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# Your social security rights

*in Liechtenstein*

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The information provided in this guide has been drafted and updated in close collaboration with the national correspondents of the Mutual Information System on Social Protection (MISSOC). More information on the MISSOC network is available at: <http://ec.europa.eu/social/main.jsp?langId=en&catId=815>

This guide provides a general description of the social security arrangements in the respective countries. Further information can be obtained through other MISSOC publications, all available at the abovementioned link. You may also contact the competent authorities and institutions listed in annex to this guide.

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## Chapter I: Introduction, organisation and financing

### Introduction

#### Overview

Liechtenstein's social security system provides benefits, and these are financed mainly by contributions from insured persons and/or their employers and partly supplemented by State funding.

#### Registration

If you are an employee, your employer must complete the necessary formalities to ensure that you are covered by social insurance. If you are a self-employed or unemployed person, you have to register with the relevant social insurance bodies yourself.

#### Appeals

Appeals may be lodged in the courts or to the government against decisions by the social insurance institutions. The scope and deadlines for appeals depend on the type of social security concerned. Decisions by the social insurance institution concerned are accompanied by information on the legal remedies available.

### Organisation of social protection

In Liechtenstein distinctive ministries are responsible for different social security branches.

In addition to domestic and foreign economic affairs, the Office of Economic Affairs (*Amt für Volkswirtschaft*) is responsible for unemployment insurance.

The Financial Market Authority's (*Finanzmarktaufsicht, FMA*) department 'Control of Insurance Undertakings and Pension Funds' is responsible for the occupational scheme with regard to old-age, invalidity and death. At the same time the FMA, which is an autonomous institution under public law, supervises pension funds.

The Office of Public Health (*Amt für Gesundheit, AG*) supervises private insurance providers which administer health and accident insurances. AG is responsible for granting means-tested government subsidies towards health insurance premiums for individual insured persons. Health insurance providers recognised by the Government (three) are members of the Liechtenstein Health Insurance Association. Accident insurance providers registered and approved (eight altogether) by the AG have to sign a contract governing cooperation among themselves.

AG is also responsible for granting means-tested maternity allowance for mothers without any entitlement to sickness cash benefits (*Taggeld*) from health insurance.

The Old-age and survivors' insurance, disability insurance and the families' compensation fund are three independent public institutions (*AHV-IV-FAK-Anstalten*). However, they were technically merged in order to form a joint directorate. They are subject to governmental and parliamentary supervision. The *AHV-IV-FAK-Anstalten* manage the so-called first pillar of pension insurance in the cases of old age, disability, and death (a general national insurance scheme for all residents and all employees). This first pillar is supplemented by the mandatory occupational scheme for employees (second pillar) and by voluntary insurance (third pillar).

The *FAK-Anstalt* specifically awards one-time childbirth allowances, monthly child benefits, differential benefits (to supplement any lower benefit from another country), and benefits for single parents. *AHV-IV-FAK-Anstalten* also award further supplementary benefits that are transferred to them, i.e. those depending on the income or resources of pensioners, helplessness allowances, benefits for blind persons, support and care allowance and rehabilitation measures.

The Office of Social Services (*Amt für Soziale Dienste, ASD*) assumes ministerial and administrative tasks and ensures the psycho-social care of the population in line with the Social Assistance Act (*Sozialhilfegesetz*) and the Young Persons Act (*Jugendgesetz*). ASD is a multifaceted body generally accessible to children, young persons and adults who have personal or economic difficulties. It provides individual assistance in the form of counselling, care and treatment, financial support and other benefits in kind.

## Financing

If you are an employee, your employer is responsible for the regular payment of contributions. To this end, your share of the contribution is deducted from your pay and transferred, together with the employers' share, to the competent social security institution.

If you are self-employed, unemployed or voluntarily insured, you must pay contributions directly to the competent social security institutions.

The contributions for accidents at work and occupational diseases insurance are paid by the employer, while contributions to the non-occupational accident insurance scheme are deducted as a percentage from the employee's pay.

## Chapter II: Healthcare

### When are you entitled to healthcare?

Sickness insurance in Liechtenstein provides protection in case of sickness also in the form of benefits in kind (healthcare).

All persons who are residents or who are engaged in economic activity (as employed or self-employed persons) in Liechtenstein must take out sickness insurance. They must register individually with a sickness insurance fund. Contributions (premiums) are levied for each insured person (in an individual system). Insurance cover is provided from the first day of fund membership unconditionally and irrespective of existing illnesses. No qualifying period is required.

In Liechtenstein, three sickness insurance funds (private insurance institutions) have a concession granted by the government to administer statutory sickness insurance.

### What is covered?

Preventive examinations, examinations, treatment and therapy by a medical doctor, chiropractor or, under a doctor's referral, other health care professionals (e.g. physiotherapists or organisations providing at-home care), together with medicines, medicinal products and analyses prescribed by a doctor are provided. Medicines have to be prescribed by a physician according to a special list (including generic medicines, i.e. equally effective and interchangeable medicines).

If medically indicated, in-patient or partly in-patient examinations, treatment and care in hospitals (general departments), spa treatment prescribed by a physician (CHF 10 (€ 8.10) per day, for a maximum of 21 days per year) are also guaranteed. Where and when required, ambulance transport may also be covered by the sickness fund.

In general, voluntary insurance is available for dental treatment. Sickness insurance could cover necessary treatments resulting from serious and unavoidable chewing problems or any other serious disease or its consequences. Special rules apply to school children.

### How is healthcare accessed?

Liechtenstein's insurance system is based on the contractual principle and the freedom of insured persons to choose their insurance institution.

Any doctor holding a license for medical practice from the Office of Public Health and a contract with the Health Insurers Association can be chosen. Hence, there is free choice among all contracted physicians, contracted specialists and hospitals.

Where there is a contract between Liechtenstein's Association of sickness insurance funds and the outpatient health care provider, the costs incurred will be reimbursed at a rate of 100% in accordance with the agreed or statutory tariff. Where there is no

contract, the insured person is responsible for paying the costs of healthcare, which will be reimbursed at a rate of 50% in accordance with the tariff. Sickness insurance funds offer a supplementary insurance which covers the other half of the costs in accordance with the applicable tariff.

The Liechtenstein Government concludes tariff agreements with hospitals. If the insured person chooses a hospital which has such an agreement, the costs of examinations, treatments, meals and accommodation in the general section of a hospital will be fully covered. In contrast, there is only limited coverage of costs for hospital treatment in non-contracted hospitals.

Depending on the insured person's age and chosen form of cost sharing (co-payment), he or she must pay a fixed amount of CHF 200 (€ 162) (compulsory) per calendar year, or a maximum of CHF 1,500 (€ 1,216) (voluntary) and bear 10% of the costs exceeding the fixed annual amount. The excess borne cannot be more than CHF 600 (€ 486) per year.

50% co-payment is required for insured persons who have already reached the regular retirement age. There is no co-payment necessary for children under the age of 20, chronically sick persons (according to the list of indications), and for medical examinations to prevent disease occurring.

## Chapter III: Sickness cash benefits

### When are you entitled to sickness cash benefits?

If you are insured and unable to work because of sickness (incapacity of at least 50%), you may be entitled to a sickness cash benefit.

All employees over 15 years of age who work in Liechtenstein for an employer with a head office or branch in Liechtenstein are insured for sickness cash benefit. Exempted from mandatory insurance are persons whose income exceeds the membership ceiling of CHF 126,000 (€ 102,063), and those employed for less than eight working hours per week or for less than three months. Those who are not mandatorily covered (including self-employed persons) may take out voluntary insurance.

The employer and employee may agree to defer sickness cash benefit from the sickness insurance if the employer continues to pay wages during the sickness. He may do so for no longer than 360 days.

### What is covered?

Sickness cash benefit is paid from the second day onwards until the person can restart work. Daily sickness cash benefit is payable for a maximum of 720 days within a period of 900 consecutive days. If you are completely unable to work, the benefit will amount to at least 80% of the pay you would have otherwise received.

Unemployed persons are allowed to exchange their existing collective insurance for one individual insurance in which the payment of benefits begins after the 31<sup>st</sup> day. During the first 30 sick days, they continue to receive unemployment benefit (*Arbeitslosenentschädigung*). In this case, the unemployment fund acts as an 'employer'.

### How are sickness cash benefits accessed?

Registration for sickness cash benefit is the responsibility of the employer. Incapacity for work has to be certified by a physician.

## Chapter IV: Maternity and paternity benefits

### When are you entitled to maternity or paternity benefits?

Sickness insurance provides benefits in kind and/or cash benefits for women who are economically active as employed or self-employed persons and for female residents in Liechtenstein.

### What is covered?

#### Benefits in kind

Obstetrics by a doctor and midwife, and necessary check-ups during pregnancy and the first 10 weeks after birth, are provided by sickness insurance (c.f. part on [healthcare](#)). In addition, no co-payment by the insured person is required for healthcare benefits relating to maternity.

#### Maternity/paternity leave and benefit

All benefits payable by the sickness insurance funds in the event of sickness are also provided during pregnancy. Hence, mandatory sickness cash benefit (*Krankentaggeld*) is provided for all employed women entitled to earnings-related benefits. It amounts to at least of 80% of lost wages, including regular supplementary allowances.

Women registered with a sickness fund for at least 270 days up to the date of birth are entitled to sickness cash benefit for 20 weeks. Of these, at least 16 weeks must follow the birth.

Tax financed and income-dependent maternity allowance (*Mutterschaftszulage*) is provided to those residents who are not gainfully employed (or as a differential amount in addition to lower sickness cash benefit to employed women). Its amount depends on the spouse's income and the number of children. The minimum amount of maternity allowance is CHF 500 (€ 405), the maximum CHF 4,500 (€ 3,645).

### How are maternity and paternity benefits accessed?

Benefits in kind should be accessed by the responsible physician. Sickness cash benefit should be claimed at the competent sickness fund, and maternity allowance at the Office of Health.

## Chapter V: Invalidity benefits

### When are you entitled to invalidity benefits?

#### Three-pillar structure

A person is considered invalid when his or her earning capacity is permanently impaired due to his or her health situation. There is no professional incapacity pension but only a general pension for persons incapable of work.

Invalidity insurance (*Invalidenversicherung, IV*) is based on a three-pillar structure.

You are covered by the 'first pillar', if you are economically active in Liechtenstein (as employee or self-employed), or non-employed resident of Liechtenstein (e.g. the partner of an economically active person who also has to pay compulsory contributions). To be entitled to an invalidity pension, contributions have to have been paid for at least one year.

If your annual earnings exceed a certain threshold you are also covered by the 'second pillar' (occupational insurance scheme). Self-employed persons may voluntarily join the occupational insurance scheme for their employees. For second-pillar insurance, an allowance is deducted from annual earnings to avoid duplicate insurance under the first and second pillars.

You may voluntarily join the 'third pillar' insurance (e.g. private individual insurance).

#### Degree of invalidity

The degree of invalidity is determined by comparing incomes of persons with and without invalidity. More precisely, the income a person "could be expected to earn as an invalid" ("invalidity income", *Invalideineinkommen*) is compared to what they "expected to earn as a healthy person" ("healthy person's income" or *Valideneinkommen*) to assess invalidity. The "loss of income due to invalidity" (difference between the healthy person's income and the invalidity income), expressed in percentages of the healthy person's income, corresponds to the degree of invalidity.

The minimum degree of invalidity for entitlement to an invalidity pension is 40%.

### What is covered?

#### Invalidity insurance (first pillar)

Invalidity insurance provides for reintegration measures and pensions, whereby the principle of 'rehabilitation before pension' applies.

An attempt is first made with reintegration measures to find new employment for a disabled person (e.g. retraining with daily allowance, vocational guidance, job placement, trial employment, wage subsidies for employers hiring disabled persons, adaptation of the workplace, or other aids).

If reintegration proves unsuccessful, the insured person (if the contributions for at least one full year were paid) is entitled to an invalidity pension. It depends mainly on the duration of insurance and contributions paid (partly also in notional contributions). Its intention is to cover basic needs of the beneficiary.

The amount of the pension is calculated on the grounds of two factors, i.e. the contribution period and the so-called 'qualifying average annual income'.

If contributions have been paid in full (i.e. without interruption from the age of 20 until the invalidity), the insured person is entitled to a full pension (*Vollrente*). The invalidity basic pension (*Stammrente*) will amount to between a minimum of CHF 1,160 (€ 940) and a maximum of CHF 2,320 (€ 1,879) per month.

If contributions payment has been interrupted, the insured person is entitled to a partial pension (*Teilrente*).

The amount of pension depends on the qualifying average annual income. It is composed of both earnings during the entire (active) insurance period and contributions from non active periods. Credits for child-raising periods and for periods of care are taken into account as notional earnings. These four factors are divided in half between the marital partners (so-called "splitting") for the duration of the marriage, as soon as both partners are entitled to a pension, or until divorce.

If the invalidity occurs before the age of 45 years, the qualifying average annual income is increased by a so-called 'career supplement' (*Karrierezuschlag*).

In addition, as mentioned above, the pension may depend on the degree of invalidity: for 40% of invalidity a quarter of the pension is provided; 50% of invalidity entitles one to half of the pension; and from 67% of invalidity full pension is granted.

Such pension is paid only when invalidity has already existed for one year and is likely to persist. It is paid until the invalidity ends or is replaced by an old-age pension. Pensions are paid 13 times a year. Each December they are paid twice (so-called Christmas bonus, *Weihnachtsgeld*).

There is no supplement for a spouse of the beneficiary. However, a supplement for children may be provided to the amount of 40% of the minimum amount on the applicable pension scale. In addition helplessness allowances (*Hilflosenentschädigungen*), supplementary benefits for pensioners (*Ergänzungsleistungen*), and blind person's allowance (*Blindenbeihilfe*) may be provided.

### **Occupational pension scheme (second pillar)**

A mandatory occupational insurance scheme is intended to protect the beneficiary's already acquired standard of living.

Occupational invalidity pension (*Invalidenrente*) is calculated according to the amount of wages credited for insurance purposes (with the deduction of a free amount of CHF 13,920 (€ 11,276)).

In the event of invalidity, the insurance institution will pay the minimum pension corresponding to an annual 30% of credited wages (plus child pension, *Kinderrente*).

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This amount applies to complete invalidity. In case of partial invalidity, the amount of pension is correspondingly lower depending on the degree of invalidity.

Entitlement to an occupational pension lasts until the retirement age is reached, at which point the entitlement to an old-age pension may be put into effect. In some cases a lump-sum payment of the invalidity pension can be provided.

### **How are invalidity benefits accessed?**

Invalidity is assessed by the competent body. Any review of invalidity is possible in case of significant change of the health situation. Benefits have to be requested from the competent social security administration.

## Chapter VI: Old-age pensions and benefits

### When are you entitled to old-age benefits?

Old-age insurance is based on a three-pillar structure (as described in the part on Invalidation).

Insured persons must have paid contributions for at least one full year to be entitled to an old-age pension from the first pillar. The standard retirement age for men and women is 64.

Under the flexible retirement arrangements, men and women may choose to retire at any time between the ages of 60 (early pension) and 70 (postponed pension) independently of their spouses. The early pension is accordingly permanently reduced i.e. even after the standard retirement age is reached. Reduction may be as much as 19.5% for early retirement at the age of 60 (or less if the person has retired at later age, one which is closer to the regular age of 64). Conversely, postponing retirement increases the actuarial value of the pension. The increase can be between 5.22% for one year deferral, and 40.71 for a deferral of six years (from regular age of 64 to 70 years of age).

Mandatory insurance in an occupational old-age insurance scheme exists for employees who have reached 23 years of age, are covered by the first pillar and whose employment contract is open-ended or is for a fixed term but for more than three months. Exempted are those whose income does not exceed CHF 20,520 (€ 16,622). Retirement age in the second, occupational pillar is the same as in the first one. Early and postponed retirements are also possible.

### What is covered?

#### Old-age insurance (first pillar)

The amount of the pension is calculated on the grounds of two factors: the contribution (or insurance) period and the so-called 'qualifying average annual income'.

If contributions have been paid without interruption from the age of 20 until retirement), the insured person is entitled to a full pension (*Vollrente*). Pension formula number 43 applies, which means that the invalidity basic pension (*Stammrente*) will amount to between a minimum of CHF 1,160 (€ 940) and a maximum of CHF 2,320 (€ 1,879) per month.

If contributions payment has been interrupted, the insured person is entitled to a partial pension (*Teilrente*), according to a pension formula between one and 42.

The amount of pension depends on the qualifying average annual income. It is composed of both earnings during the entire (active) insurance period and contributions from non active periods. Credits for child-raising periods and for periods of care are taken into account as notional earnings. These four factors are divided in half between the marital partners (so-called "splitting") for the duration of the

marriage (provided the couple was insured during these years in Liechtenstein), as soon as both partners are entitled to a pension, or until divorce.

It is possible to receive an advanced partial pension instead of a full pension. The remaining part can be claimed later as an early, regular, or postponed old-age pension.

Pensions are paid 13 times a year. Each December they are paid twice (so-called Christmas bonus, *Weihnachtsgeld*). Every two years pensions are adjusted according to any increases in prices and wages. In addition, a supplement for children may be provided corresponding to 40% of the minimum amount of the applicable pension formula (of the pension scale).

Old-age pensioners resident in Liechtenstein are also entitled to (partial) coverage of the costs of certain aids, such as hearing aids.

### **Occupational pension scheme (second pillar)**

Old-age pensions under the occupational (second pillar) scheme are defined according to the accumulated capital sum. Each insured person accumulates this sum towards their old age, as a proportion of their contributions to the insurance institution is credited to a personal old-age account. The pension fund can also enable lump-sum payment instead of the regular pension (annuity).

### **How are old-age benefits accessed?**

Old-age benefit should be applied for at the competent social security administration. Occupational pension should be claimed from the occupational pension funds.

## Chapter VII: Survivors' benefits

### When are you entitled to survivors' benefits?

Survivors' insurance is based on a three-pillar structure (as described in the part on Invalidity).

The surviving or divorced spouse and (natural, adopted and foster) children of the deceased are entitled to a survivor's pension from the first pillar of survivors' insurance, provided that the deceased person had paid contributions for at least one full year.

If the insured person dies before reaching the retirement age, a widow(er)'s pension (to a spouse, but also to a divorced spouse or cohabiting partner but only if so provided by the statute of the pension fund) and an orphan's pension (to natural, adopted and foster children) can be provided from the occupational pension scheme (second pillar).

The surviving spouse may be entitled to a pension (from both pillars), if he/she maintains a child or is older than 45 years, and marriage with the deceased lasted for at least five years. If these conditions are not fulfilled, the surviving spouse may be entitled to a one-time payment amounting to three yearly sums of the pension.

Children below the age of 18 are entitled to an orphan's pension, as are children still in education until the completion of their studies, though only up to the age of 25.

### What is covered?

#### Survivors' insurance (first pillar)

A widow(er)'s pension (*Verwitwetenrente*) may be paid for either a limited period or indefinitely (depending on various factors: children, duration of marriage, age). Persons who are already drawing an old-age or disability pension in their own right may have their pension increased by a widow(er)'s supplement upon the death of their spouse.

This pension amounts to 80% of the hypothetical pension of the deceased person. In the case of death before the age of 45, the calculation basis is increased by a career supplement (*Karrierezuschlag*).

Orphans are entitled to orphan's pension (*Waisenrenten*) to the amount of 40% of the hypothetical pension of the deceased parent. If children are bereaved of both parents, two pensions are provided, one resulting from each parent.

#### Occupational pension scheme (second pillar)

If the insured person dies before retirement age, an annual widow(er)'s pension corresponding to 18% of eligible earnings is paid for life, and an orphan's pension amounting to six% of eligible earnings is payable annually.

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If a person receiving an old-age or invalidity pension dies, the widow(er)'s pension is 60% and the orphan's pension 20% of the last old-age or disability pension payment.

### **How are survivors' benefits accessed?**

Survivors' benefits should be applied for at the competent social security administration. Occupational pensions should be claimed from the occupational pension funds.

## Chapter VIII: Benefits in respect of accidents at work and occupational diseases

### When are you entitled to benefits in respect of accidents at work and occupational diseases?

Accident insurance provides protection against the risks of accidents at work, occupational diseases and non-occupational accidents.

All employers are obliged to take out insurance against accidents at work and occupational diseases for persons they employ in Liechtenstein. Employees who work at least eight hours a week must also be insured against non-occupational accidents. It is not compulsory for self-employed persons (and any family members who assist them) to be insured, but they may take out voluntary insurance.

Accidents at work are those which have occurred during work performed under the employer's direction or in his interest, during work breaks or before or after work, where the insured person is authorised to remain at the workplace. Travel between home and the workplace is also covered.

Sicknesses caused exclusively or predominantly by harmful materials or particular work are considered occupational diseases. There is a list of such diseases, but it is also possible to prove that sickness is exclusively or for large part caused by professional activities.

### What is covered?

#### Healthcare

The accident insurer provides the following benefits:

- treatment, including outpatient treatment by a doctor, dentist or, upon prescription, other health care professionals;
- medicines and tests prescribed by the doctor or dentist,
- hospitalisation (in a general ward);
- cures prescribed by the doctor;
- medical equipment to compensate for physical injuries or disabilities;
- any search and rescue costs necessary and any travel or transport costs incurred for medical reasons;
- costs of transporting remains to the place of burial and burial costs.

No copayments from the insured person are required.

#### Cash benefits

If you are unable to work as a result of an accident, you are entitled to a daily cash benefit from the second day after the accident. If you are completely unable to work, the benefit is 80% of your insured earnings.

In the event of invalidity caused by an accident, you are entitled to an invalidity pension. If you require assistance as a result of your disability to provide for your everyday needs, you are also entitled to a 'helplessness' allowance (the amount depending on the degree of helplessness). Various rehabilitation measures are part of invalidity insurance.

The survivors of a person who dies as a result of an accident at work or occupational disease are entitled to [survivors' pensions](#), i.e. [widow\(er\)'s](#) and [orphan's pensions](#).

In addition, integrity allowance (*Integritätsentschädigung*) may be provided to insured persons who suffer lasting significant harm to their physical or mental integrity as a result of an accident. It is assessed according to the degree of damage incurred. The maximum amount is CHF 126,000 (€ 102,063).

### **How are benefits in respect of accidents at work and occupational diseases accessed?**

Accidents at work and occupational diseases have to be reported immediately to the insurance company or to the employer. You have free choice of contracted doctor or contracted hospital.

Significant change in the level of invalidity may result in the invalidity pension being reviewed.

## Chapter IX: Family benefits

### When are you entitled to family benefits?

Those entitled to family benefits are non-working persons resident in Liechtenstein and all persons employed in Liechtenstein.

Parents, grand-parents, stepparents, adoptive parents, as well as orphans residing in Liechtenstein whose parents are deceased, can be entitled to family benefits.

### What is covered?

Family benefits comprise:

- a lump-sum birth allowance (also for the adoption of children under the age of 5);
- a monthly child allowance (payable until the child reaches the age of 18);
- a monthly single-parent's allowance (payable until the child reaches the age of 18);

The amount of child benefit (*Kinderzulage*) depends on the number and age of children. It amounts to CHF 280 (€ 227) per child, if the family has one or two children, and increases to CHF 330 (€ 267) per child in the case of multiple births, if there are three or more children in the family, as well as for each child over the age of 10 years.

Birth grants (*Geburtszulagen*) are provided at childbirth and adoption of a child under five years of age. Birth grants are slightly higher in case of multiple births.

Dependent children residing in Liechtenstein are entitled to an advance alimony payment, if enforcement procedures were not successful.

### How are family benefits accessed?

Family benefits should be claimed at the responsible social security administration (*FAK, Liechtensteinische Familienausgleichskasse*), which is under State supervision.

## Chapter X: Unemployment

### When are you entitled to unemployment benefits?

All employees and apprentices are covered by compulsory unemployment insurance. There is no possibility for self-employed to join the unemployment insurance scheme on a voluntary basis.

Insured persons are entitled to benefit if they:

- register in person with the Office for the National Economy for a check the latest on the first day on which they are claiming unemployment benefit, follow the statutory rules on checks from that point on and claim benefit;
- are available for work, i.e. are employable and willing to accept any reasonable employment;
- were insured for a minimum period of 12 months, i.e. in the two years preceding unemployment, they were in employment subject to unemployment insurance contributions or exempted from paying contributions due to sickness or training;
- are not entitled to an old-age pension;
- reside in Liechtenstein or are staying there for the purposes of temporary work (worker gainfully employed in Liechtenstein by an employer with its head office or a branch in Liechtenstein.);
- have suffered an eligible accident at work.

Persons responsible for their own unemployment situation are not entitled to daily cash benefits for up to 60 days of unemployment. However, they are after this period has passed.

### What is covered?

The main benefits stemming from unemployment insurance are unemployment benefit (*Arbeitslosenentschädigung*) and short-time working benefit (*Kurzarbeitsentschädigung*) as well as allowances in case of insolvency (*Insolvenzentschädigung*).

In addition, the Office for the National Economy provides information on benefit entitlements, acts as an employment exchange and supports training for the unemployed.

### Unemployment benefit

Unemployment benefit is paid taking into account the insured person's salary, age and duty to maintain children. It is calculated as 80% of the last gross wages of the unemployed person. It may be reduced to 70% in case there are no dependent children and full daily cash benefit over CHF 140 (€ 113) is received and the recipient is not a person with disability.

The duration of unemployment benefit depends among other things on the age of the applicant. Benefit (*per diem*) is payable for 130 days up to a maximum of 500 days

within a two-year period (130 days in case of periods exempted from contribution payments; 200 days if the person is under the age of 25 and has no maintenance obligation; 260 days if the person is over 25 years of age; 400 days if the person is over 50 years of age and has a contribution period of more than 18 months; 500 days for persons whose contribution period exceeds 22 months and who are in receipt of an invalidity pension of at least 40%).

In case of a breach of the duties (e.g. obligation to cooperate) no benefit is paid for a limited duration (suspension period).

### Short-time working benefit

Short-time work occurs when working time is reduced or there are periodic interruptions of work due to the economy or weather conditions. In this case partial unemployment benefit (*Kurzarbeitsentschädigung*) may be paid as a daily cash benefit.

Employees in the following professions are entitled to benefits for short-time work due to bad weather: bricklayers, carpenters, plasterers, quarry workers, road builders, roofers, pavers, stonemasons, tilers, landscape gardeners, plumbers, drain cleaners, workers stabilising river banks and avalanche-threatened areas, workers specialised in landslides and forestry workers, provided that the latter do not work in an ancillary branch of an agricultural holding. Employees in another profession may be treated in the same way as employees in the above-mentioned professions, if their unemployment situation is linked to an activity covered by one of these professions.

### Other benefits

During unemployment, State and occupational pension insurance contributions continue to be paid by the unemployment insurance scheme (but not old-age pension contributions under the second pillar). In addition, the unemployment insurance scheme pays the employer's sickness insurance contributions.

Unemployment insurance also pays a daily cash benefit during the first 30 days of sickness (for up to 44 working days within a two-year period).

In the event of the bankruptcy of the employer or unsuccessful enforcement of assets, insured persons receive insolvency benefit from the unemployment insurance.

This is the case where bankruptcy proceedings are commenced against their employer or a request to commence bankruptcy proceedings is refused due to probable absence of sufficient resources to cover the costs of the proceedings and, at this time, the insured persons have outstanding wage claims.

Insolvency benefit may also be provided, if insured persons have at least once initiated a not (entirely) successful enforcement procedure against their employer to receive due wages.

Wage claims are covered for a maximum of three months within the last six months before commencement of bankruptcy proceedings, after dismissal of the bankruptcy or after an unsuccessful enforcement procedure.

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## How are unemployment benefits accessed?

The verification and payment of cash benefits in the event of unemployment is the responsibility of the Office of Economic Affairs (*Amt für Volkswirtschaft*). Applicants have to register in person with the Office of Economic Affairs for a check on the first day from which they are claiming unemployment benefit.

Insured persons and their family members as well as the past employers of insured persons must communicate to the Office of Economic Affairs all the relevant information needed to evaluate the application and determine the amount of the unemployment benefit. In addition, they must immediately notify the above-mentioned office of any changes in their personal or financial situation which might affect their right to benefits.

Insured persons who have suffered an eligible accident must respond to invitations from the Office of Economic Affairs to regular advice and placement interviews, comply with the procedures for statutory checks, follow the Office's instructions with regard to accepting a reasonable job or attending a course for the purposes of retraining or ongoing training and make an effort to find work themselves.

## Chapter XI : Minimum resources

### When are you entitled to benefits regarding minimum resources?

#### Social Assistance

Single persons and households in a specific situation of need may be entitled to social assistance, if they are residents of Liechtenstein. In addition Liechtenstein nationals living outside of the EU and EEA can be awarded social assistance in the case of emergency.

#### Supplementary benefits

Those entitled to supplementary benefits are persons of pensionable age (including recipients of early retirement pensions), survivors (widows, widowers and orphans), disabled (with at least a 50% disability), recipients of daily allowances under the invalidity insurance scheme and recipients of helplessness allowances.

For these benefits, factors such as residence, income and assets are taken into account.

### What is covered?

#### Social Assistance

Social assistance (*Sozialhilfe*) provides payments towards basic subsistence needs, housing costs, and basic contributions to Health Insurance Fund.

When social assistance is calculated, the person in need of assistance and dependants living with him or her in the same household are taken into account. Social assistance is paid as a variable amount, i.e. from the determined subsistence level of the household, the individual income of each household member is deducted in order to come to the actual amount of social assistance.

Social assistance is not limited in time. However, it is periodically reviewed. Persons fit for work must accept any work reasonably expected of them. For single parents, the child care responsibilities are taken into account when determining reasonable expectations.

#### Supplementary benefits

The amount of supplementary benefit depends on personal circumstances (family composition) and financial situation.

## Helplessness allowance

An entitlement to a helplessness allowance (*Hilflosenentschädigung*), exists where no such benefit is paid by an accident insurance fund. Persons are considered to be "helpless" depending on the degree to which they require the assistance of third persons in providing for their daily needs (dressing/undressing, standing up/sitting/lying down, eating, personal hygiene, moving about and going to the toilet).

There are three degrees of helplessness (severe, medium and moderate). Persons over the age of 65 are entitled to a helplessness allowance only in the event of at least medium helplessness (unless they were already in a situation of moderate helplessness before reaching retirement age).

## Maternity allowances

Women who have recently given birth but who are not entitled to sickness benefit during maternity leave under the compulsory sickness insurance scheme receive a lump-sum tax-free maternity allowance (*Mutterschaftszulage*) from the State. Where the amount of sickness benefit payable under the mandatory sickness insurance scheme in the event of maternity is less than the fixed amount for the maternity allowance, the difference is paid.

To be entitled to a maternity allowance, the mother must be officially resident in Liechtenstein.

The amount of the allowance depends on the taxable earnings of both spouses or those of the single mother. The allowance is payable only if taxable earnings are below a set threshold.

## Blind person's allowance

The amount of the allowance (*Blindenbeihilfen*) depends on the degree of visual impairment (completely blind, effectively blind, and severely visually impaired). Only residents of Liechtenstein from the age of six are entitled to such an allowance.

## How are minimum resources benefits accessed?

Social assistance is managed centrally by the State. In order to grant financial aid the approval of the relevant welfare commission of the municipality is needed. The entitlement to social assistance is regulated by law in type and range.

Administration of supplementary benefits is the responsibility of the Liechtenstein old-age and survivors' pension insurance institutions, where a claim for benefits should be lodged. It determines the subjective right of the claimant and calculates the differential amount according to the income, assets and expenditures of that person.

## Chapter XII: Long-term care

### When are you entitled to long-term care?

You may be entitled to long-term care benefits in the event of a need for long-term support and care at home, which necessitates appropriate care services by a third party. A person considered helpless is someone who is in permanent need of help from a third party, permanent long-term care or personal supervision to carry out 6 activities of daily living, such as getting up, dressing, washing, eating, having social contacts and going to the toilet.

In principle, all people residing in Liechtenstein who neither live in a nursing home nor stay in a hospital for in-patient care may be entitled to Support and Care Allowance (*Betreuungs- und Pflegegeld*). It should be expected that the need for support and care will persist for at least one month and an average daily need of care by a (remunerated) third person of more than one hour would be required.

All mandatory health insured persons in Liechtenstein may be entitled to [helplessness allowance](#) (*Hilflosenentschädigung*). It may also be provided to persons covered by accident insurance (for accidents at work and occupational diseases).

### What is covered?

Support and Care Allowance is provided in case of need for support and care at home.

There are six levels of the allowance, which are dependent on the time the third person has to spend per day providing care and support. They range from level one (support and care of more than one hour per day) where the daily allowance amounts to CHF 10 (€ 8.10), to level 6 (need of support and care of more than 7.5 hours per day), with a daily allowance of CHF 180 (€ 146).

The Support and Care Allowance is usually not enough to fully cover the costs for the person providing support and/or care services. Therefore, the beneficiary has to contribute to the charges.

### How is long-term care accessed?

In order to determine the average daily need of support and/or care by a third person, an assessment is carried out by qualified staff on site with the help of survey schemes designed and standardised to that end.

Degree of dependency is checked on a regular basis, usually annually. However, the assessment period is set individually, based on a case by case evaluation.

The beneficiary has free choice among care providers. They may be informal caregivers, or professional providers. Residential care in nursing homes and care from private organisations offering home care (subsidised by the state) is also available.

## Annex: Useful addresses and websites

More detailed information on qualifying conditions and individual social security benefits in Liechtenstein can be obtained from the public institutes managing social protection system.

For social security issues concerning more than one EU country, you may search for a contact institution on the Institutions' directory maintained by the European Commission and available at: <http://ec.europa.eu/social-security-directory>.

Enquiries concerning the effect on benefits of insurance in two or more Member States should be addressed to:

### **Government of the Principality of Liechtenstein**

(Regierung des Fürstentums Liechtenstein)

Regierungsgebäude

9490 Vaduz

Tel: +423 236 74 61

Fax: +423 236 76 81

E-mail: [Info@liechtenstein.li](mailto:Info@liechtenstein.li)

<http://www.liechtenstein.li>

### **Office of Economic Affairs, Unemployment insurance**

(Amt für Volkswirtschaft, Arbeitslosenversicherung)

Poststrasse 1

9490 Vaduz

Tel: +423 236 68 71

Fax: +423 236 68 89

E-mail: [info.avw@llv.li](mailto:info.avw@llv.li)

<http://www.avw.llv.li>

### **Office of Public Health, International Department**

(Amt für Gesundheit, Fachbereich Internationales)

Aeulestrasse 51

9490 Vaduz

Tel: +423 236 73 40

Fax: +423 236 73 50

E-mail: [info.ag@llv.li](mailto:info.ag@llv.li)

<http://www.ag.llv.li>

### **Office of social services**

(Amt für Soziale Dienste)

Postplatz 2

9494 Schaan

Tel: +423 236 72 72

Fax: +423 236 72 74

E-mail: [info.asd@llv.li](mailto:info.asd@llv.li)

<http://www.asd.llv.li>

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**Financial Market Authority**

(Finanzmarktaufsicht)

Landstrasse 109

9490 Vaduz

Tel: +423 236 73 73

Fax: +423 236 73 74

E-mail: [info@fma-li.li](mailto:info@fma-li.li)

<http://www.fma-li.li>

**Institutions for Old-age and survivors' pensions, invalidity pension and families' compensation**

(AHV-IV-FAK-Anstalten)

Gerberweg 2

9490 Vaduz

Tel: +423 238 16 16

Fax: +423 238 16 00

E-mail: [ahv@ahv.li](mailto:ahv@ahv.li)

<http://www.ahv.li>