-time settlement. Widower without children is entitled to a pension provided he is at least 2/3 disabled. Surviving spouse's pension*: 40%. Orphan's pension: 15%. Orphan having lost both parents: 25%. Maximum total: 70% of insured earnings	Disability pensions are life-long pensions.	Pensions in payment are adjusted for increases in the cost of living.	For occupational and non occupational accidents, companies are divided into risk classes. Each risk class comprises various degrees of risk.	Insurance premiums for non occupational accidents are borne by the employee; the employer pays the premium for occupational accidents. The reference salary for premium payments is limited to CHF 148,200/year (maximum salary).
Health insurance (LAMa/KVG)	Compulsory insurance All Swiss residents are required to contract health care and pharmaceutical coverage (illness, accidents (unless insured by LAA/UVG), pregnancy and childbirth).	Compulsory health insurance with the same benefits for all insured.	Health insurance Concluded as an individual insurance. Tests, treatment and health care services provided on an outpatient basis in a hospital or semi-hospital establishment or a medical-social facility. Tests, drugs, marine cures (treatment and daily allowance), rehabilitation, stay in general ward of a hospital, contribution to transport costs and rescue costs, prevention (various tests). Maternity: Check-ups during and after pregnancy, childbirth and obstetric treatment, necessary breast-feeding guidance.						Compulsory health insurance Premiums are independent of gender and entry age. Lower premiums for children under 18 and young adults 19 to 25. Scales vary from one canton or region to another (LAMa/KVG). The place of residence is decisive for the premium.	Compulsory health insurance Premiums paid by the insured. Participation in insurance costs in the form of a yearly deductible and a co-insurance amount on out-patient and in-patient treatment. Federal and cantonal subsidies to reduce insurance premiums for lower-income brackets.
Daily cash benefits during sick leave (LAMa/KVG – LCA/VVG)	Voluntary insurance Persons age 15 to 65 who are resident and/or gainfully-employed in Switzerland may contract daily allowance insurance (illness, accidents (unless insured by LAA/UVG), pregnancy and childbirth).	Insured salary: AVS/AHV salary Max. in accordance with regulations.				Daily allowance insurance May be concluded as an individual or a collective policy. Daily allowances may be insured under a LAMa/KVG or LCA/VVG private law contract. The LCA/VVG provides for two different types of insurance coverage: 730 days per case (coordination with LPP/BVG) or 730/900 days for one or more illnesses; daily maternity allowance during 16 weeks as supplemental option to LAPG/EOG. Under LAMa/KVG, extended coverage may be contracted covering 730/900 days including daily maternity allowance for 16 weeks.			Individual insurance: premium calculated based on the insured's gender and age. Collective insurance: premium calculated as a percentage of salary.	Individual insurance: premium paid by the insured. Collective insurance: premiums split between employee and employer as agreed by contract.
Unemployment benefits (LACI/AVIG)	Compulsory insurance All employees subject to compulsory insurance, within the meaning of the AVS/AHV, up to retirement age. Exception Self-employed individuals are not subject to unemployment insurance contributions.	Insured salary: AVS/AHV salary Max. CHF 148,200/year, like LAA/UVG.	Unemployment benefits The duration of unemployment benefits depends on the contribution period and on the recipient's family situation (with or without dependent children). Unemployment benefits amount to 70% of the insured salary. A rate of 80% is applied if the insured has dependent children, receives an AI/IV pension or has an income below CHF 3,797.	Indemnities for reduced working hours 80% of the loss in earnings will be covered for a maximum of 12 months over a 2-year period. A substantiated declaration has to be filed with the cantonal authorities 10 days before commencement of the reduced working schedule.	Indemnities for bad weather 80% of the loss in earnings will be covered for a maximum of 6 months in a 2-year period.	Indemnities in case of insolvency 100% of the insured salary during the last 4 months of work.	Compulsory occupational benefits Disability and survivor benefits if the requirements for LACI/AVIG daily benefits are satisfied and subject to the minimum coordinated daily salary.		Up to CHF 148,200: 2.2% of insured salary. A solidarity contribution of 1% will be deducted from the salary portion from CHF 148,200.	Employees and employers each pay 50% of the contribution.
Federal Military Insurance (LAM/MVG)	Compulsory insurance Beneficiaries: Persons required to do military service, community service or civil defence service, persons participating in military activities or shooting training outside military service.	Insured salary: AVS/AHV salary Max. CHF 150,918/year.	Daily allowance: 80% of the insured salary.	Doctors' fees, hospitalisation costs, home care, professional regrading, medical aids and appliances (e.g. prostheses), invalidity allowance, pension for loss of physical integrity, indemnity for delayed training.	Pension depending on LAM/MVG degree of disability. Disability pension: 80% of insured salary. Total AVS/AHV and AI/IV benefits combined with LAM/MVG benefits may not exceed 100% of the insured salary.	Surviving spouse's pension*: 40%. Orphan's pension: 15%. Orphan having lost both parents: 25%. Maximum total amount for all survivors: 100% of insured earnings.	After retirement, the disability pension is converted into a retirement pension and reduced by one half.	Before AVS/AHV retirement age: pensions are adjusted based on the nominal salary index. After AVS/AHV retirement age: pensions are adjusted based on the Swiss consumer price index.	No contribution.	Costs are financed by the Confederation.
Loss of earnings insurance (LAPG/EOG) – during military service	Compulsory insurance Persons entitled to an allowance for military service: Persons doing military service, community service, civil defence service or participating in J+S teacher-training courses and instructor-training courses for young shooters, and receiving wages for such service. Persons entitled to a maternity allowance: Employees with in the meaning of LAPG/EOG, self-employed women and women working in their husband's business who receive a cash salary. Subject to LAVS/AHVG for 9 months and gainfully-employed for at least 5 months before childbirth.	Insured salary: AVS/AHV salary Max. CHF 88,200/year.	Recruits and persons who – are not gainfully-employed 25% (CHF 62/day); – are gainfully employed and have to do repeat military service 80%, min. 25% (min. CHF 62/day, max CHF 196/day). Child allowance: 8% (CHF 20/day) per child. Special rates apply to military staff in long-term service and for periods in special training. Maximum benefit CHF 196/day. Small business allowance: 27% of the maximum allowance (CHF 67/day). Basic allowance and child allowance: maximum CHF 245.00 per day						Total employer and employee contributions: 0.45%.	Employer and employee each pay 50% of the contribution.
– during maternity leave			Maternity allowance: 80% of the insured salary for max 14 weeks. Maximum benefit CHF 196/day.					* Pursuant to the Federal Law on Registered Civil Partnerships, a surviving registered partner is equated with a surviving spouse.		

Pensions

AVS/AI – AHV/IV pensions from 1 January 2016

Full monthly pensions – Amounts in CHF – Scale 44

Calculation bases Reference annual salary	Retirement and disability pensions	Surviving spouse's retirement and disability pensions	Surviving spouse's retirement and disability pensions			
			Surviving spouse*	Supplemental pension	Child's or orphan's pension	Pension for double orphan 60%**
			1/1	1/1	1/1	1/1
Up to 14 100	1 175	1 410	940	353	470	705
15 510	1 206	1 447	964	362	482	723
16 920	1 236	1 483	989	371	494	742
18 330	1 267	1 520	1 013	380	507	760
19 740	1 297	1 557	1 038	389	519	778
21 150	1 328	1 593	1 062	398	531	797
22 560	1 358	1 630	1 087	407	543	815
23 970	1 389	1 667	1 111	417	556	833
25 380	1 419	1 703	1 136	426	568	852
26 790	1 450	1 740	1 160	435	580	870
28 200	1 481	1 777	1 184	444	592	888
29 610	1 511	1 813	1 209	453	604	907
31 020	1 542	1 850	1 233	462	617	925
32 430	1 572	1 887	1 258	472	629	943
33 840	1 603	1 923	1 282	481	641	962
35 250	1 633	1 960	1 307	490	653	980
36 660	1 664	1 997	1 331	499	666	998
38 070	1 694	2 033	1 355	508	678	1 017
39 480	1 725	2 070	1 380	517	690	1 035
40 890	1 755	2 106	1 404	527	702	1 053
42 300	1 786	2 143	1 429	536	714	1 072
43 710	1 805	2 166	1 444	541	722	1 083
45 120	1 824	2 188	1 459	547	729	1 094
46 530	1 842	2 211	1 474	553	737	1 105
47 940	1 861	2 233	1 489	558	744	1 117
49 350	1 880	2 256	1 504	564	752	1 128
50 760	1 899	2 279	1 519	570	760	1 139
52 170	1 918	2 301	1 534	575	767	1 151
53 580	1 936	2 324	1 549	581	775	1 162
54 990	1 955	2 346	1 564	587	782	1 173
56 400	1 974	2 350	1 579	592	790	1 184
57 810	1 993	2 350	1 594	598	797	1 196
59 220	2 012	2 350	1 609	603	805	1 207
60 630	2 030	2 350	1 624	609	812	1 218
62 040	2 049	2 350	1 639	615	820	1 230
63 450	2 068	2 350	1 654	620	827	1 241
64 860	2 087	2 350	1 669	626	835	1 252
66 270	2 106	2 350	1 684	632	842	1 263
67 680	2 124	2 350	1 700	637	850	1 275
69 090	2 143	2 350	1 715	643	857	1 286
70 500	2 162	2 350	1 730	649	865	1 297
71 910	2 181	2 350	1 745	654	872	1 308
73 320	2 200	2 350	1 760	660	880	1 320
74 730	2 218	2 350	1 775	666	887	1 331
76 140	2 237	2 350	1 790	671	895	1 342
77 550	2 256	2 350	1 805	677	902	1 354
78 960	2 275	2 350	1 820	682	910	1 365
80 370	2 294	2 350	1 835	688	917	1 376
81 780	2 312	2 350	1 850	694	925	1 387
83 190	2 331	2 350	1 865	699	932	1 399
84 600	2 350	2 350	1 880	705	940	1 410
and over						

* Pursuant to the Federal Law on Registered Civil Partnerships, a surviving registered partner is equated with a surviving spouse.

** Amounts also valid for double orphan's pensions and double child's pensions.