

IGP Country Profile

France





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Customary employee benefits

Death benefits

Benefit Provider

Complementary death-in service benefits may also be paid according to National Collective Bargaining Agreement ('CCN') and Industry agreements.

Death-in-service benefits are provided through Survivors Insurance and Group Life Insurance (GL).

Type of Plan

Plans are usually insured.

Eligibility

Where provided, GL insurance must be proposed to all employees.

Plans must be implemented following a collective agreement, referendum, or employer unilateral decision (all employees must receive written information describing the plan); and membership is mandatory for all employees.

Insured survivor's and orphan pensions are often provided.

Benefits

A survivor's pension is often provided for Executives, in addition to a lump sum and offers a benefit for the spouse and dependent child in the event of death during service.

It is customary for employers to provide Survivor Pensions on a prospective basis up to the employee's retirement age due to the nature of mandatory benefits; a typical survivor's pension would be 1% of the deceased's gross salary for each year from the date of death to age 65.

In some cases, a pension is payable until the surviving spouse qualifies for the AGIRC pension.

Orphan's Pensions are usually around 10% to 20% of the employee's salary at death for each dependent child. Such pensions will usually run until age 18 or until the child quits full-time education if later, usually ceasing at a maximum age of 26 years.

Typical lump sum GL benefits for Executive employees might include:

- A death lump sum amounting between 2 to 5 times annual salary, depending on marital status and other death benefits (typically: 240% of salary if single; 280% if married).
- An additional lump sum of one times annual salary for each dependent child (typically +70% per dependent child).
- Benefits are doubled in case of accidental death.
- Typical lump sum GL benefits for non-Executive employees might include:
 - A death lump sum between one and two-times the annual salary, depending on the insured's marital status.
 - An additional lump sum of quarter the insured's annual salary for each dependent child.

Contributions

- Employers typically finance 50% to 60% of the total cost for all benefits.
- Employees typically finance 40% to 50% of the total cost for all benefits.

Disability benefits

Short-Term Disability

Benefit Provider

Short-term sickness benefits may be part of a collective agreement and are usually provided through an insurance company although they may be self-funded by the Employer.

Eligibility

Employers commonly supplement mandatory benefits. All employees would normally be covered.

Waiting Period

The waiting period varies between 4 and 180 days. Typically, it is 90 days for the Executive employees, and 30 to 60 days for the non-Executives.

Payment Period

Supplementary benefits are paid on top of Social Security short-term sickness benefits.

Benefits

A typical level of benefits would be 70% to 90% of the salary (sometimes up to 4 times the SSC for Executive employees) less the Disability benefit served by Social Security.

In any case, the benefit could not exceed an integrated total of 100% of an employee's salary.

Contributions

- Employers typically finance 50% to 60% of the total cost of benefits. Self-insured plans are funded by the Employer.
- Employees typically finance 40% to 50% of the total cost of benefits.

Long-Term Disability

Benefit Provider

Long-term disability (LTD) benefits may be part of a collective agreement and are usually insured.

Eligibility

Within the frame of Employee Benefits Collective Agreements,

Employers commonly provide long-term disability (LTD) insurance cover for all employees. Plans must be implemented following a Collective Agreement, Referendum, or employer's unilateral decision (with all employees receiving written information describing the plan).

Enrolment to such plans is compulsory for every employee of each staff category (e.g.: Executives or Non-Executives).

Waiting Period

Payment would start after the last entitlement to any short-term sickness benefit.

Payment Period

Payment continues as long as the Social Security pays the long-term disability pension. The benefit ceases when the insured qualifies for a full pension or reaches age 65.

Benefits

- The benefits are based on gross earnings, including bonuses for the preceding 12 months.
- Waiver of pension contribution is a standard feature.
- LTD insurance cover will top-up a social security pension; and there may be some additional compensation for continuing pension provision.
- There are 3 definitions of Disability, which are normally in line with the Social Security system. The benefit will be paid in addition to social security benefits.
 - Typically, 60% of monthly earnings for C1 Disability
 - For C2 and C3 Disability, the disability pension will vary between 70 to 90% of salary (maybe up to 4 times the SSC for Executives less the sickness benefits paid by Social Security).
- In the event of total and permanent disability, equivalent to C3 disability, the Employer's Group Life Insurance Plan benefits may be paid immediately.
- HIV/AIDS must be covered.

Contributions

- Employers typically finance 50% to 60% of the total cost of benefits.
- Employees typically finance 40% to 50% of the total cost of benefits.

Medical benefits

Benefit Provider

Private medical insurance (PMI) is offered by three different types of organizations: insurers, mutual companies and Provident Funds (“Institutions de Prévoyance”).

The Provident Funds are jointly managed by representatives of employers & employees and are often focused on particular industries or professional groups.

Eligibility

If provided by a Company, since January 1st, 2016, coverage through a Group Health Insurance Plan must be proposed to all employees, and no individual exclusions or cover limitations can be imposed.

The coverage usually includes spouses and children up to certain defined ages.

Plans must be implemented following a Collective Agreement, Referendum or employer’s unilateral decision (with all employees receiving written information describing the plan).

Enrolment to such plans is compulsory for every employee of each staff category. E.g.: Executives or Non-Executives.

Benefits

The private health system aims to complement the Social Security reimbursement system and operates on a reimbursement basis. A large part of the costs borne by the State are complemented by insurance and personal contributions.

A typical PMI plan would provide what is known locally as the copayment (Ticket Modérateur) reimbursement, which covers most or all of the difference of the insured’s costs between the Social Security ‘conventional’ tariff and the insured’s actual expenses and would include reimbursement for general medical treatment and hospitalization.

It is rather unusual to have differences in the medical coverage of various staff categories within a Company, such as Executives and Non-Executives.

Reimbursement limits vary (and the reimbursement of some fixed charges and penalties is forbidden).

Contributions

- The Employers contribution to PMI cover cannot be < 50% of the total cost. 50% are a minimum.
- The Employees contribution to PMI cover is typically 50% max of the total cost.

Retirement benefits

Type of Plan

Employer-sponsored arrangements may vary between defined benefits (DB) and defined contributions (DC) plans. The latter is now the most implemented.

The main plans in place are as outlined below (the Articles refer to the General Tax Code):

- The PER (Plan Epargne Retraite), available since October 1st, 2019 (introduced by the Pacte Law), can take three different forms, in particular the mandatory PER. This PER has replaced the Article 83 contract. It is a compulsory collective retirement savings plan for the category of employees designated by the employer.
- PER is also available in the form of a collective company PER. This savings product is a long-term product and is optional (instead of the PERCO). Please note since October 1st, 2020, it is no longer possible to set up a PERCO in companies, but it is still possible to make payments into it and it is also possible to transfer savings to the PER.
- The latest version of the PER is the individual PER. It succeeds the PERP. Savings can be transferred from the PERP to the individual PER.
- Article 39 (DB Plan), Still exists but has undergone changes and limitations, no longer as favorable as before.

Eligibility

Given the compulsory General Scheme enforced and the complementary supplementary plans which provide a high level of income replacement, voluntary schemes are not commonly implemented and not a usual practice.

Historically, plans were only designed for senior management, but, increasingly, benefits are now being proposed to all employees.

The usual minimum age to join a plan is 20 years for both men and women; there is no waiting period.

Once a plan is implemented, enrolment is normally compulsory; but plans may be set up specifically for some defined staff categories (for e.g.: Executives 'Cadres').

Normal Retirement Age

Normal retirement age is now 67 for men and women.

Normal Retirement Benefits

A DB Plan may provide a % of salary at retirement, typically 50% to 65% (which includes the amount paid by the National State Basic and Complementary Pension Schemes), or alternatively, a set proportion of final salary (for e.g.: 0.5% multiplied by number of years of service).

DB Plans are usually more commonly set for Senior Management.

A DC Plan provides a pension calculated in reference to underwriting assessments of the available fund, or by using the fund to purchase an insured annuity.

PER is designed to provide a retirement benefit, which may be paid out as a lump sum or an annuity.

Contributions

- Employer contribution depends on the type of Plan:
 - PER – mandatory plan: Three ways of funding the plan: compulsory employer contributions, compulsory employee contributions, and individual and optional employee payments.
 - PER – collective company plan: Payments by the employee (voluntary payments, incentive scheme...) plus optional payments by the employer, 3 times what the employee has deposited up to a limit of €6,581.76.
 - PER – individual: This is a voluntary personal Pension Plan for employees, and possibly Employer (for self-employed person).
 - Article 39 – Employer contribution only and has been modified by the order of July 3rd, 2019. From now on, there is no longer a condition of completion of a career with the company to obtain the benefit of the contract. Moreover, the accumulated rights are acquired but capped at 3% of the remuneration. Finally, it is no longer possible to buy back years.
- Employee Contribution: Not Applicable.

Vesting

- Vesting is immediate under DC Plans.
- DB Plans tend not to vest until retirement, for tax purposes.

Legislative news

2022

Article 51 of the 2021 Social Security Law amended the rules for governing policyholder contributions in the event of an emergency visit not followed by hospitalization in a medical, surgical, obstetric or dentistry, by transforming the co-payment applied into a fixed contribution.

Since 1 January 2022, the fixed patient emergency is in force:

- € 19.61 normal
- € 8.49 reduced

From 1 January 2022, health insurance will cover 100% of the cost of contraception for women aged 18 to 25 years, with systematic third-party payment.

2023

No renewal of the OCAM tax 0.8% tax on supplementary health insurance organizations.

Key point of the retirement law reform

From September 1, 2023, the statutory retirement age is 62 years and three months for people born on or after September 1, 1961; it will then be gradually increased by three months each year, reaching 64 in 2030.

The reform also includes an increase in the contribution period to 43 years from 2027 to reach the full rate, the abolition of most of the special schemes, and the creation of new rights, particularly about combining work and retirement and long careers.

Certain small pensions have been increased, by a maximum of 100 euros per month, for new pensioners and 1.7 million current pensioners.

Trends

Market trends

- Cost control: development of healthcare networks (optic, Audiology, Dental).
- Corporate retirement plan development (new PER).
- Wellbeing and return to work program (to reduce absenteeism).
- Short term disability: critical drift for many years: +5%/ year.
- Healthcare: +3% per year. French government enacted laws to limit costs increase, primary care physician, coordinated care pathway, flat charge,
- Most French insurers provide prevention and wellbeing programs.

Typical employee benefits plan

Benchmarking: Medical benefits (steel industry)

Benefits	Basic cover (minimum)	Option 1	Option 2
HOSPITALISATION			
Care and services	100% BR	100% BR	200% BR
Fees (surgeon, physician...)	150% BR	220%BR	235%BR
Private room supplement / day / Beneficiary	1,5% SCC	2,5% SCC	2,5% SCC
Daily hospital charge	100 % AE	100 % AE	100 % AE
Accompanying a children < 17 years old	1% SCC	1,50% SCC	1,75% SCC
Childbirth	covered	covered	covered
Emergency room flat fee	Full refund	Full refund	Full refund
Patient transportation	100% BR	100% BR	100% BR
DENTAL			
Routine treatment	125% BR	125% BR	125% BR
Implants	N/A	300 €	500 €
Orthodontics	225% BR	300% BR	300% BR
Periodontal treatment	125% BR	125% BR	125% BR
Removable prosthesis	225% BR	300% BR	400% BR
100% Healthcare equipment	Full refund	Full refund	Full refund
OPTICS			
Frame	100€ MAX	100€ MAX	100€ MAX
Glasses (depending of the classification)	From 250€ to 450€	From 350€ to 550€	From 350€ to 550€
Lenses	200 €	250 €	350 €
Laser surgery	N/A	400 €	400 €
100% Healthcare equipment	Full refund	Full refund	Full refund
AUDIOLOGY EQUIPMENT			
	Overall limit 1700€	Overall limit 1700€	Overall limit 1700€
Audio equipment (every 4 years)	200% BR for 1 or 2 devices	300% BR for 1 or 2 devices	1240€ / device
100% Healthcare equipment	Full refund	Full refund	Full refund

BR: official social security rate

SCC: social security ceiling (eur 37925/month in 2025)

AE: actual expense

Typical employee benefits plan (cont'd)

Benchmarking: Medical benefits (steel industry) (cont'd)

Benefits	Basic cover (minimum)	Option 1	Option 2
OUTPATIENT			
Consultations and visits GP	100% BR	100% BR	185% BR
Consultations and visits specialist	150% BR	180% BR	220%BR
Minor surgery	150% BR	180% BR	235% BR
Medical imaging (X-ray, MRI, scans)	150% BR	180% BR	180% BR
Paramedic Care	100% BR	100% BR	100% BR
Laboratory tests	100% BR	100% BR	100% BR
Prescribed drugs	200% BR	300% BR	300% BR
Orthopaedics	100% BR	100% BR	100% BR
PREVENTIVE MEDICINE			
Osteopathy, acupuncture, chiropractic (4 sessions max/year), cost / session	25 €	25 €	25 €
OTHER			
Assistance	yes	yes	yes
Psy consultation	100% BR	100% BR	100% BR

BR: official social security rate

SCC: social security ceiling (eur 37925/month in 2025)

AE: actual expense

Benchmarking: Life & disability benefit (engineering sector)

Benefits	Coverage based on the Annual Salary (brackets A, B and C)
DEATH OR PERMANENT DISABILITY	
Lump sum regardless family composition	170% of annual salary
EDUCATIONAL ANNUITY	
Up to 18th birthday	12% of annual salary
From 18th birthday until 26th birthday	15% of annual salary
Over 26th birthday for disabled child	15% of annual salary
SHORT TERM DISABILITY	
Deductible	90 consecutive days
Daily allowance	80% of annual salary
LONG TERM DISABILITY	
3rd or 2nd category long-term disability	80% of annual salary
1st category long-term disability	45% of annual salary

Useful links

Demographic information and macro-economic indicators

[CIA World Factbook](#) (please select the country to review)

[World Bank Group](#) (please select the country to review)

French social security (URSSAF)

www.urssaf.fr

European Commission (MISSOC)

www.missoc.org

More information on Malakoff Humanis

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06/26/2025 - WCAG AA