

The support period

Old-age and full disability pensions ...

Old-age and full disability pension beneficiaries are newly entitled to receive sickness benefits within one case of work disability and within a calendar year for 81 calendar days at the most. Until December 31, 2007, this period was 84 days. This change in the support period results from the three-day guard period. If pension beneficiaries receive sickness benefits for a longer time due to retroactive granting of their pension, they will be obliged to return the sickness benefit overpayment. Beneficiaries of the above-mentioned pensions will be entitled to sickness benefits and support when taking care of a family member only until the day they finish their employment. This is because beneficiaries of old-age and full disability pension are supported by their pensions and there is no reason to support them with sickness benefits and benefits when taking care of a family member in a period when they have terminated their employment and do not lose any income.

The treatment regime

Stricter sanctions for its breaches ...

Until December 31, 2007 it is only possible to reduce or withdraw sickness benefits for a breach of the treatment regime if the benefits have not been paid yet. From January 1, 2008 it will be possible to reduce or withdraw a benefit that has already been paid; however, from the day of the breach at the earliest. The withdrawn benefit or its part by which the paid benefit is reduced is considered as overpayment and the insured person is obliged to return it.

The temporary provisions

Entitlements occurring in 2007 ...

If a sickness benefit entitlement occurs in 2007 and continues after December 31, 2007, the benefit continues to be provided under the conditions, in the amount and in accordance with the regulations valid before January 1, 2008. This means that the amount of benefits is not recalculated and the original support period is maintained. A protection period that started to run before January 1, 2008 lasts 42 days at the most. If it starts to run on January 1, 2008 or later, it will last 7 days at the most. In the case of women that are pregnant on termination of their employment, the protection period is still 6 months.

Examples:

- *If work disability occurs on December 30, 2007 and lasts until January 31, 2008, the employee is entitled to receive sickness benefits for the first three days of work disability as well. And for the whole work disability period, the benefits are paid in amounts based in regulations valid in 2007.*
- *If a woman commences her maternity leave in 2007 (e.g. on December 1), she is entitled to maternity benefits in cash for 37 weeks if she complies with the condition of being single after the expiration of the 28th week. If her maternity leave starts in 2008, she will only receive support for 28 weeks.*
- *If employment that lasted a year ends on December 29, 2007, the protection period is 42 days. If the employment ends on December 31, 2007, the protection period is 7 days as it starts to run in 2008.*

About this information

Information is provided by ...

If you have questions about your sickness insurance, contact the responsible regional social insurance administrations (OSSZ), in Prague the district offices of the Prague Social Security Administration (PSSZ) and in Brno the district offices of the Municipal Social Security Administration (MSSZ Brno). All the offices are open to the public every workday, at least in the following hours.

OSSZ, PSSZ, MSSZ Brno	
Monday and Wednesday	8.00 – 17.00
Tuesday and Thursday	8.00 – 14.00
Friday	8.00 – 13.00

You will find detailed contact information, incl. addresses of electronic registries of individual offices, on the website of ČSSZ at <http://www.cssz.cz>.



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Changes in sickness insurance from January 1, 2008 on ...

Sickness benefits in cash and other sickness insurance benefits

About the changes New legal regulations ...

On January 1, 2008 several changes in the sickness insurance system will become effective. The changes result from Act no. 261/2007 Coll. on Public Budget Stabilization. It newly introduces the "guard period" in the insurance system, modifies the rates of individual benefits and reduces the protection period. The Act also reduces the length of the period of financial support of single mothers and the length of the support period of beneficiaries of old-age and full disability pension. It extends the obligation to return overpayment of already paid benefits as well. At the same time, the validity of the new Sickness Insurance Act (no. 187/2006 Coll.) has been postponed for another year. In practice, this means that the introduction of the planned wage compensation that should be provided by the employer for the first two weeks of sickness is postponed to January 1, 2009.

About the insurance When does the insurance commence ... ?

Until December 31, 2007, the day of the employee's start of employment is considered as the commencement of the insurance. Newly, from January 1, 2008, the start of employment is defined as the day before the actual entry for which the employee is entitled to a wage or salary compensation or for which the wage or salary is not reduced. This means that the period that is used for determination of the commencement of the sickness insurance and the principles of inclusion of income in the calculation basis for social security fees are unified.

Example:

In accordance with the employment contract, the employment of an employee commences on January 1, 2008. For this day she is entitled to receive wage compensation since it is a public holiday. On Wednesday, January 2, 2008, she does not work as she takes a day off with wage compensation due to her father's funeral. She starts working on Thursday, January 3, 2008. However, her participation in sickness insurance commenced on January 1, 2008 already.

About benefits Changes in the calculation of benefits ...

The daily calculation basis with reduction limits for the calculation of sickness benefits and support when taking care of a family member is being changed. To put it simply, the daily calculation basis is the sum of the gross income for the 12 calendar months before the occurrence of the entitlement to a benefit, in the case of self-employed persons it is the sum of monthly calculation

bases for the payment of insurance fee advances in the previous calendar year divided by the number of calendar day except days that cannot be included.

What is new is that from the daily calculation basis below 550 CZK (the first reduction limit) from January 1, 2008, just 90% will be considered throughout the whole period of provision of sickness benefits and support for taking care of a family member. Until December 31, 2007, 90% of this sum is considered just for the first two weeks of providing these benefits and then the full sum is considered. As regards the difference between 550 CZK and 790 CZK, 60% of this sum will still be considered while sums exceeding 790 CZK will not be taken into account.

Reduction limits

The reduction limits for the modification of the daily calculation basis valid until December 31, 2007, i.e. 550 CZK and 790 CZK, will not be increased for 2008.

Changes in sickness benefits

One of the main changes influencing the amount of sickness benefits is the introduction of the "guard period", i.e. the period for which sickness benefits will not be granted. From January 1, 2008, the guard period will comprise the first three calendar day of work incapability. If the work incapability lasts more than three calendar days, the sickness benefits are paid from the fourth day on. The longest period for which sickness benefits can be provided (i.e. the support period) is calculated from the first day of work incapability from January 1, 2008. The support period remains as one year. For the determination of sickness benefits, instead of the unified rate of 69% of the daily calculation basis, a step rate will be introduced. It depends on the duration of the temporary work incapability (quarantine). In the case of short-term sickness benefits, i.e. up to 60 calendar days, the rate is lower, in the case of longer work incapability, the rate as increased when compared to the situation before December 31, 2007.

New percentage rates for the calculation of sickness benefits

(% of the reduced daily calculation basis)

- 60% from the 4th to the 30th calendar day of work incapability or quarantine;
- 66% from the 31st to the 60th calendar day of work incapability or quarantine;
- 72% from the 61st calendar day of work incapability or quarantine.

Example:

Temporary work incapability of an employee lasted 70 calendar days. The calculation basis in the concerned period was 288,350 CZK, the daily calculation basis was 790 CZK. The reduced daily calculation basis is 639 CZK ($550 \times 0.90 + 240 \times 0.60 = 495 + 144 = 639$).

Sickness benefits from January 1, 2008

1. - 3. calendar day	0 CZK
4. - 30. c. day	$639 \times 0.60 = 384 \times 27 \text{ days} = 10,368 \text{ CZK}$
31. - 60. c. day	$639 \times 0.66 = 422 \times 30 \text{ days} = 12,660 \text{ CZK}$
61. - 70. c. day	$639 \times 0.72 = 461 \times 10 \text{ days} = 4,610 \text{ CZK}$

Changes in the maternity benefits in cash

In the case of maternity benefits in cash from January 1, 2008, the daily calculation basis for the calculation of further maternity benefits in cash in the case of the birth of another child remains the same. This means that if an employee during the same employment becomes entitled to further maternity benefits in cash up to her child reaching 4 years of age, the calculation basis established for the previous support will be used, but only if it is more beneficial for the employee. At the same time, the existing preference of single women to married women with regard to the duration of the support period will be cancelled. The support period has been reduced from 37 to 28 weeks while the period of 37 weeks will only be maintained in the case of repeated births. The provision of maternity benefits in cash to employment applicants is also cancelled. From the day of delivery, they will be provided parental benefits within state social support.

The rate for financial aid during care for a member of family is reduced

In the case of financial aid when taking care of a family member, the percentage rate for determination of the support is reduced in the same way as in the case of sickness benefits up to the 30th calendar day of work incapability, namely to 60% of the daily calculation basis.

The protection period Reduction of the protection period ...

The protection period is reduced from 42 to 7 calendar days. The protection period means the period after the end of employment (participation in insurance) during which the entitlement to sickness benefits resulting from the terminated employment (insurance) is maintained. In practice, this means that an employee receives sickness benefits from terminated employment (insurance) for a certain period of time if his/her work incapability occurs within a certain period after termination of the employment (insurance). At the same time, from January 1, 2008 on there will be no entitlement to support when taking care of a family member during the protection period. The purpose of this benefit and the fact that it is a short-term benefit have been considered here.