

Uruguay

Exchange rate: US\$1.00 = 18.78 new pesos

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1829 to 1934 (various laws for specified groups of workers) and 1967 (national social security institutions).

Current laws: 1995 (social insurance and individual accounts), implemented in 1996; 2009 (flexibility of social security).

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

Note: The mixed social insurance and individual account system is mandatory for employed and self-employed persons born after April 1, 1956, with monthly earnings greater than 31,618 pesos and voluntary for those with monthly earnings of 31,618 pesos or less. All others are covered by the social insurance system only.

Coverage

Social insurance only: Employed and self-employed persons, including rural and household workers.

Special systems for bank employees, notaries, university graduates, and military and police force personnel.

Social insurance and individual account: Employed and self-employed persons with monthly earnings greater than 31,618 pesos.

Voluntary coverage for employed and self-employed persons with monthly earnings of 31,618 pesos or less.

Special systems for bank employees, notaries, university graduates, and military and police force personnel.

Social assistance: Needy elderly or disabled persons.

Source of Funds

Insured person

Social insurance only: 15% of gross monthly earnings of 31,618 pesos or less.

Social insurance and individual account: 15% of the first 31,618 pesos of gross monthly earnings to social insurance; 15% of gross monthly earnings above 31,618 pesos to the individual account. For the voluntarily insured, 7.5% of the first 31,618 pesos of gross monthly earnings to social insurance; 7.5% of gross monthly earnings above 36,618 pesos to the individual account.

The insured's contribution to the individual account includes an average 1.398% of covered earnings for

disability and survivor insurance and an average of 1.755% of covered earnings for administrative fees.

The maximum monthly earnings used to calculate contributions are 94,854 pesos.

Earnings used to calculate contributions are adjusted according to changes in the average wage index.

Social assistance: None.

Self-employed person

Social insurance only: 15% of gross monthly earnings of 31,618 pesos or less.

Social insurance and individual account: 15% of the first 31,618 pesos of gross monthly earnings to social insurance; 15% of gross monthly earnings above 31,618 pesos to the individual account. For the voluntarily insured, 7.5% of the first 31,618 pesos of gross monthly earnings to social insurance; 7.5% of gross monthly earnings above 31,618 pesos to the individual account.

The insured's contribution to the individual account includes an average of 1.398% of covered earnings for disability and survivor insurance and an average of 1.755% of covered earnings for administrative fees.

The maximum monthly earnings used to calculate contributions are 94,854 pesos.

Earnings used to calculate contributions are adjusted according to changes in the average wage index.

Social assistance: None.

Employer

Social insurance only: 7.5% of covered payroll.

Social insurance and individual account: None.

Social assistance: None.

Government

Social insurance only: Finances pension deficits; the total cost of noncontributory benefits; contributes as an employer.

Social insurance and individual account: None.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension

Old-age pension (social insurance): Age 60 with at least 30 years of contributions. Women are credited with one year of contributions for each biological or adopted child, up to five years. Additional years of contributions are credited to workers in hazardous occupations.

Deferred pension: The pension may be deferred if the insured has at least 35 years of contributions.

Old-age pension (individual account): Age 60 with at least 30 years of contributions; age 65 with no contribution requirement.

Advanced-age pension (social insurance and individual account): Age 70 with at least 15 years of contributions. Age requirements are reduced according to the number of years worked, from age 69 with at least 17 years of contributions to age 65 with at least 25 years of contributions. Employment must cease.

Noncontributory means-tested old-age pension (social assistance): Age 70, assessed as needy, and a resident of Uruguay for at least 15 years.

Disability pension

Permanent disability pension (social insurance and individual account): Assessed with at least a 66% degree of disability and incapable of any work. There is no minimum qualifying period for a disability resulting from an accident. Otherwise, workers aged 26 or older must have at least two years (six months if younger than age 26) of covered employment before the disability began. Coverage is extended two years after employment ceases if the insured has at least 10 years of contributions.

Special allowances: Paid to low-income persons according to assessed need.

Partial disability benefit (social insurance and individual account): Assessed with a 50% to 66% degree of disability and incapable of work in the current job. There is no minimum qualifying period for a disability resulting from an accident. Otherwise, workers aged 26 or older must have at least two years (six months if younger than age 26) of covered employment before the disability began. The benefit is temporary and subject to reassessment of the incapacity for work.

District medical commissions of the Social Security Bank assess the degree of incapacity for work.

Noncontributory means-tested disability pension (social assistance): Assessed as needy with a total and permanent disability and a resident of Uruguay for at least 15 years.

Survivor pension

Survivor pension (social insurance and individual account): The deceased was working; received or was entitled to receive an old-age or disability pension, or sickness, maternity, work injury, or unemployment benefits; or died in the 12-month period after the unemployment benefit ceased. Coverage is extended for up to 12 months after employment ceases; no limit with at least 10 years of contributions.

Eligible survivors include a widow(er) or partner (same sex or opposite sex), divorced spouse (same sex or opposite sex), unmarried orphans up to age 21 (no limit if disabled), and dependent, disabled parents. A widow(er) must have average monthly earnings of no more than 94,854 pesos (2013) in the 12 months before the insured's death.

Noncontributory means-tested survivor pension (social assistance): The deceased received or was entitled to receive a noncontributory means-tested old-age or disability pension.

Funeral grant: Paid to the person who pays for the funeral.

Old-Age Benefits

Old-age pension

Old-age pension (social insurance): 45% of the insured's monthly average earnings in the last 10 years or 45% of 105% of the insured's monthly average earnings in the best 20 years of earnings (whichever is lower) is paid. The pension is increased by 1% for each year of work from 30 to 35 years; 0.5% for each year of work exceeding 35 years, up to 2.5%; and 2% for each year of work after age 60 if the contribution conditions were not met, up to age 70 or until contribution requirements are met.

Deferred pension: The pension is increased by 3% for each year of work after age 60 with at least 35 years of work, up to 30%; 2% if the insured has less than 35 years of work, up to age 70 or until contribution requirements are met.

The minimum monthly pension is 6,170 pesos.

The maximum monthly pension is 26,085 pesos (social insurance and individual account) or 38,574 pesos (social insurance only).

The pension is payable abroad under bilateral or multilateral agreement only.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index.

Advanced-age pension (social insurance): 50% of the insured's monthly average earnings in the last 10 years plus 1% for each year of work exceeding the respective minimum years of service (from 15 to 25 minimum years), up to 14%, is paid.

The pension is payable abroad under bilateral or multilateral agreement only.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index.

Old-age pension (individual account): The insured must purchase an annuity from an insurance company.

The pension is payable abroad under bilateral or multilateral agreement only.

Advanced-age pension (individual account): The insured must purchase an annuity from an insurance company.

The pension is payable abroad under bilateral or multilateral agreement only.

Noncontributory means-tested old-age pension (social assistance): 6,170 pesos a month is paid.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index.

Permanent Disability Benefits

Disability pension

Permanent disability pension (social insurance): 65% of the insured's average indexed earnings in the 20 years before the disability began or the total number of years worked (whichever is less) is paid.

Special allowances: A lump sum of 1,552 pesos is paid for transportation costs and 3,375 pesos for rehabilitation costs.

Partial disability benefit (social insurance): 65% of the insured's average indexed earnings in the 20 years before the disability began or the total number of years worked (whichever is less) is paid for up to three years.

The minimum monthly benefit is 6,170 pesos.

Benefits are payable abroad under bilateral or multilateral agreement only.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index.

Permanent disability pension (individual account): 45% of the insured's average indexed earnings in the 10 years before the disability began is paid. The individual account balance is transferred to an insurance company, which pays the pension.

Partial disability benefit (individual account): 45% of the insured's average indexed earnings in the 10 years before the disability began is paid by disability insurance for up to three years.

Noncontributory means-tested disability pension (social assistance): 6,170 pesos a month is paid.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index.

Survivor Benefits

Survivor pension

Survivor pension (social insurance and individual account): 66% to 75% of the old-age or disability pension the deceased received or was entitled to receive is paid, according to the number of survivors.

100% of the old-age or disability pension the deceased received or was entitled to receive is split among the widow(er), divorced spouses, and partners (same sex or opposite sex) with at least five years of cohabitation with the insured if there are no other eligible survivors; 70% if there are eligible orphans; 60% if there are other eligible survivors but no eligible orphans. The remainder is split equally among other eligible survivors. If there is no widow(er) or a divorced spouse, 100% of the pension is split equally among other eligible survivors.

The pension ceases if the widow(er) or divorced spouse remarries.

For the survivors of a member of an individual account scheme, the accumulated capital in the individual account (contributions plus accrued interest) is transferred to an insurance company, which pays the pension.

Survivor pensions are payable abroad under bilateral or multilateral agreement only.

Benefit adjustment: Benefits are adjusted according to changes in the average wage index.

Noncontributory means-tested survivor pension (social assistance): 6,170 pesos a month is paid.

Funeral grant: The cost of the funeral is paid, up to 14,685 pesos.

Administrative Organization

Ministry of Labor and Social Security (<http://www.mtss.gub.uy>) provides general supervision.

Social Insurance Bank (<http://www.bps.gub.uy>) supervises and administers the social insurance program.

Central Bank of Uruguay (<http://www.bcu.gub.uy>) oversees pension fund management companies and insurance companies.

Pension fund management companies manage the individual accounts.

Sickness and Maternity

Regulatory Framework

First laws: 1958 (maternity benefits) and 1960 (sickness benefits for construction workers).

Current laws: 1975 (sickness), 1980 (maternity), 1981 (maternity), 1995 (pensioners), 1999 (maternity), 2007 (national health fund), 2008 (national integrated health system), 2011 (incorporation schedule); and 2012 (benefit calculation).

Type of program: Social insurance system.

Coverage

Cash sickness benefits: Employed persons.

Cash maternity benefits: Benefits are provided under Family Allowances.

Medical benefits: Employed persons in the private sector and their children younger than age 18 (no limit if disabled), self-employed persons, persons receiving unemployment benefits, employers with up to three employees, and pensioners.

Exclusions: Workers with less than 13 days a month of covered work with earnings less than 3,248 pesos a month.

Special systems for military and police force personnel, and bank employees.

Source of Funds

Insured person

Cash sickness benefits: See source of funds for Old Age, Disability, and Survivors.

Medical benefits: 3% to 8% of gross earnings. Small business owners with up to one employee contribute 1,374 pesos (for an employee without children) or 1,591 pesos (with children).

Self-employed person

Cash sickness benefits: See source of funds for Old Age, Disability, and Survivors.

Medical benefits: 1,374 pesos (for an employee without children) or 1,591 (with children).

Employer

Cash sickness benefits: See source of funds for Old Age, Disability, and Survivors.

Medical benefits: 5% of payroll, plus additional premiums.

Government

Cash sickness benefits: See source of funds for Old Age, Disability, and Survivors.

Medical benefits: Any deficit; the total cost of public health services for all residents of Uruguay.

Qualifying Conditions

Cash sickness benefits: The insured must have at least three months of contributions or 75 days of contributions in the last 12 months.

Cash maternity benefits: See Family Allowances.

Medical benefits: Residents of Uruguay.

Sickness and Maternity Benefits

Sickness benefit: 70% of the insured's earnings is paid after a three-day waiting period (no waiting period for hospitalization) for up to a year; may be extended for an additional year.

The maximum monthly benefit is 16,994.73 pesos.

Maternity benefit: See Family Allowances.

Workers' Medical Benefits

Medical services are available through mutual health institutions. Medical services include medical assistance, surgery, and pharmaceutical products.

Mutual health institutions provide grants for eyeglasses, contact lenses, prostheses, orthopedic appliances, wheelchairs, and psychiatric hospitalization.

Maternity care is provided for insured women under Family Allowances.

The Ministry of Public Health provides free public health care to all residents through public hospitals and clinics.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

The Ministry of Public Health provides free public health care to all residents through public hospitals and clinics.

Administrative Organization

Ministry of Public Health (<http://www.msp.gub.uy>) implements the Integrated National Health System.

Social Insurance Bank (<http://www.bps.gub.uy>) supervises and administers cash benefits.

National Health Board (JUNASA) supervises and administers the health insurance program through mutual health institutions.

Collective medical assistance and mutual health institutions provide medical benefits.

Work Injury

Regulatory Framework

First law: 1914.

Current law: 1989 (work injury).

Type of program: Compulsory insurance with a public carrier.

Coverage

Private-sector employees, including agricultural workers; certain public-sector workers; and apprentices.

Exclusions: Self-employed persons, professional athletes, and actors.

Special system for military personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost, which varies with the assessed degree of risk.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are not covered.

Temporary Disability Benefits

Temporary disability benefit: 66% of earnings before the disability began is paid. (For casual workers, the benefit is equal to the insured's total adjusted earnings in the last six months divided by 150.) The daily benefit is paid retroactively after a four-day waiting period for the duration of the disability.

For an occupational disease, 100% of earnings before the disease was diagnosed is paid. There is no waiting period.

An additional benefit of 3.607% of earnings is paid under sickness benefits.

The Social Insurance Bank assesses the degree of loss of earnings.

Benefit adjustment: Benefits are adjusted according to the average wage index.

Permanent Disability Benefits

Permanent disability pension: For an assessed degree of disability of at least 20%, the monthly pension is the monthly loss of earnings.

Constant-attendance supplement: 115% of earnings before the disability began is paid if the insured needs the constant attendance of others to perform daily functions.

For an assessed degree of disability of 10% to 19%, a lump sum of 36 times the monthly loss of earnings is paid; for an assessed degree of disability less than 10%, a benefit is paid only if the assessed disability is the result of repeated accidents.

The Social Insurance Bank assesses the degree of loss of earnings.

Benefit adjustment: Benefits are adjusted according to the civil servants' average wage index.

Workers' Medical Benefits

The National Insurance Bank provides medical services. Benefits include medical, surgical, and dental care; hospitalization; medicine; and appliances.

There is no limit to duration.

Survivor Benefits

Survivor pension: 75% of the deceased's earnings is paid to a widow(er), divorced spouse, or partner (same sex or opposite sex) with dependents. The widow(er) must have been married to the deceased for a year; a partner must have cohabited with the deceased for at least five years. If the only eligible survivors are the divorced spouse or dependent parents of the deceased, the benefit is 50% of the deceased's earnings.

Orphan's pension: If there are no other eligible survivors, 66% of the deceased's earnings is paid.

For survivors of a member of an individual account scheme, the individual account balance is transferred to an insurance company, which pays the pension.

Benefit adjustment: Benefits are adjusted according to the average wage index.

Administrative Organization

Social Insurance Bank (<http://www.bps.gub.uy>) supervises and administers benefits.

National Insurance Bank (<http://www.bse.com.uy/bse/>) provides medical services.

Unemployment

Regulatory Framework

First law: 1934.

Current laws: 1981 (industry and commerce); 2001 (rural workers); 2002 (contracts); 2006 (household workers); and 2012 (benefits calculation).

Type of program: Social assistance system.

Coverage

Private-sector employees in industry and commerce, rural workers, professional athletes, and household workers.

Special system for bank employees.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: None.

Government: The total cost.

Qualifying Conditions

Unemployment benefits: Must have at least six months of work in the 12-month period before unemployment; workers paid at irregular intervals must have at least six months of work and have earned at least 15,588 pesos in the 6-month period before unemployment began.

Rural workers paid monthly must have at least 12 months of work in the 24-month period before unemployment; rural workers paid at irregular intervals must have earned at least 31,176 pesos in the 24-month period before unemployment began.

Household workers must be registered; household workers paid monthly must have at least six months of work in the 12-month period before unemployment; household workers paid at irregular intervals must have at least 12 months in the 24-month period before unemployment began; workers paid daily or weekly must have at least 150 days in the

12 months or 250 days in the 24 months of work before unemployment began.

Benefits are paid for up to 12 months (up to two years for workers aged 58 or older with at least 28 years of contributions).

Unemployment must not be the result of dismissal for disciplinary reasons.

Partial unemployment benefit: Paid to workers paid daily or at irregular intervals if working time is reduced by 25% or more relative to the legal or usual working time.

Dependent's supplement: Paid if the unemployed person is married, has children younger than age 21 (any age if disabled), or has disabled dependents.

There is a 12-month waiting period before a new claim for unemployment benefits can be made.

Unemployment Benefits

For full unemployment, 50% of the insured's average earnings in the six months before unemployment is paid to workers paid monthly or at irregular intervals; a monthly benefit of 12 days of earnings before unemployment for workers who are paid daily.

Partial unemployment benefit: The monthly benefit is 12 days of the insured's earnings before partial unemployment, minus the value of current monthly earnings.

Dependent's supplement: 20% of the benefit is paid.

The minimum monthly unemployment benefit is 2,832 pesos.

The maximum monthly unemployment benefit is 31,163 pesos.

Administrative Organization

Ministry of Labor and Social Security (<http://www.mtss.gub.uy>) provides general supervision.

Social Insurance Bank (<http://www.bps.gub.uy>) supervises and administers the unemployment insurance program.

Family Allowances

Regulatory Framework

First law: 1943.

Current laws: 1995 (social security), 2002 (multiple pregnancies), 2008 (equity in family allowances), and 2012 (benefit calculation).

Type of program: Social assistance system.

Coverage

Needy private-sector employees, household workers, persons receiving unemployment benefits, newspaper vendors, small rural products vendors, and pensioners.

Exclusions: Self-employed persons.

Special system for civil servants.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances: The child must be younger than age 14 (age 18 if a student, no limit if disabled). The benefit is paid from the day the pregnancy is confirmed.

Parents or guardians may earn up to 28,330 pesos and still receive family allowances. For parents with three or more children, the earnings limit is increased by 2,833 pesos for each additional dependent child.

Cash maternity benefit: Paid for the birth of a child.

Multiple birth allowance: Paid to a pregnant woman expecting more than two children from the day the pregnancy is confirmed.

Special paid leave: Paid to a salaried worker who adopts a child.

Low-income family allowance (means tested, social assistance): Paid from the birth of the child until age 14 if in primary school, age 16 if the child could not finish primary school for justified reasons, or age 18 if in higher education (no limit if disabled).

Family Allowance Benefits

Family allowances: 451 pesos is paid for each child for covered families with income up to 16,995 pesos; 225 pesos with income from 16,995 pesos to 28,330 pesos (higher for families with three or more children). The allowance is doubled for children with disabilities.

For a multiple birth, the allowance is paid at three times the standard rate until the children reach age 5, at twice the standard rate until age 12, and at the standard rate until age 18.

The benefit is paid every two months.

Cash maternity benefit: 100% of average earnings in the last six months is paid on the expected date of childbirth for the 12 weeks including six weeks before and six weeks after the expected date of childbirth (gradually rising to a total of 14 weeks by 2016).

Employers are required to provide three days of paid paternity leave (gradually rising to 13 days by 2016).

Multiple birth allowance: The allowance is paid at three times the family allowance standard rate until the children

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reach age 5, at twice the standard rate until age 12, and at the standard rate until age 18. The benefit is paid every two months.

Special paid leave: Private-sector workers receive benefits equal to six months of the cash maternity benefit.

Low-income family allowance (means tested, social assistance): 1,010 pesos is paid for a child in primary school and 1,443 pesos for a child in secondary school or with a disability.

In-kind benefits include pediatric care for children up to age 6, dental care for children up to age 9, and medical specialist care and transportation for children up to age 14. Free medical examinations and medicine for children.

The benefit is paid monthly.

Benefit adjustment: Benefits are adjusted according to the consumer price index and an adjustable reference unit set by decree.

Administrative Organization

Social Insurance Bank (<http://www.bps.gub.uy>) supervises and administers benefits.

Ministry of Social Development (<http://www.mides.gub.uy>) supervises and administers social assistance benefits.

Collective medical assistance and mutual health institutions contracted by the Social Insurance Bank provide medical benefits.