



## SOCIAL INSURANCE IN SWITZERLAND

Social security. Your statutory  
cover in Switzerland.  
(Status January 2019)

# Who is insured and how?

	Group of persons	Basis for calculating benefits												
<b>Old age, survivors' and disability insurance (AHV/IV)</b>	<b>Mandatory cover</b> <ul style="list-style-type: none"> <li>Persons living and working in Switzerland</li> <li>Swiss citizens who work for the Swiss Confederation or an institution designated by the Federal Council</li> <li>Assignees who are contracted abroad for a certain period</li> </ul>	<b>Full pension</b> The defining average annual income is calculated on the basis of: <ul style="list-style-type: none"> <li>Contribution years</li> <li>Adjusted earned income (split income during marriage)</li> <li>Education and care credits</li> </ul>												
<b>Loss-of-income insurance (EL)</b>	<b>Eligible persons</b> Persons living in Switzerland who receive AHV/IV benefits, foreigners with 10 and refugees and stateless persons with 5 years of uninterrupted stay in Switzerland. The 10-year qualifying period does not apply to EU and EFTA citizens.	<b>Minimum living requirement</b> The difference between the effective income and recognised expenditures (minimum living requirement) that are determined case-by-case.												
<b>Mandatory occupational benefits insurance (BVG)</b>  The defining details are laid out in the regulations of the applicable employee benefits institution.	<b>Mandatory cover</b> <ul style="list-style-type: none"> <li>As of Jan. 1 of the year in which they reach age 17, employees with annual AHV salary above CHF 21 330 must be covered for death and disability; as of Jan. 1 of the year in which they reach age 24, they must also be covered for retirement benefits.</li> <li>Recipients of daily unemployment (ALV) benefits for the risks of death and disability.</li> </ul> <b>Voluntary cover</b> Self-employed persons, employees working for several employers.	<b>Insured salary</b> <table border="0"> <tr> <td>Minimum annual salary (entry threshold)</td> <td>CHF 21 330</td> </tr> <tr> <td>Maximum effective salary</td> <td>CHF 85 320</td> </tr> <tr> <td>Coordination deduction</td> <td>CHF 24 558</td> </tr> <tr> <td>Maximum insured salary</td> <td>CHF 60 435</td> </tr> <tr> <td>Minimum insured salary</td> <td>CHF 3 555</td> </tr> <tr> <td>Maximum pensionable salary</td> <td>CHF 853 200</td> </tr> </table> <p>Pension: Retirement assets multiplied by the conversion rate: Men/women: 6.80 %</p>	Minimum annual salary (entry threshold)	CHF 21 330	Maximum effective salary	CHF 85 320	Coordination deduction	CHF 24 558	Maximum insured salary	CHF 60 435	Minimum insured salary	CHF 3 555	Maximum pensionable salary	CHF 853 200
Minimum annual salary (entry threshold)	CHF 21 330													
Maximum effective salary	CHF 85 320													
Coordination deduction	CHF 24 558													
Maximum insured salary	CHF 60 435													
Minimum insured salary	CHF 3 555													
Maximum pensionable salary	CHF 853 200													
<b>Accident insurance (UVG)</b>	<b>Mandatory cover</b> Employees working in Switzerland (with a few exceptions), for occupational and non-occupational accidents. Those working less than 8 hours a week for one employer are covered only against occupational accidents.	<b>Insured earnings</b> <ul style="list-style-type: none"> <li>Daily benefits: The most recent salary before the accident.</li> <li>Pension: The salary received within one year before the accident.</li> <li>Maximum pensionable earnings: Currently CHF 148 200 per year.</li> </ul>												
<b>Health insurance (KVG)</b>	<b>Mandatory cover</b> All Swiss residents, for healthcare (illness, accident (unless UVG cover applies), maternity).	<b>Insured salary</b> <ul style="list-style-type: none"> <li>Mandatory healthcare insurance with the same uniform benefits for all insured persons.</li> <li>Voluntary daily benefits insurance with some selectable benefits.</li> </ul>												
<b>Unemployment insurance (ALV)</b>	<b>Mandatory cover</b> All insured persons with mandatory AHV cover, up to retirement age. Exception: Self-employed persons are not insured.	<b>Insured salary</b> Maximum salary up to CHF 148 200 (same upper limit as under the UVG). The insurance does not cover salaries below the minimum of CHF 500 per month.												
<b>Loss-of-earnings compensation (EO)/maternity compensation</b>	<b>Eligible persons</b> <ul style="list-style-type: none"> <li>Persons serving in the army, civil defence, civilian service, as well as paid instructors of youth and sports and of junior marksmen courses.</li> <li>Persons eligible for maternity compensation: Women who had AHVG cover for at least 9 months and were gainfully employed for at least 5 months before the birth and who are employed on the day of the birth.</li> <li>Women employed in accordance with the Federal Act on the General Part of the Social Security Law, self-employed persons, and women working in their husband's business and receiving a cash salary.</li> </ul>	<b>Insured salary</b> Salary of up to CHF 88 200 per year.												

# Benefits in the event of disability

	Temporary incapacity for work	Treatment, care, convalescence	Lasting occupational disability
<b>Old age, survivors' and disability insurance (AHV/IV)</b>	<p>Daily IV disability benefits are paid only in connection with the disability insurer's reintegration measures. The amount varies based on income and number of children.</p>	<p>Medical reintegration measures and treatment of congenital defects are covered until the person reaches the age of 20; aids, helplessness compensation for permanent care and assistance are covered.</p>	<p>IV pension dependent on disability level:            From 40 %: ¼ pension            From 50 %: ½ pension            From 60 %: ¾ pension            From 70 %: Full pension</p> <ul style="list-style-type: none"> <li>■ Disability pension: 100 %</li> <li>■ Child's pension: 40 % of the applicable disability pension</li> </ul>
<b>Loss-of-income insurance (EL)</b>	<p>No benefits.</p>	<p>Additional cover includes, for example, the cost of dental treatment, care, aids, as well as co-payments for health insurance.</p>	<p>No benefits.</p>
<b>Mandatory occupational benefits insurance (BVG)</b> <p>The defining details are laid out in the regulations of the applicable employee benefits institution.</p>	<p>No benefits.</p>	<p>No benefits.</p>	<p>Pension depends on disability level (as in the case of IV cover):            From 40 %: ¼ pension            From 50 %: ½ pension            From 60 %: ¾ pension            From 70 %: Full pension</p> <ul style="list-style-type: none"> <li>■ Disability pension: 100 %</li> <li>■ Disabled person's child's pension: 20 % of the pension</li> </ul>
<b>Accident insurance (UVG)</b>	<p><b>Daily benefits</b></p> <ul style="list-style-type: none"> <li>■ 80% of insured earnings (maximum CHF 148 200) starting on the third day and lasting until the person fully resumes work or until the disability pension from the accident insurer begins.</li> <li>■ Correspondingly less in the case of partial disability.</li> <li>■ May not exceed 100 % together with the AHV/IV pension.</li> </ul>	<ul style="list-style-type: none"> <li>■ Outpatient treatment: Doctor, dentist, chiropractor and instructed medical staff (e.g. physiotherapist).</li> <li>■ General hospital ward, spa treatment and follow-up spa treatments.</li> <li>■ In addition: Prescribed analyses, medicines, aids, homecare, and contributions towards travel, transport, rescue and recovery costs.</li> <li>■ Treatment abroad: Maximum twice the amount in treatment costs in Switzerland.</li> </ul>	<ul style="list-style-type: none"> <li>■ Pension based on disability level</li> <li>■ Disability pension 80 % of insured earnings. Correspondingly less in the case of partial disability.</li> <li>■ Minimum disability level is 10 %</li> <li>■ May not exceed 90 % together with the AHV/IV pension.</li> </ul>
<b>Health insurance (KVG)</b>	<p><b>Healthcare insurance</b></p> <ul style="list-style-type: none"> <li>■ Examinations, treatment, outpatient care, inpatient care in a nursing home. Analyses, medicines, spa treatments (treatment costs and contribution per day), rehabilitation, hospital stay in general ward, contributions towards transport and rescue costs, contributions towards glasses and contact lenses up to the age of 18, prevention (various examinations and tests).</li> <li>■ Maternity: Routine checkups during and after pregnancy, the birth and obstetrics, breastfeeding advice as necessary.</li> </ul>		
<b>Unemployment insurance (ALV)</b>	<p><b>Compensation for reduced working hours</b></p> <p>80 % of effectively lost earnings for max. 12 months within 2 years. Renewed eligibility for compensation for reduced working hours requires again a 6-month waiting period. Justified registration with the cantonal office usually at least 10 days before the start through the employer.</p>		
<b>Loss-of-earnings compensation (EO)/maternity compensation</b>	<p>Compensation is based on the factors used for calculating AHV contributions. Maximum total compensation is CHF 245 per day.</p> <ul style="list-style-type: none"> <li>■ Gainfully employed persons: 80 % of the average previous salary (min. CHF 62 / max. CHF 196 per day)</li> <li>■ Not gainfully employed recruits: 25 % of the maximum total compensation</li> <li>■ Child allowance: CHF 20 per child and day for children under the age of 18 (or under the age of 25 for children in education)</li> <li>■ Maternity compensation: 80 % of the insured salary for 14 weeks, maximum CHF 196 per day</li> </ul>		

# Benefits in old age and for surviving dependants

	Death before retirement	Benefits after retirement	Benefit adjustments
<b>Old age, survivors' and disability insurance (AHV/IV)</b>	<p>Widow's pension: 80 %</p> <ul style="list-style-type: none"> <li>■ If there are children</li> <li>■ Widows without children: Age 45 or older and married for at least 5 years (incl. previous marriage)</li> </ul> <p>Widower's pension: 80 %</p> <ul style="list-style-type: none"> <li>■ Up to age 18 of the youngest child</li> </ul> <p>Orphan's pension: 40 %</p> <ul style="list-style-type: none"> <li>■ Complete orphans 2 × 40 %, capped at 60 % of the maximum pension of the corresponding retirement pension</li> </ul> <p>In the case of same-sex couples that have lived in a registered partnership, the surviving person has the same status as a spouse.</p>	<p>From age 65 (men) or age 64 (women)</p> <p>Full retirement pension (100 %) annually:</p> <ul style="list-style-type: none"> <li>■ Minimum CHF 14 220</li> <li>■ Maximum CHF 28 440</li> </ul> <p>Spouses (splitting, two single pensions), together max. 150 % of a single pension:</p> <ul style="list-style-type: none"> <li>■ Maximum CHF 42 660</li> <li>■ Child's pension 40 %</li> </ul> <p>1 year to 2 years advance on retirement pension with 6.8 % reduction in pension per year possible.</p>	<p>Adjustment of current pensions to salary and price trends (mixed index):</p> <ul style="list-style-type: none"> <li>■ Every 2 years</li> <li>■ Annually, provided the index hasn't risen by more than 4 %</li> </ul>
<b>Loss-of-income insurance (EL)</b>	No benefits.	No benefits.	The Federal Council can adjust benefits commensurately.
<b>Mandatory occupational benefits insurance (BVG)</b> <p>The defining details are laid out in the regulations of the applicable employee benefits institution.</p>	<p>Pension entitlement applies to surviving spouses with child support obligations. Spouses without child support obligations receive a pension only if they are above the age of 45 and the marriage lasted at least 5 years.</p> <ul style="list-style-type: none"> <li>■ Widow's / widower's pension: 60 %</li> <li>■ Orphan's pension: 20 % of the disability pension to which the insured person would have been entitled.</li> </ul> <p>In the case of same-sex couples that have lived in a registered partnership, the surviving person has the same status as a spouse.</p>	<p>Retirement age: Men 65, women 64. Early retirement with benefit reduction possible.</p> <ul style="list-style-type: none"> <li>■ Retirement pension: 100 %</li> <li>■ Widow's / widower's pension: 60 %</li> <li>■ Orphan's pension: 20 %</li> <li>■ Retired person's child's pension: 20% of the retirement pension</li> </ul>	<p>Adjustment of current disability pensions and surviving dependants' pensions to inflation:</p> <p>Without exception: Until having reached AHV retirement age following the end of a three-year term as ordered by the Federal Council (price trend), then the same as in the case of AHV pension.</p> <p>Otherwise all surviving dependants', disability, and retirement pensions annually in accordance with the financial possibilities of the employee benefits institution (extra-mandatory).</p>
<b>Accident insurance (UVG)</b>	<ul style="list-style-type: none"> <li>■ Widows without children: Pension, provided she is at least age 45 or at least 2/3 disabled.</li> <li>■ Otherwise: One-off widow's settlement.</li> <li>■ Widowers without children: Pension, provided he is at least 2/3 disabled.</li> <li>■ Widow's / widower's pension: 40 %</li> <li>■ Orphan's pension: 15 %</li> <li>■ Complete orphan's pension: 25 %</li> <li>■ In total at least: 70 % of the insured salary</li> </ul> <p>In the case of same-sex couples that have lived in a registered partnership, the surviving person has the same status as a widower.</p>	No benefits.	Pensions: Cost-of-living adjustment and changes in the group of AHV or IV pension recipients.
<b>Health insurance (KVG)</b>	<b>Daily benefits insurance</b> <ul style="list-style-type: none"> <li>■ For one or several illnesses or accidents and for at least 720 days within 900 days.</li> <li>■ Maternity: Daily benefits, provided such cover was in effect during the 270 days before the birth. Daily benefits for 16 weeks, of which at least 8 are after the birth. The agreed waiting period is deducted from the benefit period. Private-law (VVG) cover of daily benefits is also possible.</li> </ul>		
<b>Unemployment insurance (ALV)</b>	<b>Unemployment compensation</b> <p>80 % of the insured earnings for a period of 90 to 520 days, depending on the family and personal situation (in special cases + 120 days). Insured persons without support obligations for children below age 25 are eligible for daily benefits of up to 70 % of their insured earnings.</p>	<b>Bad weather compensation</b> <p>80 % of the effectively lost earnings for a maximum of 6 months within 2 years.</p>	<b>Insolvency compensation</b> <p>100 % of the insured salary for the last 4 months of the employment relationship.</p>
<b>Loss-of-earnings compensation (EO)/ maternity compensation</b>	No benefits.	No benefits.	No benefits.

# Financing

	Contribution rates	Financing
<b>Old age, survivors' and disability insurance (AHV/IV)</b>	<ul style="list-style-type: none"> <li>Employers and employees together: AHV 8.4%, IV 1.4 %</li> <li>Self-employed persons: Self-employed persons are responsible for their own contributions (AHV 7.8 %, IV 1.4 %). Annual incomes below CHF 56 900 are subject to a reduced rate in accordance with the declining contribution scale of the AHV. For incomes below CHF 9 500, a minimum contribution of CHF 482 applies.</li> <li>Not gainfully employed persons based on their assets, min. CHF 482, max. CHF 19 750 (is deemed to have been paid if the gainfully employed spouse without entitlement to a retirement pension has paid at least twice the minimum amount).</li> </ul>	Employees and employers each pay 50 % of the contributions, plus public-sector subsidies. No upper threshold applies to salaries that are subject to contributions (no maximum salary).
<b>Loss-of-income insurance (EL)</b>	None.	Based on federal, cantonal, and local regulations.
<b>Mandatory occupational benefits insurance (BVG)</b>	From age 25: 7 %–18 % of the insured salary for retirement credits, 0.12 % for subsidies in the case of an unfavourable age structure, and 0.005 % for insolvencies and other payments to the LOB Guarantee Fund, as well as risk (death, disability) insurance contributions and administrative expenses. The maximum salary for securing the benefits is CHF 127 980.	The employee benefits institution sets the contribution amounts so that employer contributions equal at minimum the total of all employees' contributions.
<b>Accident insurance (UVG)</b>	The companies are allocated to risk classes and risk levels for occupational and non-occupational accidents based on their activities and risks. In principle, there is only one risk class and level per contract. Administrative expenses, accident prevention contributions, and premium surcharges apply to cost-of-living adjustments in addition to the pure risk or net premium rate.	Employees pay the non-occupational accident insurance premiums. Employers pay the occupational accident insurance premiums. The maximum salary subject to UVG contributions is currently CHF 148 200 per person.
<b>Health insurance (KVG)</b>	<p><b>Mandatory healthcare insurance</b></p> <ul style="list-style-type: none"> <li>Premiums are not linked to gender or enrolment age. Lower premiums for children up to age 18 and for young people from ages 19 to 25. Cantonal and regional thresholds.</li> <li>Daily benefits insurance: Premiums are not linked to gender, and different age thresholds apply.</li> </ul>	<p><b>Mandatory healthcare insurance</b></p> <ul style="list-style-type: none"> <li>Premiums of insured persons. Co-payments in the form of annual excess and deductible for outpatient and inpatient treatments. Federal and cantonal contributions towards reduced premiums for insured persons in modest economic circumstances.</li> <li>Daily benefits insurance: Premiums of the insured persons.</li> </ul>
<b>Unemployment insurance (ALV)</b>	2.2 % of the insured salary, up to CHF 148 200. 1 % starting from CHF 148 200, unlimited.	Employees and employers each pay 50 % of the contributions.
<b>Loss-of-earnings compensation (EO)/maternity compensation</b>	Employer and employee together: EO 0.45 % Self-employed persons: EO 0.45 %.	Employees and employers each pay 50 % of the contributions.

#### Additional information on individual pensions (Pillar 3a, tied pension)

Under tied pension provisions, contributions can be deducted from taxable income as follows:

- Gainfully employed persons with pension fund, up to 8 % of the maximum effective salary (CHF 84 600)
- Gainfully employed persons without pension fund, up to 20 % of their earned income annually, at most 40 % of the maximum effective salary

CHF 6 826

CHF 34 128

#### Additional information on military insurance (MVG)

- Maximum insured salary

CHF 150 918