

Colombia

Exchange rate: US\$1.00 = 3,196.15 pesos.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1946 (social insurance), implemented in 1965; 2003 (social assistance); and 2005 (voluntary individual account (BEPS)).

Current laws: 1993 (social security), implemented in 1994; 2005 (means-tested individual account (BEPS)), implemented in 2014; 2007 (national development); 2007 (social assistance); 2012 (family pensions), implemented in 2014; 2013 (voluntary individual account (BEPS)); 2013 (self-employed workers); and 2016 (pension system).

Type of program: Social insurance, mandatory and voluntary individual account, and social assistance system.

Note: The insured must choose between the social insurance and mandatory individual account programs and may switch membership every five years up to 10 years before the normal retirement age.

The Beneficios Económicos Periódicos (BEPS) individual account program was introduced in 2014 to allow low-income individuals without mandatory coverage to contribute voluntarily to the general pension system. Participating individuals receive a 20% match of lifetime contributions from the government upon reaching the normal retirement age.

Coverage

Social insurance and mandatory individual account: Public- and private-sector employees, including household, short-term (less than one month of consecutive work), and daily workers; foreign employees not covered by any other pension program; and employees of the state oil company (Ecopetrol) hired on or after January 29, 2003; and self-employed persons.

Voluntary coverage for residents of Colombia without mandatory coverage, citizens residing abroad, and foreign employees covered through another pension program.

Special systems for Ecopetrol employees and teachers in the public education system hired before January 30, 2003; and military and police personnel.

Voluntary individual account (Beneficios Económicos Periódicos, BEPS): Citizens of Colombia with monthly earnings of less than 828,116 pesos.

Social assistance (Colombia Mayor): Needy citizens of Colombia.

Source of Funds

Insured person

Social insurance, mandatory individual account, and social assistance: 4% of covered earnings. An additional contribution that ranges from 1% of covered earnings with income from four to 15 times the legal monthly minimum wage up to 2% of covered earnings with income above 20 times the legal monthly minimum wage finances the Pension Solidarity Fund (the first 0.5% finances contribution subsidies for certain self-employed persons; the rest subsidizes the BEPS voluntary individual account and the Colombia Mayor social pension).

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Of the combined insured person and employer social insurance contributions, 13% is allocated to old-age benefits, 0.80% to disability benefits, 1.11% to survivor benefits, and 1.09% to administrative fees.

Of the combined insured person and employer individual account contributions, 11.5% is allocated to old-age benefits, 3.0% to disability and survivor benefits and administrative fees, and 1.5% to the guaranteed minimum pension.

Contributions are paid monthly (weekly for short-term or daily workers).

Voluntary individual account (BEPS): See the source of funds for social insurance, mandatory individual account, and social assistance above. Voluntary contributions are also possible.

The minimum annual voluntary contribution is 5,000 pesos.

The maximum annual voluntary contribution is 1,200,000 pesos.

Contributions do not have to be made regularly.

Self-employed person

Social insurance: 13% of covered declared earnings (old age), 0.80% (disability), 1.11% (survivors), and 1.09% (administrative fees).

Certain vulnerable self-employed persons may receive a subsidy of 70% to 95% of their required contributions for 500 to 750 weeks.

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Mandatory individual account: 11.5% of declared earnings (old age), 1.5% (disability and survivors), 1.5% (administrative fees), and 1.5% (guaranteed minimum pension).

Voluntary individual account (BEPS): Voluntary contributions.

The minimum annual voluntary contribution is 5,000 pesos.

The maximum annual voluntary contribution is 1,200,000 pesos.

Contributions do not have to be made regularly.

Social assistance: None with monthly income less than four times the legal monthly minimum wage; 1% of covered earnings with income from four to 15 times the legal monthly minimum wage; up to 2% of covered earnings with income above 20 times the legal monthly minimum wage.

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

The maximum monthly earnings used to calculate contributions are 20 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Contributions are paid monthly (weekly for short-term or daily workers).

Employer

Social insurance and mandatory individual account: 12% of covered payroll.

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Of the combined insured person and employer social insurance contributions, 13% is allocated to old-age benefits, 0.80% to disability benefits, 1.11% to survivor benefits, and 1.09% to administrative fees.

Of the combined insured person and employer individual account contributions, 11.5% is allocated to old-age benefits, 3.0% to disability and survivor benefits and administrative fees, and 1.5% to the guaranteed minimum pension.

The employer pays an additional 10% of covered payroll for workers engaged in certain forms of hazardous employment to finance the special pension.

Contributions are paid monthly (weekly for short-term or daily workers).

Voluntary individual account (BEPS): Voluntary contributions.

Social assistance: None.

Government

Social insurance and mandatory individual account: None; contributes as an employer.

Voluntary individual account (BEPS): Partially subsidizes the Pension Solidarity Fund, which directs 20% of its

account balance to BEPS voluntary individual accounts; also pays 20% of balances transferred from the social insurance or mandatory individual account programs to the BEPS voluntary individual account program.

Social assistance: Partially finances contribution subsidies for certain self-employed persons and the Colombia Mayor social pension.

Qualifying Conditions

Old-age pension (social insurance): Age 62 (men) or age 57 (women) with at least 1,300 weeks of contributions.

The old-age pension is payable abroad.

Old-age family pension (social insurance, means tested): Paid to a couple of pensionable age (married or domestic partners) who have lived together for at least five years before the claim is made, and individually do not meet the contribution requirements for a social insurance old-age pension but together have at least 1,300 weeks of contributions. Each member of the couple must have had at least 325 weeks of contributions at age 45 and be classified as SISBEN I or II. If one member of the couple is covered by the social insurance program and the other by the mandatory individual account program, the member in the mandatory individual account program must first transfer to the social insurance program (only permitted if the member is at least 10 years younger than the normal retirement age).

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

The old-age family pension ceases upon divorce or separation.

The old-age family pension is payable abroad.

Special pension (social insurance): Age 55 with 1,300 weeks of contributions, including at least 700 weeks of contributions made while in certain forms of hazardous employment. The age requirement is reduced by one year for every 60 weeks of contributions in hazardous employment exceeding 700 weeks, up to five years.

The special pension is payable abroad.

Old-age settlement (Indemnización sustitutiva, social insurance): Age 62 (men) or age 57 (women) and does not meet the contribution requirements for a social insurance old-age pension and cannot continue to work to reach the minimum contribution period (1,300 weeks).

The old-age settlement is payable abroad.

Old-age pension (mandatory individual account): At any age if the account balance is sufficient to purchase an annuity greater than 110% of the legal monthly minimum wage. Must have at least 1,150 weeks of contributions.

Guaranteed minimum pension: Age 62 (men) or age 57 (women) with at least 1,150 weeks of contributions and the account balance is insufficient to finance the minimum pension set by law.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

The old-age pension is payable abroad.

Old-age family pension (mandatory individual account):

Paid to a couple of pensionable age (married or domestic partners) who have lived together for at least five years before claiming the pension; individually each person does not have enough funds in his or her mandatory individual account to finance an old-age pension but the combined account balances are sufficient for an old-age pension. Both members of the couple must be enrolled in the same pension fund management company (SAFP); if they are enrolled in different SAFPs, the member with the lower account balance must switch to the other's company. If one member of the couple is covered by the social insurance program and the other is covered by the mandatory individual account program, the member covered by social insurance program must first transfer to the mandatory individual account program and enroll in the same SAFP as the other member (only permitted if the member is at least 10 years younger than the normal retirement age).

The old-age family pension is payable abroad.

Guaranteed minimum family pension: The couple must have at least a combined 1,150 total weeks of contributions.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Old-age settlement (Devolución de saldos, mandatory individual account): Age 62 (men) or age 57 (women), has less than 1,150 weeks of contributions, and is unable to work to reach this contribution requirement.

Old-age benefit (BEPS, voluntary individual account):

Age 62 (men) or age 57 (women); the combined balance of all individual accounts is insufficient to finance the minimum pension set by law. The amount saved a year is less than the minimum annual contribution for old-age pensions.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

BEPS account balances (including accrued interest) can be transferred to the social insurance or mandatory individual account programs and are credited as additional contribution periods.

The BEPS benefit can be combined with the old-age social pension but not a guaranteed minimum pension.

Old-age social pension (Colombia Mayor, social assistance, means tested): Must be three years younger than the normal retirement age or older, have resided in Colombia for the last 10 years, and be classified as SISBEN I or II.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

The old-age social pension can be combined with the BEPS voluntary individual account.

Disability pension (social insurance and mandatory individual account): Must have at least a 50% assessed loss of work capacity and: be younger than age 20 and have at least 26 weeks of contributions in the year before the disability began; be aged 20 or older and have at least 50 weeks of contributions in the three years before the disability began; or be of any age with at least 975 weeks of contributions, including 25 weeks of contributions in the three years before the disability began.

A medical board assesses and may review the degree of disability every three years.

Disability settlement (social insurance and mandatory individual account): Must meet the age and disability requirements for a social insurance or mandatory individual account disability pension but not meet the contribution requirements.

A medical board assesses the degree of disability.

Disability benefit (BEPS, voluntary individual account):

Paid if the fund member is diagnosed with certain chronic diseases. Must have made at least six contributions or contributions equal to six times the legal daily minimum wage in the last 12 months.

Survivor pension (social insurance and mandatory individual account): The deceased received or was entitled to receive an old-age or disability pension at the time of death or had at least 50 weeks of contributions in the three years immediately before death.

Eligible survivors include a widow(er) or partner who lived with the deceased for at least five years or who had children with the deceased and dependent orphans younger than age 18 (age 25 if a student, no limit if disabled). If there is no widow(er) or eligible orphan, the pension is paid to a dependent parent or a dependent sibling with a disability.

The survivor pension is payable abroad.

Survivor settlement (social insurance and mandatory individual account): The deceased did not meet the contribution requirements for an old-age or disability pension or the survivor had lived with the deceased for less than five years in the case of a widow(er) or partner.

Eligible survivors include a widow(er) or partner who lived with the deceased for at least five years or who had children with the deceased and dependent orphans younger than age 18 (age 25 if a student, no limit if disabled). If there is no widow(er) or eligible orphan, the pension is paid to a dependent parent or a dependent sibling with a disability.

Survivor settlement (BEPS, voluntary individual account): Paid to family members when a fund member dies before reaching the normal retirement age.

Survivor benefit (BEPS, voluntary individual account):

The deceased must have made at least six contributions or contributions equal to six times the legal daily minimum wage in the last 12 months and was not receiving a BEPS pension.

The legal daily minimum wage is 27,604 pesos.

Funeral grant (social insurance and mandatory individual account):

Paid to the person who paid for the funeral when an insured person or pensioner dies.

Funeral grant (BEPS, voluntary individual account):

Paid to the person who paid for the funeral if the deceased had at least six contributions or contributions equal to six times the legal daily minimum wage in the last 12 months and was not receiving a BEPS pension.

The legal daily minimum wage is 27,604 pesos.

Old-Age Benefits

Old-age pension (social insurance): 55% to 65% of the insured's average monthly earnings, depending on the level of earnings (the lower the salary, the higher the replacement rate) plus 1.5% for every 50 weeks of contributions is paid.

The maximum monthly old-age pension is 80% of the insured's average monthly earnings.

Average monthly earnings are the insured's average monthly covered earnings in the last 10 years.

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

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum monthly social insurance old-age pension is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the legal monthly minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price.

Old-age family pension (social insurance, means tested): The legal monthly minimum wage is split equally between the spouses or domestic partners.

Special pension (social insurance): Calculated in the same way as the social insurance old-age pension.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the legal monthly minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index or the minimum wage.

Old-age settlement (Indemnización sustitutiva, social insurance):

A portion of the insured's average weekly covered earnings on which the insured made contributions multiplied by the number of weeks of contributions is paid as a lump sum.

Instead of a lump sum payment, the insured can choose to transfer the value of his or her old-age settlement to the BEPS voluntary individual account.

Old-age pension (mandatory individual account): The insured has three payment options: receive programmed withdrawals, purchase an annuity, or use a combination of these two options.

Guaranteed minimum pension: The difference between the account balance and the balance needed to finance the minimum pension set by law is paid.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Old-age family pension (mandatory individual account):

The mandatory individual account old-age pension is split equally between the spouses or domestic partners.

Guaranteed minimum family pension: Calculated in the same way as the guaranteed minimum pension for the mandatory individual account old-age pension.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index or the minimum wage.

Old-age settlement (Devolución de saldos, mandatory individual account): A lump sum of the account balance is paid.

Instead of a lump sum payment, a fund member may choose to transfer his or her account balance to the BEPS voluntary individual account.

Old-age benefit (BEPS, voluntary individual account):

The account balance plus a 20% subsidy is paid as an annuity; if the social insurance old-age settlement or the mandatory individual account balance is transferred to the BEPS voluntary individual account, an additional 20% subsidy of the transferred amount is paid.

If the fund member opts for a lump sum payment, only the account balance is paid.

The maximum monthly old-age benefit is 85% of the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Schedule of payments: Benefits are paid every two months.

Old-age social pension (Colombia Mayor, social assistance, means tested): 40,000 to 75,000 pesos a month is paid. The maximum benefit is paid if the beneficiary contributed to the BEPS voluntary individual account.

Local governments may cofinance the program to increase the benefit levels in their jurisdictions.

Permanent Disability Benefits

Disability pension (social insurance and mandatory individual account): For an assessed degree of disability of at least 66%, 54% of the insured's average monthly earnings plus 2% for every 50 weeks of contributions exceeding 800 weeks is paid, up to 75%. For an assessed degree of disability of at least 50% but less than 66%, 45% of the insured's average monthly earnings plus 1.5% for every 50 weeks of contributions exceeding 500 weeks is paid.

Average monthly earnings are the insured's average monthly covered earnings in the last 10 years before the disability began (or over the total contribution period if less than 10 years).

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

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum monthly disability pension is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Schedule of payments: 13 payments a year; 14 payments if the disability pension was less than three times the legal monthly minimum wage and the pension was awarded before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price.

Disability settlement (Indemnización sustitutiva, social insurance): A portion of the insured's average weekly earnings on which the insured made contributions multiplied by the number of weeks of contributions is paid as a lump sum.

Disability settlement (Devolución de saldos, mandatory individual account): A lump sum of the mandatory individual account balance may be paid or the insured may continue to make contributions to qualify for an old-age pension.

Disability benefit (BEPS, voluntary individual account): A lump sum of 10 to 15 times the account balance for annual savings from 100,001 to 1,200,000 pesos is paid; up to 1,000,000 pesos for annual savings up to 100,000 pesos.

Survivor Benefits

Survivor pension (social insurance and mandatory individual account): 100% of the old-age or disability pension the deceased received, or 45% of the deceased's average monthly earnings plus 2% for every 50 weeks of contributions exceeding 500 weeks, is paid.

Average monthly earnings are the deceased's average monthly covered earnings in the last 10 years before death (or over the total contribution period if less than 10 years).

The pension is paid for life if the widow(er) or partner was aged 30 or older at the time of the insured's death or if the

couple had a common child; up to 20 years if the widow(er) or partner was younger than age 30 and did not have a child with the deceased.

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

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum combined survivor pension is the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

The maximum monthly survivor pension is 75% of the deceased's average monthly earnings.

If the deceased received an old-age family pension, 100% of the deceased's old-age family pension is paid to the widow(er) in the absence of dependent children; if there are dependent children, the deceased's old-age family pension is split between the widow(er) and children without any change to the widow(er)'s old-age family pension.

Schedule of payments: 13 payments a year; 14 payments if the survivor pension was less than three times the legal monthly minimum wage and the pension was awarded before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index or the minimum wage.

Survivor settlement (Indemnización sustitutiva, social insurance): The old-age settlement the deceased was entitled to receive at the time of death is paid.

Survivor settlement (Devolución de saldos, mandatory individual account): A lump sum of the deceased's account balance is paid.

Survivor benefit (BEPS, voluntary individual account): A lump sum of 10 to 15 times the account balance for annual savings from 100,001 to 1,200,000 pesos; up to 1,000,000 pesos for annual savings up to 100,000 pesos.

Survivor settlement (BEPS, voluntary individual account): A lump sum of the account balance plus accrued interest is paid.

Funeral grant (social insurance and mandatory individual account): A lump sum of one month of the deceased's old-age or disability pension or last monthly earnings is paid to the person who paid for the funeral.

The minimum funeral grant is five times the legal monthly minimum wage.

The maximum funeral grant is 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Funeral grant (BEPS, voluntary individual account): A lump sum of 1.5 times the legal monthly minimum wage is paid to cover the cost of the funeral.

The legal monthly minimum wage is 828,116 pesos.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co/>) provides general supervision.

Financial Superintendence of Colombia provides general financial supervision.

Colpensiones (<https://www.colpensiones.gov.co/>) administers the social insurance and BEPS programs nationally.

Pension and Severance Pay Fund management companies (SAFPCs) administer the individual accounts program.

Fiduagraria (<https://www.fiduagraria.gov.co/>) manages the social assistance program.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx>) collects contributions.

Sickness and Maternity

Regulatory Framework

First laws: 1938 (maternity); and 1946 (social insurance), implemented in 1965.

Current laws: 1950 (labor code), implemented in 1951; 1993 (social insurance and social assistance), implemented in 1994; and 2002 (parental leave).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Residents of Colombia who are employees, including public-sector employees and civil servants; self-employed persons, vocational training students and apprentices, unemployed persons, and pensioners (medical benefits only).

Special systems for military and police personnel.

Social assistance: Needy residents of Colombia.

Source of Funds

Insured person

Social insurance: 4% of monthly covered earnings; none for vocational training students and apprentices; 12% of the monthly pensions for pensioners (medical benefits only).

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Social assistance: None.

Self-employed person

Social insurance: 12.5% of monthly covered declared earnings, 1.5% of which finances the social assistance program (solidarity contributions).

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Social assistance: None.

Employer

Social insurance: 8.5% of monthly covered payroll, 1.5% of which finances the social assistance program (solidarity contributions); 12.5% for vocational training students and apprentices.

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Social assistance: None.

Government

Social insurance: None; contributes as an employer.

Social assistance: Provides subsidies as needed.

Qualifying Conditions

Cash sickness benefit (social insurance): Must have at least four weeks of contributions immediately before the incapacity began.

Cash maternity benefit (social insurance): Must have at least nine months of contributions before the expected date of childbirth or adoption.

Paternity leave (social insurance): Must have paid contributions during the full duration of the pregnancy.

Medical benefits (social insurance): Must have at least four weeks of contributions (except for emergencies).

Eligible dependents include a spouse (or same-sex partner); dependent children and stepchildren younger than age 25 (no limit if disabled); dependent grandchildren, siblings, nieces, and nephews under certain conditions; and, if there is no spouse (or same-sex partner) and children, dependent parents not receiving a pension.

Medical benefits (social assistance): Provided to vulnerable persons, including persons classified as SISBEN I or II (or SISBEN III for persons covered by the program before January 9, 2007); indigenous and internally displaced persons; children under the custody of ICBF; prisoners; and former rebels.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

Sickness and Maternity Benefits

Sickness benefit (social insurance): 66.6% of the insured's earnings in the month before the incapacity began (the average monthly earnings in the year before the incapacity began or during the total employment period, whichever is greater, for casual workers) is paid after a two-day waiting period for up to 90 days; 50% from the 91st to the 180th day. (The employer pays 100% of the insured's earnings for the first two days of incapacity.)

Maternity benefit (social insurance): 100% of the insured's last earnings before the maternity leave is paid for 18 weeks (20 weeks for multiple births). In case of premature birth, the difference (number of days) between the actual and the expected date of childbirth is added.

Paternity leave (social insurance): 100% of the insured's earnings is paid for eight working days.

Workers' Medical Benefits

Medical benefits (social insurance): Benefits include medical, surgical, hospital, pharmaceutical, maternity, and dental care; and related services. Pre-existing conditions are covered but may be subject to a waiting period; no waiting period for pregnant women.

Previously insured persons who are no longer in covered employment may receive medical benefits for up to 12 weeks, depending on their contribution records.

Cost sharing: A copayment is required, depending on the insured's monthly covered earnings, for certain services.

Medical benefits (social assistance): Benefits are the same as under the social insurance program.

Cost sharing: A copayment of up to 10% of the cost of the treatment may be required for certain services.

Dependents' Medical Benefits

Medical benefits (social insurance): Benefits for dependents are the same as those for the insured person. There is no waiting period for pregnant women or children younger than age 1.

Cost sharing: A copayment plus additional fees for dependents are required.

Medical benefits (social assistance): Benefits for dependents are the same as those for the main beneficiary. There is no waiting period for pregnant women or children younger than age 1.

Cost sharing: A copayment plus additional fees for dependents are required.

Administrative Organization

National Superintendent of Health (<https://www.supersalud.gov.co/>) provides general supervision.

Ministry of Health (<https://www.minsalud.gov.co/>) administers the program.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx/>) collects contributions.

Private health institutions provide health services.

Work Injury

Regulatory Framework

First law: 1915 (work injury compensation).

Current laws: 1993 (social insurance), implemented in 1994; 2002 (work injury organization); 2012 (work injury); and 2016 (self-employed persons).

Type of program: Social insurance system.

Coverage

Employed persons, including civil servants and pensioners who re-enter the workforce; members of cooperatives; apprentices; and self-employed persons in high-risk occupations.

Voluntary coverage for self-employed persons and informal-sector workers without mandatory coverage.

Source of Funds

Insured person: None.

Self-employed person: 0.348% to 4.089% of covered declared earnings, depending on the assessed degree of risk.

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Employer: 0.348% to 8.7% of monthly covered payroll, depending on the assessed degree of risk. (Up to 3% of the employer's contribution finances the work injury fund, which promotes health and safety for workers.)

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

The maximum monthly earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Government: Contributes to the work injury fund using general revenues; contributes as an employer.

Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to and from work are not covered (except if the employer provides the transportation). Occupational diseases are specified by law.

A medical board assesses the degree of disability, and reassesses permanent disabilities every three years.

Temporary Disability Benefits

100% of the insured's last monthly covered earnings is paid from the day after the work injury occurred or the occupational disease was diagnosed until rehabilitation or certification of permanent disability, up to 180 days (may be extended under certain conditions for up to 180 days).

Permanent Disability Benefits

Permanent disability pension (Pensión de invalidez):

For an assessed degree of disability of at least 66%, 75% of the insured's base earnings is paid; for an assessed degree of disability of at least 50% but less than 66%, 60% of base earnings is paid.

Base earnings are the insured's average monthly earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

The minimum monthly permanent disability pension is the legal monthly minimum wage.

The maximum monthly permanent disability pension is 20 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Constant-attendance allowance: 15% of the permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability (Indemnización por incapacidad permanente parcial): For an assessed degree of disability of at least 5% but less than 50%, a lump sum of two to 24 times the insured's base earnings is paid.

Base earnings are the insured's average monthly earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

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

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

Workers' Medical Benefits

Benefits include medical, surgical, dental, and hospital care; medicine; appliances; rehabilitation; and transportation.

Survivor Benefits

Survivor pension (Pensión de sobrevivientes): 75% of the deceased's base earnings is paid to eligible survivors if the deceased was employed at the time of death; 100% of the deceased's permanent disability pension if the deceased was a pensioner at the time of death. If the pensioner received a constant-attendance allowance, the survivor pension is reduced by 15% of the permanent disability pension.

Base earnings are the deceased's average monthly earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

Eligible survivors include a widow(er) or partner who lived with the deceased for at least five years or who had children with the deceased and dependent orphans younger than age 18 (age 25 if a student, no limit if disabled). If there is no widow(er) or eligible orphan, the pension is paid to a dependent parent or a dependent sibling with a disability.

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

The maximum monthly earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Schedule of payments: 13 payments a year; 14 payments if the survivor pension was less than three times the legal monthly minimum wage and the pension was awarded before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually based on changes in the consumer price index.

Funeral grant (Auxilio funerario): One month of the deceased's permanent disability pension or last wage is paid to the person who paid for the funeral.

The minimum funeral grant is five times the legal monthly minimum wage.

The maximum funeral grant is 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co/>), Financial Superintendence of Colombia, and the National Superintendent of Health (<http://www.supersalud.gov.co/>) provide general supervision.

Labor Risk Administrators (ARLs) authorized by the Financial Superintendence of Colombia administer the program.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx>) collects contributions.

Unemployment

Regulatory Framework

First and current laws: 1990 (severance) and 2013 (unemployment protection).

Type of program: Social insurance, and mandatory and voluntary individual account system.

Coverage

Employed persons.

Voluntary coverage for self-employed persons and for certain employed persons with monthly earnings above 10,765,508 pesos.

Source of Funds

Insured person

Social insurance: None.

Mandatory individual account: None.

Voluntary individual account: Employed persons may choose to allocate a portion of their contribution to the mandatory individual account to their supplemental individual account.

Self-employed person

Social insurance: See source of funds under Family Allowances.

Mandatory individual account: One month of the insured's annual salary is paid a year.

Voluntary individual account: Self-employed persons may choose to allocate a portion of their contribution to the mandatory individual account to their supplemental individual account.

Employer

Social insurance: See source of funds under Family Allowances.

Mandatory individual account: One month of the insured's annual salary, except salaried person under certain types of contract (integral salary; earning more than 13 times the legal monthly minimum wage) is paid a year.

Voluntary individual account: None.

Government

Social insurance: None; contributes as an employer.

Mandatory individual account: None; contributes as an employer.

Voluntary individual account: None.

Qualifying Conditions

Unemployment benefit (Mecanismo de Protección al Cesante, social insurance, income tested): Must have been enrolled in a family allowances fund for at least one year (at least two years for self-employed persons) in the three years before becoming unemployed, register with an employment service, and participate in training and vocational rehabilitation programs. Previously employed persons must provide a certificate of employment termination.

Must be actively seeking employment; be available to receive training, accept job interviews, and job offers, in agreement with the public employment service; and not be receiving any other income or benefits.

The unemployment benefit is paid only once in an insured person's working life.

Severance benefit (Cesantías, mandatory individual account): Must be unemployed or retired.

Other withdrawals: Withdrawals are possible to finance family members' tertiary education, or to upgrade or purchase housing or property, regardless of the employment status. Must provide proof of the amount due.

Supplemental unemployment benefit (voluntary individual account): Must have contributed at least 10% of the insured's average monthly wage in the last year (for those with earnings less than twice the legal monthly minimum wage) or at least 25% of the insured's average monthly wage in the last year (for those with earnings of at least twice the legal monthly minimum wage).

The legal monthly minimum wage is 828,116 pesos.

Unemployment Benefits

Unemployment benefit (Mecanismo de Protección al Cesante, social insurance, income tested): A monthly family benefit (which varies depending on the region) is paid for up to six months. A food voucher is paid for a six-month period worth, in total, 1.5 times the legal monthly minimum wage. The Solidarity Fund for Employment Promotion and Protection against Unemployment pays the unemployed person's social security contributions for old-age, disability, survivors, medical benefits, and family allowances for up to six months. The contribution is calculated based on the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Severance benefit (Cesantías, mandatory individual account): A lump sum of one month of the insured's annual salary is paid for each year of employment; a reduced benefit is paid with less than one year of employment.

Other withdrawals: The insured may make authorized partial or total withdrawals from his or her mandatory individual severance account for education or housing.

Supplemental unemployment benefit (voluntary individual account): A monthly benefit based on the account balance is paid for up to six months.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co/>) and the Superintendence for Family Subsidies (<http://www.ssf.gov.co/>) provide general supervision.

Solidarity Fund for Employment Promotion and Protection against Unemployment (FOSFEC), administered by family allowance funds, pays social insurance unemployment benefits.

Pension and Severance Pay Fund management companies (SAFPCs) administer the individual accounts.

Family Allowances

Regulatory Framework

First law: 1957 (family allowances).

Current laws: 1982 (family allowances), 2012 (More Families in Action program), 2013 (Youth in Action program; household workers), and 2014 (migrant workers).

Type of program: Social insurance and social assistance system.

Note: Voluntarily insured persons are eligible for in-kind benefits only; self-employed persons may be eligible for the social insurance unemployment benefit (see Unemployment).

Coverage

Social insurance: Public- and private-sector employees, including household and short-term (less than one month of continuous employment) and daily workers; and persons receiving unemployment benefits.

Voluntary coverage for self-employed persons; pensioners, residents of Colombia without mandatory coverage, citizens residing abroad, and unemployed persons (in-kind benefits only).

Special systems for military and police personnel.

Social assistance (Family cash transfer): Needy residents of Colombia.

Social assistance (Student cash transfer): Needy resident citizens of Colombia.

Source of Funds

Insured person

Social insurance: None; 2% of the legal monthly minimum wage or pension for the voluntarily insured (Colombians residing abroad pay 2% of their declared earnings, which must be at least two times the legal monthly minimum

wage); 0.6% of the legal monthly minimum wage for reduced benefits.

The legal monthly minimum wage is 828,116 pesos.

Social assistance: None.

Self-employed person

Social insurance: 2% of monthly covered declared earnings; 0.6% of the legal monthly minimum wage for reduced benefits.

The legal monthly minimum wage is 828,116 pesos.

The self-employed person's contributions also finance the social insurance unemployment benefit under Unemployment.

Social assistance: None.

Employer

Social insurance: 4% of gross monthly covered payroll (weekly earnings for short-term or daily workers).

The minimum monthly earnings used to calculate contributions for household workers are the legal monthly minimum wage (a proportion of the legal monthly minimum wage for short-term or daily workers).

The legal monthly minimum wage is 828,116 pesos.

The employer's contributions also finance the social insurance unemployment benefit under Unemployment.

Social assistance: None.

Government

Social insurance: None; contributes as an employer.

Social assistance: The total cost.

Qualifying Conditions

Family benefit (Subsidio familiar, social insurance, income tested): Paid for eligible dependents if the insured has completed at least 60 days of continuous employment with the same employer, including 96 hours in the last 25 working days.

Eligible dependents include children younger than age 18 (age 23 if a student, no limit if disabled); a dependent parent older than age 60; orphan siblings younger than age 18 or dependent, disabled siblings (any age).

Income test: The insured's monthly income must not exceed four times the legal monthly minimum wage and the combined monthly earnings of a couple (married or domestic partners) must not exceed six times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

In-kind benefits: Provided to insured persons (including the voluntarily insured) and their eligible dependents.

Dependent's death allowance (Subsidio extraordinario por fallecimiento de beneficiario, social insurance, income tested): Paid to an employee who qualifies for family benefits when an eligible dependent dies.

Eligible dependents include children younger than age 18 (age 23 if a student, no limit if disabled); a dependent parent older than age 60; orphan siblings younger than age 18 or dependent, disabled siblings (any age).

Income test: The insured's monthly income must not exceed four times the legal monthly minimum wage and the combined monthly earnings of a couple (married or domestic partners) must not exceed six times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Surviving spouse allowance (Subsidio extraordinario por fallecimiento de trabajador, social insurance, income tested): The deceased received the social insurance family benefit and left behind a dependent.

Eligible dependents include children younger than age 18 (age 23 if a student, no limit if disabled); a dependent parent older than age 60; an orphan sibling younger than age 18, or a dependent disabled sibling (any age).

Income test: The deceased's monthly income must not have exceeded four times the legal monthly minimum wage and the combined monthly earnings of the couple (married or domestic partners) must not have exceeded six times the legal monthly minimum wage.

The legal monthly minimum wage is 828,116 pesos.

Family cash transfer (Más Familias en Acción, social assistance): Paid to households with children younger than age 18 that are classified as SISBEN I, II, or III, registered in Red Unidos, or classified as internally displaced or indigenous.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

Red Unidos is a part of the government's national strategy for overcoming extreme poverty.

Families with children aged 0 to 5 must attend scheduled growth and development check-ups and follow the vaccination schedule. Children must enroll in school, attend at least 80% of monthly classes, and not miss more than two years of school.

Student cash transfer (Jóvenes en Acción, social assistance): Paid for persons aged 16 to 24 enrolled in higher education. Must be classified as SISBEN I, II, or III, registered in Red Unidos, registered with the Family Wellbeing Institute, or classified as internally displaced or indigenous.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

Red Unidos is a part of the government's national strategy for overcoming extreme poverty.

Family Allowance Benefits

Family benefit (Subsidio familiar, social insurance, income tested): The monthly benefit amount varies from 23,386 to 46,570 pesos depending on the fund and may be paid in cash or in kind. A double allowance is paid to a parent, an orphan sibling, or a child assessed with a disability of at least 60%.

In-kind benefits: Certain in-kind benefits, including medical benefits and vocational training, are provided.

Dependent's death allowance (Subsidio extraordinario por fallecimiento de beneficiario, social insurance, income tested): A lump sum of 12 times the monthly family benefit is paid for each surviving dependent.

Surviving spouse allowance (Subsidio extraordinario por fallecimiento de trabajador, social insurance, income tested): Twelve times the monthly family benefit is paid to a widow or the guardian for each eligible dependent.

Family cash transfer (Más Familias en Acción, social assistance): 77,000 to 89,800 pesos a month is paid for each child aged 0 to 5 (health benefit); an additional 12,875 to 70,600 pesos a month (depending on the region and education level) is paid for each child aged 5 to 18 (education benefit), up to three children (no limit for disabled children and children age 5).

Schedule of payments: The benefit is paid every two months to the head of the family.

Benefits are adjusted annually based on changes in the consumer price index.

Student cash transfer (Jóvenes en Acción, social assistance): 200,000 pesos a month is paid. The benefit is paid for six months for a vocational program, for 12 months for a technological program, and for 30 months for a university degree. University students with good results (3.5 out of 5 or better) receive a top up of 400,000 pesos after each semester; an additional premium of 200,000 pesos is paid after each semester to university students with excellent results (4.3 out of 5 or better).

Schedule of payments: The benefit is paid every two months to the student.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co/>) provides general supervision.

Superintendent of Family Subsidies (<http://www.ssf.gov.co/>) supervises family allowance funds.

Family allowance funds provide social insurance benefits.

The Department for Social Prosperity (<http://www.prosperidadsocial.gov.co/Paginas/Inicio.aspx/>) supervises and manages social assistance benefits.

Administrator of the Integrated Platform for Payment of Contributions (PILA, <https://www.minsalud.gov.co/proteccionsocial/Paginas/pila.aspx/>) collects contributions.