

Chile

Exchange rate: US\$1.00 = 698.85 pesos.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.

Current laws: 1952 (social insurance), 1952 (wage earners), 1975 (social assistance), 1980 (individual accounts), 1980 (social insurance), and 2008 (social security reform).

Type of program: Mandatory individual account, social insurance, social assistance, and universal (child benefit) system.

Coverage

Mandatory individual account: Employees who entered the labor force after December 31, 1982; participation will be mandatory for self-employed persons who provide professional services in 2018.

Voluntary coverage for workers covered by social insurance before January 1, 1983.

Social insurance: Wage earners, salaried employees, and self-employed persons with earnings lower than three times the legal monthly minimum wage who paid social insurance contributions before January 1, 1983 and opted to remain under the social insurance system.

The legal monthly minimum wage is 241,000 pesos (250,000 pesos in 2016).

Special systems for certain salaried employees, including railroad employees, seamen and port workers, public-sector employees, and military and police personnel.

Social assistance and universal child benefit: Residents of Chile.

Source of Funds

Insured person

Mandatory individual account: 10% of covered earnings (old age) plus an average of 1.39% (administrative fees). Persons working under arduous conditions contribute an additional 1% or 2% of covered earnings depending on the occupation.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 241,000 pesos for insured persons aged 18 to 65 (250,000 pesos in 2016); 179,912 pesos for insured persons younger than age 18 or older than age 65 (186,631 pesos in 2016).

The maximum monthly earnings used to calculate contributions are 73.2 UFs (unidades de fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Social insurance: Wage earners contribute 18.84% of covered wages; salaried employees contribute 20% to 30% of covered earnings depending on the occupation.

The legal monthly minimum wage is 241,000 pesos for insured persons aged 18 to 65 (250,000 pesos in 2016); 179,912 pesos for insured persons younger than age 18 or older than age 65 (186,631 pesos in 2016).

The maximum monthly earnings used to calculate contributions are 73.2 UFs. The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Social assistance and the universal child benefit: None.

Self-employed person

Mandatory individual account: 10% of declared earnings (old age) plus 1.15% (disability and survivor insurance) plus an average of 1.39% (administrative fees).

The minimum monthly declared earnings used to calculate contributions are 241,000 pesos. Since self-employed workers pay contributions on 80% of declared earnings, the effective minimum monthly declared earnings are 192,800 pesos.

The maximum annual declared earnings used to calculate contributions are 878.4 UFs.

Social insurance: 18.84% of declared earnings.

The minimum monthly declared earnings used to calculate contributions are 145,139 pesos.

The maximum monthly declared earnings used to calculate contributions are 60 UFs. The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Social assistance and the universal child benefit: None.

Employer

Mandatory individual account: 1% or 2% of covered earnings for employees working under arduous conditions (old age) depending on the occupation, plus 1.15% of payroll (disability and survivors).

The maximum monthly earnings used to calculate contributions are 73.2 UFs. The ceiling is adjusted annually

according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Social insurance: None.

Social assistance and the universal child benefit: None.

Government

Mandatory individual account: The total cost of the guaranteed minimum old-age and disability pension and the old-age social security solidarity top-up benefit (APS Vejez) and disability social security solidarity top-up benefit (APS Invalidez); contribution subsidies for young workers (50% of monthly contributions for earnings below the minimum monthly earnings) for the first 24 months of contributions.

Social insurance: The total cost of accrued rights under the social insurance system.

Social assistance and the universal child benefit: The total cost.

Qualifying Conditions

Old-age pension (individual account): Age 65 (men) or age 60 (women). The normal retirement age for insured persons with at least 20 years of contributions is reduced by one or two years for each five-year period of work under arduous conditions, depending on the occupation, up to 10 years.

Early pension (individual account): Early retirement is possible at any age if the individual account balance is sufficient to provide a pension of at least 70% of the insured's average wage in the last 10 years and 80% of the PMAS (pensión máxima con aporte solidario).

The PMAS is the lowest value of the old-age pension before qualifying for the old-age social security top-up benefit (APS Vejez or Invalidez). The PMAS is 291,778 pesos a month.

Recognition bond (individual account): Age 65 (men) or age 60 (women) and moved from the social insurance to the mandatory individual account system. Must have had 12 contributions under the social insurance system between November 1975 and October 1980 or at least one contribution between July 1, 1979, and the date of enrollment into the mandatory individual account program.

Guaranteed minimum old-age pension (individual account): Age 65 (men) or age 60 (women) with at least 20 years of contributions whose sum of pensions, income, and taxable earnings is less than the minimum pension (123,172.35 pesos if younger than age 70; 135,172.35 pesos if aged 70 to 75; or 144,224.34 pesos if older than age 75).

The guaranteed minimum pension is being phased out and replaced by the old-age social security solidarity top-up benefit (APS Vejez) by 2023. Until then, there is a choice

between the two benefits for persons who received the guaranteed minimum pension prior to July 1, 2008, and those aged 50 or older on July 1, 2008.

Old-age pension (social insurance): Wage earners must be aged 65 or older with at least 1,040 weeks of work or 800 weeks of work with at least 50% of the weeks since coverage began (men), or aged 60 or older with at least 520 weeks of work (women).

Salaried employees must be aged 65 or older (men) or aged 60 or older (women) with at least 10 years of contributions.

Salaried employees must cease all gainful activity. Retirement is not necessary for wage earners.

The normal retirement age for insured persons with at least 1,020 weeks of contributions is reduced by one year (two years for workers in mining or smelting) for each five-year period of work under arduous conditions, up to five years (10 years for workers in mining or smelting).

Salaried woman's child supplement: Must have at least 20 years of contributions; no contribution requirement for widows.

Old-age social security solidarity top-up benefit (APS Vejez, social assistance, means tested): Age 65 and a resident of Chile for 20 years since age 20, including four of the last five years. Must have a base pension (old-age pension from individual account or social insurance plus any work injury survivor pension) of less than the PMAS, and the pensioner's family must be among the poorest 60% of the population as assessed by the census.

The PMAS is the lowest value of the old-age pension before qualifying for the old-age social security top-up benefit. The PMAS is 291,778 pesos a month.

Basic old-age solidarity pension (Pensión básica solidaria de vejez, PBSV) (social assistance, means tested): Age 65; a resident of Chile for 20 years from age 20, including at least four of the last five years; and does not meet the contribution requirements for any other pension. The pensioner's family must be among the poorest 60% of the population as assessed by the census.

Winter grant (social assistance, means tested): Pensioners whose old-age pension is less than the minimum pension for pensioners older than age 75.

The minimum pension for pensioners older than age 75 is 144,224.34 pesos.

Disability pension (individual account): Younger than age 65 and assessed with at least a 66% loss in earning capacity (not caused by a work-related accident). Coverage is extended for up to 12 months after employment ceases if the insured has six months of contributions in the last year of employment.

Partial disability (individual account): Younger than age 65 and assessed with a loss of 50% to 65% of earning capacity (not caused by a work-related accident). Coverage is

extended for up to 12 months after employment ceases if the insured has six months of contributions in the last year of employment (voluntarily insured and self-employed persons must also have contributed in the month immediately before the disability began).

Regional medical commissions assess the degree of disability.

Guaranteed minimum disability pension (individual account): Paid to persons who received the guaranteed minimum pension or a disability pension prior to July 1, 2008, or aged 50 or older and enrolled in an AFP. The insured's disability pension must be less than the minimum pension (123,172.35 pesos if younger than age 70; 135,172.35 pesos if aged 70 to 75; or 144,224.34 pesos if older than age 75).

The guaranteed minimum disability pension is being phased out and replaced by the disability social security solidarity top-up benefit (APS Invalidez) by 2023. Until then, there is a choice between the two benefits for persons who received the guaranteed minimum pension prior to July 1, 2008, and those aged 50 or older on July 1, 2008.

Disability pension (social insurance): Wage earners must be assessed with a total (at least a 70% loss of earning capacity) or partial (30% to 69% loss of earning capacity) disability. Must have been younger than age 65 (men) or age 60 (women) when the disability began, and have at least 50 weeks of contributions, including at least 40% of the weeks in the last five years and 50% of the weeks since coverage began (women and men with at least 400 weeks of coverage are exempt from this last requirement).

Salaried employees younger than age 65 (men) or age 60 (women) must be assessed with at least a 66.7% degree of disability and have at least three years of contributions.

Preventive and disability medical commissions assess the degree of disability for wage earners and salaried employees.

Disability social security solidarity top-up benefit (APS Invalidez, social assistance, means tested): Aged 18 to 64, a resident of Chile for five of the last six years and assessed with a disability. Must have a base pension (disability pension from individual account or social insurance plus any survivor benefits received) of less than the basic disability solidarity pension and the pensioner's family must be among the poorest 60% of the population as assessed by the census.

The basic disability solidarity pension is 89,514 pesos a month.

Basic disability solidarity pension (Pension basica solidaria de invalidez, PBSI) (social assistance, means tested): Aged 18 to 64, a resident of Chile for five of the last six years, assessed with a disability, and does not meet the contribution requirements for any other pension. The pensioner's family must be among the poorest 60% of the population as assessed by the census.

Survivor pension (individual account): The deceased was contributing or was unemployed for less than one year before the date of death and had at least six months of contributions in the last year of employment (for self-employed workers, contributions must have been made in the month prior to death), and was entitled to receive an old-age or disability pension at the time of death. Eligible survivors include a widow(er) who was married to the insured for at least six months (at least three years if the insured was a pensioner), a widow(er) who had children with the deceased, or a widow who was pregnant with the deceased's child at the time of death; the mother of the deceased's extramarital children; children younger than age 18 (age 24 if a student, no age limit if disabled); and the deceased's parents if there are no other eligible survivors.

Survivor pension (social insurance): The insured wage earner must have had at least 400 weeks of paid contributions; or at least 50 weeks of paid contributions, including at least 40% of the weeks in the last five years and 50% of the weeks since coverage began (women are exempt from this last requirement).

The insured salaried employee must have had at least three years of contributions.

Eligible survivors include a widow(er) who was married to the insured for at least six months (at least three years if the insured was a pensioner), a widow(er) who had children with the deceased, or a widow who was pregnant with the deceased's child at the time of death; the mother of the deceased's extramarital children; children younger than age 18 (age 24 if a student, no age limit if disabled); and the deceased's parents if there are no other eligible survivors.

Funeral grant (individual account): Paid to the person who pays for the funeral of the insured.

Funeral grant (social insurance and social assistance): Paid to the person who pays for the funeral of the insured or pensioner.

Child benefit (universal): Women aged 65 or older who gave birth to or adopted at least one child in their lifetime, have been residents of Chile for at least 20 years since age 20, including at least four of the last five years, retired on or after July 1, 2009, and are affiliated with a pension fund management company (AFP) or receive a basic old-age solidarity pension or a survivor pension.

Golden wedding anniversary grant (social assistance, means tested): Paid to couples married for 50 years whose household income is in one of the lowest four income quintiles. Must have resided in Chile for at least four of the five years before the claim is made. The claim must be made within one year of the 50th anniversary.

Old-Age Benefits

Old-age pension (individual account): The insured has four different options: an immediate life annuity, temporary

income with a deferred life annuity, programmed with-
drawals, or an immediate life annuity with programmed
withdrawals.

Recognition bond (individual account): 12 times the
insured's monthly earnings before July 1979 plus 4%
accrued annual interest is deposited into the individual
account during the month after the insured reaches retire-
ment age.

Benefit adjustment: Benefits are adjusted automatically
according to changes in the consumer price index.

Guaranteed minimum old-age pension (individual
account): 123,623.10 pesos a month if younger than age 70;
135,172.35 pesos if aged 70 to 75; or 144,224.3 pesos if
older than age 75.

Old-age pension (social insurance): 50% of the base
wage plus 1% of wages for each 50-week period of con-
tributions exceeding 500 weeks is paid a month for wage
earners; 1/35 of the base salary multiplied by the number of
years of contributions is paid a month for salaried workers.

The base wage or salary is the insured's average monthly
wage or salary in the last five years with the first two years
adjusted for wage or salary changes.

Salaried woman's child supplement: 1/35 of the base salary
is paid for each dependent child; 2/35 of the base salary if a
widow.

The minimum monthly pension is 123,172.35 pesos if
younger than age 70; 135,172.35 pesos if aged 70 to 75; or
144,224.34 pesos if older than age 75.

Benefit adjustment: Benefits are adjusted automatically
each year according to changes in the consumer price
index; earlier if the change in the consumer price index is at
least 15% before the 12-month cycle ends.

**Old-age social security solidarity top-up benefit (APS
Vejez, social assistance, means tested):** The difference
between the base pension (old-age pension plus any survi-
vor benefits received) and the minimum pension is paid.

The maximum combined old-age pension and solidarity
top-up benefit is 291,778 pesos a month.

**Basic old-age solidarity pension (social assistance,
means tested):** 89,764 pesos a month is paid.

Winter grant (social assistance, means tested): 55,094 pesos
a year is paid in May.

Child benefit (universal): A bond is paid for each live birth
or adopted child. For women younger than age 65 on July 1,
2009, 10% of 18 times the minimum wage at the time of
the child's birth or adoption is deposited into the individual
account during the month after the mother reaches age 65.
For children born or adopted before July 1, 2009, the bond
accrues interest from July 1, 2009, until the insured reaches
age 65. For children born or adopted after July 1, 2009, the
bond accrues interest from the date of childbirth or adop-
tion until the insured reaches age 65. The bond's interest

rate is the average annual rate for Fund C minus adminis-
trative fees for that period.

Golden wedding anniversary grant (means tested): A
lump sum of \$283,324 pesos (\$141,662 per spouse) is paid.

Benefit adjustment: Benefits are adjusted automatically
each year according to changes in the consumer price
index; earlier if the change in the consumer price index is at
least 10% before the 12-month cycle ends.

Permanent Disability Benefits

Disability pension (individual account): For a total
disability, 70% of the base salary is paid. The pension
is financed through the individual account. (Disability
insurance tops up the accumulated capital in the individual
account if the balance is less than the required minimum to
finance the permanent disability pension.)

Temporary partial disability (individual account): 50% of
the base salary is paid for up to three years. The individual
pension fund management company (AFP) pays the benefit
through an insurance policy for the account holder. The
funds from the individual account are only used to pay
the benefit if the worker is not covered by disability and
survivor insurance (has not made any contributions to the
individual account for at least one year).

The base salary is the insured's average monthly salary in
the last 10 years.

Long-term partial disability pension (individual account):
Following a second level of assessment and certification,
the pension is financed through the individual account.
(Disability insurance tops up the accumulated capital in the
individual account if the balance is less than the required
minimum to finance the partial, 50%, or total disability
pension, 70%).

Benefit adjustment: Benefits are adjusted automatically
each year according to changes in the UF.

The UF, an index that is adjusted daily according
to monthly changes in the consumer price index, is
24,984.62 pesos (July 2015).

Guaranteed minimum disability pension (individual
account): 123,623.10 pesos if younger than age 70;
135,172.35 pesos if aged 70 to 75; or 144,224.34 pesos if
older than age 75.

Disability pension (social insurance): For a total disabil-
ity, the monthly pension is 50% of the base wage plus 1% of
wages for every 50-week period of contributions exceeding
500 weeks for wage earners; 70% of the base salary plus
2% of the salary for every year of contributions exceeding
20 years for salaried employees.

The base wage or salary is the insured's average monthly
wage or salary in the last five years, with the first two years
adjusted for wage or salary changes.

For a partial disability, 50% of the total disability pension is paid.

The minimum monthly disability pension is 123,623.10 pesos if younger than age 70; 135,172.35 pesos if aged 70 to 75; or 144,224.34 pesos if older than age 75.

Salaried woman's child supplement: 1/35 of the insured's base salary (1/30 for civil servants) is paid for each dependent child; 2/35 of the base salary (2/30 for civil servants) if a widow.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 15% before the 12-month cycle ends.

Disability social security solidarity top-up benefit (APS Invalidez, social assistance, means tested): The difference between the base pension (old-age pension plus any survivor benefits received) and the minimum pension is paid.

The maximum combined disability pension and disability solidarity benefit is 89,764 pesos a month.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 10% before the 12-month cycle ends.

Basic disability solidarity pension (social assistance, means tested): 89,764 pesos a month is paid.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 10% before the 12-month cycle ends.

Survivor Benefits

Spouse's pension (individual account): 60% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) if there are no eligible children; 50% to a widow(er) with eligible children; and 36% is paid to the mother or father of the deceased's extramarital children (30% if the deceased and the spouse had eligible children together).

The minimum monthly spouse's pension with children is 67,104.82 pesos if younger than age 70; 86,437.71 pesos if aged 70 to 75; or 86,437.71 pesos if older than age 75.

The minimum monthly spouse's pension without children is 80,223.34 pesos if younger than age 70; 100,098.70 pesos if aged 70 to 75; or 100,098.70 pesos if older than age 75.

Orphan's pension (individual account): 15% of the old-age or disability pension the deceased received or was entitled to receive is paid to each orphan younger than

age 18 (age 24 if a student and single, no limit if disabled); 11% for each partially disabled orphan older than age 24.

The minimum monthly orphan's pension is 18,543.47 pesos.

Other eligible survivors (individual account): 50% of the deceased's monthly pension is paid to each parent, if there are no other eligible survivors and the parents are entitled to family benefits.

If the deceased was actively contributing to an individual account, survivor pensions are calculated according to a reference pension of 70% of the deceased's average monthly wage in the last 10 years.

The pension paid as the result of the death of an insured person or a temporary partial disability beneficiary is financed with the deceased's individual account balance; if the deceased was a pensioner, the type of benefit depends on the type of retirement pension that the deceased chose. (Life insurance tops up the accumulated capital in the deceased's individual account if the balance is less than the required minimum to finance the survivor pension.)

There is no maximum survivor pension.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index.

Funeral grant (individual account): 15 UFs is paid (from the deceased's individual account or life annuity) to the relative who paid for the funeral expenses.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Spouse's pension (social insurance): 60% of the base wage or salary (the insured's average monthly wage or salary in the last five years) or of the old-age or disability pension the deceased received or was entitled to receive, whichever is greater, is paid to a widow aged 55 or older or to a widower with a disability if there are no eligible children; 50% with eligible children. The mother of the deceased's extramarital children receives 60% of the widow's pension.

The pension ceases on remarriage.

A widow younger than age 55 receives a lump sum of two years of the pension.

The minimum monthly spouse's pension with children is 67,104.82 pesos if younger than age 70; 86,437.71 pesos if aged 70 to 75; or 86,437.71 pesos if older than age 75.

The minimum monthly spouse's pension without children is 80,223.34 pesos if younger than age 70; 100,098.70 pesos if aged 70 to 75; or 100,098.70 pesos if older than age 75.

Orphan's pension (social insurance): 20% of the base wage or salary (the insured's average monthly wage or salary in the last five years) or of the old-age or disability pension the deceased received or was entitled to receive, whichever is greater, is paid to each orphan.

The minimum monthly orphan's pension is 18,543.47 pesos.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index within the year is at least 15% before the 12-month cycle ends.

Funeral grant (social insurance and social assistance):

Up to three times the monthly non-remuneration minimum wage is paid.

The monthly non-remuneration minimum wage is 155,460 pesos (August 2015).

Administrative Organization

The Superintendent of Pensions (<http://www.spensiones.cl>) provides general supervision of the individual account program.

Individual pension fund management companies (AFPs) administer individual accounts.

Social Security Institute (<http://www.ips.gob.cl/>) administers the social insurance and assistance programs.

Sickness and Maternity

Regulatory Framework

First law: 1924.

Current laws: 1978 (sickness benefits); 1979 (national health system); 1984 (sick leave); 1985 (public health system), implemented in 1986; 1990 (private health system); 2004 (health guarantees), implemented in 2005; 2011 (extended parental leave); 2014 (maternity); and 2015 (health insurance contributions eliminated for pensioners).

Type of program: Social insurance and private insurance system.

Note: Insured persons may opt out of the national public health system and contract with a private health institute.

Coverage

Public and private systems: Public- and private-sector workers; self-employed persons; contract workers; pensioners; persons receiving work injury, unemployment, or social assistance benefits; persons entitled to family allowances; and pregnant women. (Persons without earnings, beneficiaries of social assistance pensions, pregnant women, and mothers up to six months after childbirth are covered by the public system.)

Voluntary coverage is available for the public system.

Source of Funds

Insured person

Public system: 7% of covered earnings. Pensioners pay 3% of the pension (from November 1, 2016 exempt) (Solidarity beneficiaries are exempt).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 241,000 pesos for insured persons aged 18 to 65 (250,000 pesos in 2016); 179,912 pesos for insured persons younger than age 18 or older than age 65 (186,631 pesos in 2016).

The maximum monthly earnings used to calculate contributions are 73.2 UFs (unidad de fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Private system: At least 7% of gross earnings, depending on the health plan.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 241,000 pesos for insured persons aged 18 to 65 (250,000 pesos in 2016); 179,912 pesos for insured persons younger than age 18 or older than age 65 (186,631 pesos in 2016).

Self-employed person

Public system: 7% of declared earnings.

The minimum monthly declared earnings used to calculate contributions are 155,460 pesos.

Private system: At least 7% of declared earnings, depending on the health plan.

The minimum monthly declared earnings used to calculate contributions are 155,460 pesos.

Employer

Public system: None.

Private system: None.

Government

Public system: The total cost of maternity benefits; any deficit in the national health system.

Private system: Partially finances the cost of sickness benefits.

Qualifying Conditions

Cash sickness, maternity and paternity benefits (public and private systems): Employees must have at least six months of contributions, including at least three months of contributions in the last six months; contract workers, at

least six months of contributions, including at least 30 days of contributions in the last six months; and self-employed persons, at least 12 months of coverage with at least six months of paid contributions in the last 12 months.

There are no qualifying conditions for an incapacity that is the result of an accident.

Medical benefits (public and private systems): Must be currently insured.

Sickness and Maternity Benefits

Sickness benefit (public and private systems): For public-sector employees, the benefit is 100% of net earnings before the incapacity began; private-sector employees, average monthly net earnings in the last three months; self-employed persons, average monthly declared earnings in the last six months.

Sickness benefits are paid retroactively from the first day if the sick-leave period is at least 11 days; from the fourth day if the sick-leave period is less than 11 days. Under a collective agreement, the employer is only required to pay benefits for the first three days.

The minimum daily sickness benefit is 2,591 pesos.

Maternity benefit (public and private systems): For public-sector employees, the monthly benefit is 100% of earnings; private-sector employees, average monthly net earnings in the three months before the expected date of childbirth; self-employed persons, average monthly declared earnings in the last six months. The benefit is paid for six weeks before and 12 weeks after the expected date of childbirth; may be extended in cases of premature or multiple births.

If both spouses work, either may receive the maternity benefit.

The minimum daily maternity benefit is 2,591 pesos.

The maternity benefit is also paid for 12 months for the adoption of a child younger than age 6 months.

Extended postnatal parental leave: 100% of the maternity benefit is paid for 12 weeks after the maternity benefit ends; 50% is paid for up to 18 weeks if the woman returns to work part time after the normal parental leave ends. Up to six weeks of the benefit may be transferred to the father from the seventh week if the mother returns to work at that time.

Paternity benefit (public and private systems): For public-sector employees, the monthly benefit is 100% of earnings; private-sector employees, average monthly net earnings in the three months before the expected date of childbirth; self-employed persons, average monthly declared earnings in the last six months. The benefit is paid for five days during the 30-day period after the childbirth.

The paternity benefit is also paid for the adoption of a child younger than age 6 months.

The minimum daily paternity benefit is 2,591 pesos.

Workers' Medical Benefits

Medical benefits (public system): Public or private health institutions and professionals registered with the National Health Fund provide benefits. Benefits include general and specialist care, periodic medical examinations, hospitalization, medicine, dental care, and maternity care.

There is no limit to duration.

General Scheme of Health Guarantees establishes the minimum benefits to be provided by the public system.

Co-payments are required for certain treatments. Persons with insurable earnings above 351,860 pesos a month pay 20% (10% with three dependents); with insurable earnings from 241,000 pesos to 351,860 pesos a month, 10% (0% with three dependents). Beneficiaries of basic solidarity pensions, family subsidies, and persons earnings less than 210,001 pesos a month are exempt.

The maximum annual co-payment is 3.5 times annual insurable earnings.

There is no cost sharing for general care and certain medicines.

Medical benefits (private system): The insured must sign a minimum 12-month contract with a private health institute and may choose among open, closed, or preferred doctor plans. Benefits, as well as cost sharing, vary by contract but must be at least equal to those provided by the public system.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured in the public and private systems. The widow(er) and children are covered for a year after the insured's death in the private system.

Administrative Organization

Ministry of Health (<http://www.minsal.cl>) provides general supervision of the system.

Superintendent of Health (<http://www.supersalud.cl>) oversees the public and private schemes and public and private health providers.

National Health Fund (FONASA) (<http://www.fonasa.gov.cl>) administers cash benefits and the public system.

Health Institutions (ISAPREs) (<http://www.isapre.cl>) administer the private system.

Work Injury

Regulatory Framework

First law: 1916.

Current laws: 1968 (work injury and occupational diseases); 1994 (work injury and occupational diseases for civil servants), 2005 (coverage to students and apprentices), 2008 (self-employed workers), and 2008 (employer's contribution rate).

Type of program: Social insurance system.

Coverage

Public- and private-sector workers, self-employed persons who contribute to old-age and sickness schemes, household workers, contract and temporary workers, students, apprentices, and trade union representatives.

Source of Funds

Insured person: None.

Self-employed person: 0.95% of declared income plus up to 3.4% of declared earnings, depending on the occupation. The minimum monthly declared earnings used to calculate contributions are 241,000 pesos.

The maximum monthly earnings used to calculate contributions are 73.2 UFs (unidades de fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Employer: 0.95% of covered payroll plus up to 3.4% of covered payroll according to the industry and the assessed degree of risk. The contribution can increase up to 6.8% of covered payroll in companies with a high accident rate.

Government: None; contributes as an employer.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.

Self-employed persons must have paid all due contributions.

Temporary Disability Benefits

For public-sector employees, 100% of the insured's net earnings is paid. For private-sector employees, the insured's average monthly net earnings in the three months before the disability began. The benefit is paid from the day of injury for up to 52 weeks (may be extended up to an additional 52 weeks).

Benefit adjustment: Benefits are adjusted according to wage increases.

Permanent Disability Benefits

Permanent disability pension: For a total disability (assessed degree of disability of at least 70%), 70% of the insured's base salary is paid.

The base salary is the insured's average monthly insured earnings in the six months before the disability began.

In most cases, Preventive and Disability Medical Commissions assess the degree of disability. The degree of disability is reassessed once every two years in the eight years after the pension is awarded.

Constant-attendance allowance: If the insured requires the constant attendance of others to perform daily functions, the pension is increased by 30% of the insured's base salary.

Child's supplement: The pension is increased by 5% for the third and each subsequent child entitled to family allowances.

The minimum monthly disability pension is 123,623.10 pesos if younger than age 70; 135,172.35 pesos if aged 70 to 75; or 144,224.34 pesos if older than age 75.

Partial disability: For an assessed degree of disability of 40% to 69%, 35% of the insured's base salary. A lump sum of up to 15 months of base salary is paid for an assessed degree of disability from 15% to 39%.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index is at least 10% before the 12-month cycle ends.

Workers' Medical Benefits

Benefits include necessary medical, surgical, dental, and pharmaceutical services; hospitalization; prostheses; rehabilitation; transfer costs, and occupational retraining. Benefits are provided from the first day after the disability began or the diagnosis of the occupational disease until the person has recovered.

There is no limit to duration.

There is no cost sharing.

Survivor Benefits

Spouse's pension: 50% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow older than age 44 (at any age if disabled or caring for a child) or to a widower with a disability; 60% if there are no eligible children.

A widow(er) younger than age 45 receives a pension while receiving family benefits for legitimate children (for one year without family benefits). If a widow(er) caring for a

child reaches age 45 during this period, the benefit is paid for life.

The minimum monthly widow(er)'s pension is 80,223.34 pesos for a survivor younger than age 70 without children; 100,098.70 pesos from age 70. The minimum monthly widow(er)'s pension is 67,104.82 pesos for a survivor younger than age 70 with children; 86,437.71 pesos from age 70.

The pension ceases on remarriage and a lump sum of two years of the pension is paid.

Orphan's pension: 20% of the permanent disability pension the deceased received or was entitled to receive is paid for each orphan younger than age 18 (age 24 if a student, no limit if disabled); 50% for each full orphan.

The minimum monthly orphan's pension is 18,543.47 pesos.

All survivor benefits combined must not exceed 100% of the disability pension the deceased received or was entitled to receive.

Benefit adjustment: Benefits are adjusted automatically each year according to changes in the consumer price index; earlier if the change in the consumer price index is at least 10% before the 12-month cycle ends.

Funeral grant: The grant is up to three times the monthly non-remuneration minimum wage.

The monthly non-remuneration minimum wage is 155,460 pesos (August 2015).

Disability education grant: Eligible orphans who are students with an assessed degree of disability of 15% to 70% and with earnings lower than the legal monthly minimum wage receive a monthly benefit of 22.3% of the legal monthly minimum income used for other purposes.

The legal monthly minimum income used for other purposes is 155,460 pesos (August 2015).

Administrative Organization

Ministry of Labor and Social Security, through the Superintendent of Social Security (<http://www.suseso.cl>), provides general supervision.

Occupational Safety Institute (<http://www.isl.gob.cl>) administers the program.

Unemployment

Regulatory Framework

First law: 1937.

Current laws: 1981 (unemployment), implemented in 1982; 2001 (severance account system), implemented in 2002.

Type of program: Employment-related and mandatory individual severance account (employer liability) system.

Coverage

Employment-related system: Employed persons.

Exclusions: Self-employed persons.

Individual severance account: Mandatory coverage for employed persons hired on or after October 2, 2002; voluntary coverage for employed persons hired prior to October 2, 2002.

Exclusions: Household workers, apprentices, pensioners (unless partially disabled), self-employed persons, civil servants, and military personnel.

Source of Funds

Insured person

Employment-related system: None.

Individual severance account: 0.6% of covered monthly earnings plus an administrative fee of about 0.04% for workers under a permanent contract. Workers employed under a fixed-term contract do not contribute.

The maximum monthly earnings used to calculate contributions are 109.8 UFs (unidades de fomento). The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Self-employed person

Employment-related system: Not applicable.

Individual severance account: Not applicable.

Employer

Employment-related system: None.

Individual severance account: 1.6% of covered payroll a month for up to 11 years of service plus 0.8% to the Solidarity Severance Fund; (2.8% if an employee has a fixed-term contract plus 0.2% to the Solidarity Severance Fund).

The maximum monthly earnings used to calculate contributions are 105.4 UFs. The ceiling is adjusted annually according to changes in real wages during the previous year.

The UF, an index that is adjusted daily according to monthly changes in the consumer price index, is 24,984.62 pesos (July 2015).

Government

Employment-related system: The total cost, financed through the Unified Family Allowances and Unemployment Fund.

Individual severance account: An annual contribution to the Solidarity Severance Fund of 225,792 UTM (unidades

tributaria mensual). The UTM, a monthly tax indexed unit set by law, is 43,848 pesos.

Qualifying Conditions

Unemployment benefit (employment-related system):

Must be involuntarily unemployed with at least 12 months or 52 weeks of contributions in the previous two years, registered for employment, and able and willing to work. The insured may not receive an employment-related benefit and an individual severance account benefit at the same time.

Unemployment benefit (individual severance account):

Insured persons with permanent contracts must be involuntarily unemployed with at least 12 months of contributions. Insured persons with fixed-term contracts must have at least six months of contributions. In both cases, the period covers the time since they first joined the system or since the insured received the last unemployment benefit.

If the balance in the individual account is insufficient to pay a benefit, the insured is eligible for a benefit under the Solidarity Severance Fund if unemployment was involuntary and the insured has made at least 12 months of continuous contributions in the last two years before unemployment began (the last three under the same employer), and has not refused a suitable job offer (salary of at least 50% of previous salary) or training.

Unemployment Benefits

Unemployment benefit (employment-related system):

17,338 pesos a month is paid for the first 90 days; from 91 days to 180 days, 11,560 pesos a month; from 181 days to 360 days, 8,669 pesos a month.

Unemployment beneficiaries may continue to receive family allowances, maternity benefits, medical benefits and the funeral grant.

If the benefit ceases because the insured has started a new job before 360 days of benefits have been paid, but the insured subsequently becomes unemployed again, the insured may continue receiving the benefit for the remaining period, up to 360 days.

Unemployment benefit (individual severance account):

The number of monthly benefits paid depends on the individual account balance plus accrued interest. The benefit has a decreasing replacement rate of 70%, 55%, 45%, 40%, 35%, and 30% (for the sixth and subsequent payment).

Workers under permanent contracts who are entitled to the Solidarity Severance Fund can receive up to five monthly benefits with a decreasing replacement rate of 70%, 55%, 45%, 40% and 35% on the average earnings in the last 12 months.

The minimum monthly benefit is 78,500 pesos (July 2015).

The maximum monthly benefit is 525,000 pesos (July 2015).

Workers under fixed-term contracts who are entitled to the Solidarity Severance Fund can receive up to three monthly benefits with a decreasing replacement rate of 50%, 40% and 35% on the average earnings in the last 12 months.

The minimum monthly benefit is 78,750 pesos (July 2015).

The maximum monthly benefit is 375,000 pesos (July 2015).

For every month that the national unemployment rate is one percentage point greater than the national four-year average, all beneficiaries of the Solidarity Severance Fund who are due to collect their final payment are entitled to receive two additional months of benefits of 25% of the insured's average earnings in the last 12 months.

If the insured dies before retirement, the accumulated capital is transferred to a named survivor. The survivor can withdraw the accumulated capital or transfer it to the individual pension account (no taxes).

The insured can opt not to receive benefits from the Solidarity Severance Fund and only use their individual severance account. Unemployment beneficiaries may continue to receive family allowances, maternity benefits, and medical benefits.

Benefits are paid 10 days after the claim is accepted.

An insured person is entitled to a maximum of 10 partial or full benefits from the Solidarity Severance Fund in any five-year period.

Administrative Organization

Employment-related system: Ministry of Labor and Social Welfare, through the Superintendent of Social Security (<http://www.suseso.cl>) provides general supervision.

Social Security Institute (<http://www.ips.gob.cl>) and Family Allowance Compensation Funds administer the program.

Individual severance account: Superintendent of Pensions (<http://www.safp.cl>) provides general supervision.

AFC Chile (<https://www.afc.cl/publico/index.html>) administers unemployment insurance.

Family Allowances

Regulatory Framework

First laws: 1937 (salaried employees) and 1953 (wage earners).

Current laws: 1981 (family allowances for low-income persons); 1981 (wage earners and salaried employees), implemented in 1982; 2008 (social security reform); 2009 (social protection for children); 2012 (CCT); and 2014 (family allowances and maternity benefits).

Type of program: Employment-related and social assistance system.

Note: The Chile Solidario program is not included since it is being gradually phased out (by 2017) and has been replaced by the Ingreso Etico Familiar program.

Coverage

Family allowances (employment related): Public- and private-sector workers; self-employed persons who contribute to old-age and sickness schemes; pensioners; persons receiving work injury, temporary disability, or unemployment benefits; minors who are entrusted to adults by a judge; unemployed persons receiving benefits from the Solidarity Severance Fund; and persons in state institutions.

Family subsidy (social assistance): Vulnerable families who are not entitled to family allowances.

Chile Crece Contigo (universal): Citizens of Chile.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost, financed through the Unified Family Allowances (family allowances) and the Family Subsidy National Fund (family subsidy).

Qualifying Conditions

Family allowance (employment related, income tested): Paid to salaried insured persons with dependents and monthly income of up to 576,080 pesos (rising to 597,593 pesos on January 1, 2016); 501,979 pesos for self-employed workers.

Allowances are paid for children younger than age 18 (age 24 if a student; no limit if disabled), a wife, a husband with a disability, a widowed mother, stepchildren, orphaned or abandoned grandchildren and great-grandchildren, orphans, parents older than age 65 or disabled, and minors who are entrusted to adults by a judge.

Maternity allowance (employment related, income tested): Paid to pregnant salaried workers or to workers on behalf of their pregnant wives with monthly income of up to 576,080 pesos (rising to 597,593 pesos on January 1, 2016); 501,979 pesos for independent workers.

Family subsidy (social assistance): Paid to vulnerable families with children younger than age 18 (no limit if disabled) or with mentally disabled family members who do not receive a disability pension. If mothers take care of their children at home, they are entitled to an additional subsidy.

Children older than age 6 must regularly attend primary, middle, and secondary school in recognized education institutions (unless disabled).

The family subsidy is not paid to individuals who receive family allowances, the basic solidarity pension (see OADS)

or the subsidy for individuals younger than age 18 with a mental disability.

Earnings test: Vulnerable families who score less than 11,734 points (bottom 40% of the families) in the Social Protection Scorecard.

The Social Protection Scorecard (Ficha de Proteccion Social) is a national survey used to target needy households.

Maternity subsidy (social assistance): Paid to pregnant women.

Earnings test: Vulnerable families who score less than 11,734 points (bottom 40% of the families) in the Social Protection Scorecard.

The Social Protection Scorecard (Ficha de Proteccion Social) is a national survey used to target needy households.

Ingreso Ético Familiar (social assistance): Paid to extremely poor families; vulnerable people aged 65 or older; homeless persons; and children younger than age 18 whose parents are incarcerated.

Bono Base Familiar: Paid to all families enrolled in Ingreso Ético Familiar.

Bono de Proteccion: Paid to all families enrolled in Ingreso Ético Familiar.

Bono Control del Niño Sano: Paid for children younger than age 6. Children should undergo regular medical examinations.

Bono por Asistencia Escolar: Paid for children aged 6 to 18. The student must attend 85% of monthly classes in an official educational institution.

Bono por Logros Escolares: Paid for certain vulnerable children younger than age 24 who attend school and who score among the top 30% in their school year.

Earnings test: Vulnerable families who score less than 11,734 points (bottom 40% of the families) in the Social Protection Scorecard.

The Social Protection Scorecard (Ficha de Proteccion Social) is a national survey used to target needy households.

Youth employment subsidy: Paid to vulnerable salaried and self-employed workers aged 18 to 25 with an annual income up to 5,084,214 pesos or 423,685 pesos a month who do not work at a quasi-public company. Must be paying contributions. Workers aged 21 to 25 must also have a high school diploma.

Women work grant: Paid to vulnerable salaried and self-employed women aged 25 to 59 with an annual income up to 5,084,214 pesos. Must be paying contributions.

Earnings test: Vulnerable families who score less than 11,734 points (bottom 40% of the families) in the Social Protection Scorecard.

The Social Protection Scorecard (Ficha de Proteccion Social) is a national survey used to target needy households.

Permanent family grant (social assistance): Paid to beneficiaries in the previous year of the family allowance, maternity allowance, family subsidy, Chile Solidario or Ingreso Etico Familiar.

Chile Crece Contigo (social assistance): Paid for vulnerable children from pregnancy to age 4. Must be delivered at public health centers.

Earnings test: Vulnerable families who score less than 11,734 points (bottom 40% of the families) in the Social Protection Scorecard.

The Social Protection Scorecard (Ficha de Proteccion Social) is a national survey used to target needy households.

Family Allowance Benefits

Family allowance (employment related, income tested):

A monthly allowance is paid for each dependent according to the insured's income: 9,899 pesos with monthly earnings up to 252,882 pesos (rising to 10,269 pesos with income up to 262,326 pesos on January 1, 2016); 6,075 pesos with earnings greater than 252,883 and up to 369,362 pesos (rising to 6,302 pesos with income greater than 262,327 pesos up to 383,156 pesos on January 1, 2016); and 1,920 pesos with earnings greater than 369,363 and up to 576,080 pesos (rising to 1,992 pesos with income greater than 383,157 pesos up to 597,593 pesos on January 1, 2016).

All monthly allowances are doubled for dependents with disabilities.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Maternity allowance (employment related, income tested): A family allowance is paid to a pregnant woman from conception to three months after childbirth; only one allowance is paid for multiple births.

The allowance may be claimed from the fifth month of pregnancy and is paid retroactively.

Family subsidy (social assistance): 9,899 pesos a month (rising to 10,269 pesos a month on January 1, 2016) is paid.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Maternity subsidy (social assistance): 9,899 pesos a month (rising to 10,269 pesos a month on January 1, 2016) is paid.

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Ingreso Ético Familiar (asistencia social)

Bono Base Familiar: 4,500 to 7,500 pesos a month is paid, depending on the family income, for up to 24 months after enrollment in the program.

Bono de Protección: 15,516 pesos a month is paid during the first six months of enrollment in the program;

11,823 pesos from month seven to 12; 8,127 pesos from month 13 to 18; 9,899 pesos from month 19 to 24.

Bono Control del Niño Sano: 6,000 pesos a month is paid for up to 24 months; may be paid in addition to other subsidies or allowances.

Bono por Asistencia Escolar: 6,000 pesos a month is paid for up to 24 months; may be paid in addition to other subsidies or allowances.

Bono por Logro Escolar: A lump sum of 51,500 pesos is paid for students in the top 15% of their cohort; 30,900 pesos for students in the top 30%.

Youth employment subsidy: The worker can choose a monthly or an annual benefit.

The annual amount depends on the insured's annual income: 20% of annual income is paid with annual income up to 2,137,797 pesos; 427,559 pesos with income of 2,137,798 to 2,672,246 pesos; 427,559 pesos minus 20% of the difference between annual income and 2,672,247 pesos with income of 2,672,247 to 4,810,042 pesos.

The monthly amount is paid for up to four years and depends on the insured's monthly income: 20% of monthly income is paid with monthly earnings up to 178,149 pesos; 35,630 pesos with earnings of 178,149 to 222,687 pesos; 35,630 pesos minus 20% of the difference between monthly earnings and 222,688 pesos with monthly earnings from 222,688 up to 400,837 pesos.

For monthly benefits, the employer receives a subsidy of 50% of the workers' monthly benefit for 24 months.

Women's work grant: The worker can choose a monthly or an annual benefit.

The annual amount depends on the insured's annual income: 20% of annual income is paid for income up to 2,137,797 pesos; 427,559 pesos with income of 2,137,798 to 2,672,246 pesos; 427,559 pesos minus 20% of the difference between annual income and 2,672,247 pesos with income of 2,672,247 to 4,810,042 pesos.

The monthly amount is paid for up to four years and depends on the insured's monthly income: 20% of monthly income is paid with monthly earnings up to 178,149 pesos; 35,630 pesos with earnings of 178,149 to 222,687 pesos; 35,630 pesos minus 20% of the difference between the monthly earnings and 222,688 pesos with monthly earnings from 222,688 up to 400,837 pesos.

In the case of monthly benefits, the employer receives a benefit that is 50% of the workers' monthly benefit for 24 months.

Permanent family grant (social assistance): 41,236 pesos a year is paid for each family member entitled to a family allowance or subsidy or a maternity allowance or subsidy; 41,236 pesos a year for each family enrolled in Chile Solidario or Ingreso Etico Familiar.

Chile

Benefit adjustment: Benefits are adjusted on an ad hoc basis.

Chile Crece Contigo (social assistance): Benefits include a layette; free kindergarten; counselling; and other services.

Administrative Organization

Ministry of Labor and Social Welfare, through the Superintendent of Social Security (<http://www.suseso.cl>) provides general supervision.

Social Security Institute (<http://www.ips.gob.cl>) and Family Allowance Compensation Funds administer the family allowances program. Municipalities and the Social Security Institute administer the subsidy allowances program.