

INCAPACITY FOR WORK DUE TO DISEASE OR INJURY IN THE FIRST HALF OF 2013

The **trend in temporary incapacity for work due to disease or injury in the Czech Republic in the 1st half of 2013** was significantly affected by changes to relevant legal regulations of the sickness insurance effective since 1 January 2011 and since 1 January 2012 which has been valid so far. Changes to provisions establishing amounts of the sickness insurance benefit shown the strongest effect on the trend.

Basic indicators of the statistical survey on temporary incapacity for work due to disease or injury in the Czech Republic in the 1st half of 2013, processed from data from the administrative data source of the CSSA information system, are given here below:

The **average number of sickness-insured persons** in the 1st half of 2013 was 4 415.4 thousand persons, which is by almost 43.6 thousand less than in the 1st half of 2012 (4 459.0 thousand persons).

The number of **newly notified cases of incapacity for work** in total increased from 607.4 thousand in the 1st half of 2012 to 754.6 thousand in the 1st half of 2013, year-on-year. This number included 672.2 thousand cases of incapacity for work due to sickness, 21.9 thousand cases of incapacity for work due to occupational injury, and 60.5 thousand cases of incapacity for work due to other injury.

The **number of newly notified cases of incapacity for work per 100 sickness insured persons** increased year-on-year from 13.6 cases in the 1st half of 2012 to 17.1 cases in the 1st half of 2013. In the 1st half of 2013 the highest number of cases of incapacity for work per 100 sickness insured persons was notified in the Liberecký Region (20.5 cases), then followed the Plzeňský Region (19.8 cases), Jihočeský Region (19.7), Vysočina Region (18.7 cases), Karlovarský Region (18.4 cases), and Královéhradecký Region (18.3 cases). The least number of cases was notified in the Hlavní město Praha Region (14.5 cases), and then followed the Olomoucký Region (15.9 cases) and in the Jihomoravský Region (17.0 cases).

The **average duration of one case of incapacity for work** decreased year-on-year from 47.7 days in the 1st half of 2012 to 42.2 days in the 1st half of 2013. The **average duration of one case of incapacity for work** was reduced by 5.5 days. The longest average **duration of one case of the incapacity for work** in the 1st half of 2013 was recorded in the Zlínský Region (51.4 days), the shortest one recorded was in the Hlavní město Praha Region again (37.4 days).

The **average percentage of incapacity for work** increased year-on-year from 3.570% in the 1st half of 2012 to 3.988% in the 1st half of 2013. The **average percentage of incapacity for work gives the number out of 100 sickness insured persons is on average every day incapacitated for work due to disease or injury**. The average percentage of incapacity for work takes into account both the total number of cases of incapacity for work (how often persons become incapacitated for work) and the average duration of one case of incapacity for work (how long persons remain incapacitated for work).

Table 1 Basic indicators of temporary incapacity for work due to disease or injury in the 1st half of 2013 by region and in the Czech Republic

Territory	Territory abbreviation	Average number of sickness-insured persons	Number of newly notified cases of incapacity for work	Number of calendar days of incapacity for work	Number of newly notified cases of incapacity for work per 100 sickness-insured persons	Average percentage of incapacity for work (%)	Number of calendar days of incapacity for work per 1 newly notified case	Average daily number of the incapacitated for work
Hl. m. Praha Region	PHA	1 140 969	165 169	6 176 376	14.48	2.991	37.39	34 124
Středočeský Region	STC	402 794	71 893	2 895 739	17.85	3.972	40.28	15 999
Jihočeský Region	JHC	222 758	43 969	1 919 475	19.74	4.761	43.66	10 605
Plzeňský Region	PLZ	213 125	42 126	1 686 559	19.77	4.372	40.04	9 317
Karlovarský Region	KAR	88 095	16 174	650 021	18.36	4.077	40.19	3 591
Ústecký Region	UST	279 870	49 082	2 197 930	17.54	4.339	44.78	12 143
Liberecký Region	LIB	145 808	29 871	1 199 842	20.49	4.546	40.17	6 629
Královéhradecký Region	HRA	189 680	34 780	1 374 314	18.34	4.003	39.51	7 592
Pardubický Region	PAR	188 058	33 392	1 381 721	17.76	4.059	41.38	7 633
Vysočina Region	VYS	174 314	32 597	1 357 234	18.70	4.302	41.64	7 498
Jihomoravský Region	JHM	479 588	81 390	3 543 760	16.97	4.082	43.54	19 578
Olomoucký Region	OLO	218 388	34 704	1 666 915	15.89	4.217	48.03	9 210
Zlínský Region	ZLI	212 538	36 989	1 902 457	17.40	4.945	51.43	10 511
Moravskoslezský Region	MSK	459 460	82 444	3 923 078	17.94	4.717	47.58	21 674
Czech Republic, total	CR	4 415 445	754 580	31 875 421	17.09	3.988	42.24	176 104

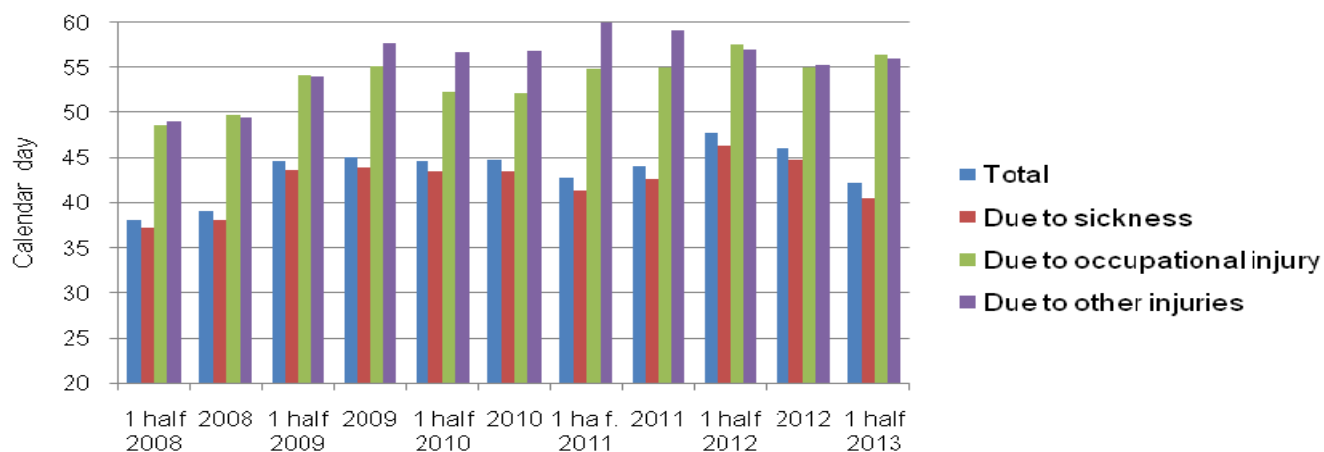
Table 2 Basic indicators of temporary incapacity for work due to disease or injury in the Czech Republic in the 1st half of 2013 by CZ-NACE activity

CZ-NACE groups of activities	Average number of sickness-insured persons	Number of newly notified cases of incapacity for work	Number of calendar days of incapacity for work	Number of newly notified cases of incapacity for work per 100 sickness-insured persons	Average percentage of incapacity for work (%)	Number of calendar days of incapacity for work per 1 newly notified case	Average daily number of the incapacitated for work
A. Agriculture, forestry and fishing	112 194	17 616	1 017 681	15.70	5.011	57.77	5 623
B. Mining and quarrying	33 975	7 225	301 636	21.27	4.905	41.75	1 666
C. Manufacturing	1 142 731	241 661	10 006 742	21.15	4.838	41.41	55 286
D. Electricity, gas, steam and air conditioning supply	32 675	3 837	140 032	11.74	2.368	36.50	774
E. Water supply; sewerage, waste management and remediation activities	56 793	9 373	401 327	16.50	3.904	42.82	2 217
F. Construction	249 105	40 569	2 419 816	16.29	5.367	59.65	13 369
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	597 858	89 858	4 183 702	15.03	3.866	46.56	23 114
H. Transportation and storage	276 334	42 805	2 072 727	15.49	4.144	48.42	11 452
I. Accommodation and food service activities	137 925	17 840	1 021 961	12.93	4.094	57.28	5 646
J. Information and communication	115 571	15 168	389 024	13.12	1.860	25.65	2 149
K. Financial and insurance activities	92 516	13 805	415 064	14.92	2.479	30.07	2 293
L. Real estate activities	74 229	6 155	320 930	8.29	2.389	52.14	1 773
M. Professional, scientific and technical activities	196 406	22 299	841 593	11.35	2.367	37.74	4 650
N. Administrative and support service activities	235 231	44 550	1 894 504	18.94	4.450	42.53	10 467
O. Public administration and defence; compulsory social security	248 453	40 907	1 321 817	16.46	2.939	32.31	7 303
P. Education	339 583	53 370	1 649 130	15.72	2.683	30.90	9 111
Q. Human health and social work activities	329 351	49 075	2 211 545	14.90	3.710	45.06	12 218
R. Arts, entertainment and recreation	63 979	7 795	314 161	12.18	2.713	40.30	1 736
S. Other service activities	62 603	8 465	390 583	13.52	3.447	46.14	2 158
T. Activities of households as employers	1	-	-	-	-	-	-
U. Activities of extraterritorial organisations and bodies	78	3	84	3.85	0.595	28.00	-
Not identified	x	x	x	x	x	x	x
Total	4 415 445	754 580	31 875 421	17.09	3.988	42.24	176 107

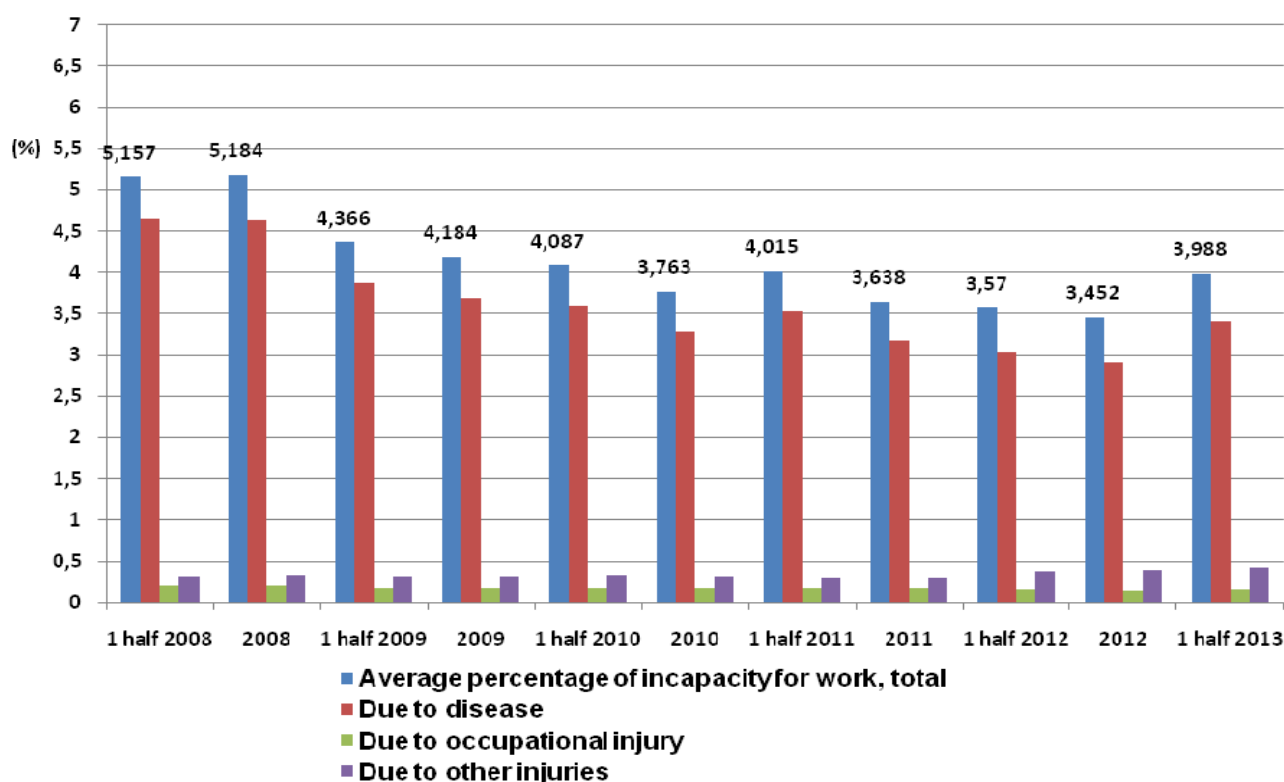
- means that there was no such phenomenon

x means that no record can be made due to logical reasons

Graph 1 Average duration of incapacity for work due to sickness and injury in calendar days *)



Graph 2 Structure of the average percentage of incapacity for work due to disease or injury from 1st half of 2008 to 1st half of 2013 ^{*)}



^{*)} Time series and data measured by the state statistical questionnaire on incapacity for work due to disease or injury of 'Nem Úr 1-02' can be compared till 2011. Starting in 2012 the Czech Statistical Office has been providing data for the Statistics of Temporary Incapacity for Work due to Disease or Injury by processing of data from the administrative data source of the Czech Social Security Administration information system (see methodological notes).

Methodological information on data of the "Statistics of Temporary Incapacity for Work due Disease or Injury" generated by processing of data from an administrative source of the information system of the Czech Social Security Administration are given in the text of Methodological Notes.

Sickness insurance - general Information

Since 1 January 2009 the sickness insurance is regulated by the Act No. 187/2006 Sb. on sickness insurance as amended. Insurance premium for sickness insurance is regulated by the Act No. 589/1992 Sb. on insurance premiums for social security and contribution to the state employment policy, as amended. Since 1 January 2011 essential changes have been made to legislation on wage reimbursement in the first period of temporary incapacity for work or quarantine, sickness benefits due to the Act No. 347/2010 Sb. changing certain acts in relation to saving measures in the field of the Ministry of Labour and Social Affairs of the CR, and the advantageous regulation for the own-account workers was cancelled as well. Since 1 January 2012 the Act No. 187/2006 Sb. on sickness insurance as amended, has been amended by the Act No. 365/2011 Sb. This amendment enlarged the circle of the sickness-insured persons with employees active on the basis of an agreement on work. Since 1 January 2013 the Act No. 401/2012 Sb. amending the Act No. 359/1999 Sb. on social and legal protection, has been effective. This Act has changed the circle of persons participating in sickness insurance, moment of the insurance termination, and the determination of entities fulfilling tasks of sickness insurance in the Act No. 187/2006 Sb.

An overview of essential legal changes to the sickness insurance system since 2011

➤ Amount of sickness benefit (percentage rate)

In relation to saving measures the increase in percentage rate for sickness benefit depending on the duration of incapacity for work. In 2010 a unified rate for sickness benefit for the whole duration of incapacity for work at the amount of 60% was introduced. This, originally one-year, measure, shall be valid permanently. The amount of sickness benefit is 60% of the reduced daily chargeable basis. Percentage rates of other benefits and allowances have not been changed since 1 January 2011. That means maternity benefit will be 70% and care benefit will be 60%.

➤ Providing of sickness benefit starting from 22nd calendar day of incapacity for work

An employee, recognised as temporary incapable of work by a physician, is entitled to earn sickness benefit since 22nd calendar day of his/her temporary incapacity for work till the end of the period of incapacity for work yet for 380 calendar days, as maximum counted since temporary incapacity for work case has started (including previous time periods of this case of incapacity for work).

For the period of the first 21 the employee with an employee relation giving a basis for his/her participation in sickness insurance, shall be secured by a wage reimbursement provided by his/her employer in accord with the Labour Code. The wage reimbursement is entitled for working days of temporary incapacity for work since its 4th working day (in the case of quarantine then since the first working day).

➤ **Amounts of sickness benefit in relation to elevation of the reduction limits**

Amount of benefits are calculated from a daily chargeable basis, which is determined that chargeable income accounted to the employees in the determining period (as a rule the period of 12 calendar months before the calendar month in which the social event occurred) is subdivided by the number of "countable" calendar days falling into the determining period.

This way determined average daily income is adjusted (reduced) by means of three reduction limits. The level of the three reduction limits effective since 1 January of the given year is announced by the Ministry of Social and Labour Affairs of the CR in the form of a communication in the Sbírka zákonů (Gazette).

In 2012 1st reduction limit was CZK 838, 2nd reduction limit was CZK 1 257, and 3rd reduction limit was CZK 2 514. In 2013 1st reduction limit is CZK 863, 2nd reduction limit is CZK 1 295, and 3rd reduction limit is CZK 2 589.

➤ **Sickness insurance of the own-account workers and foreign employees**

Since 1 January 2011 the rate of insurance premium for sickness insurance for the own-account workers and foreign employees was increased from 1.4% to 2.3%. This rate remained valid for the year 2012 according to the Act No.364/2011 Sb. as well.

The participation of the own-account workers in sickness insurance is voluntary and is created on the basis of an application submitted to sickness insurance and by payment of insurance premium for sickness insurance. Since 1 January 2012 the minimum monthly chargeable basis for the own-account workers, which such person may choose to pay insurance premium for sickness insurance from, has been CZK 5 000, and that means, while the rate of insurance premium is 2.3%, that the minimum insurance premium for a calendar month is CZK 115.

The own-account workers are entitled to sickness benefit payments starting from 22nd day of their incapacity for work.

Other essential change valid since 2011 for the own-account workers, who are sickness insured, is that in the situation their independent income activity is their side activity (for instance, for the reason they have been granted old-age pension) and the given person enrolls into voluntary participation in the sickness insurance at the same time, the performance of their independent income activity has been changed to the main income activity since 1 January 2011. Thus this own-account worker is obliged to pay deposits to pension insurance at least at their minimum amount, or depending on the amount of the income tax basis attained for the previous calendar year.

Since 1 January 2011 the interconnection of the deposit for pension insurance and payment to sickness insurance has been provided for by law. This in practise means that the monthly base determined by insurance payment to sickness insurance may not be higher than the monthly chargeable basis, which deposit to pension insurance was or should be reimbursed in that month from.

So-called foreign employees may voluntarily participate in the sickness insurance as well. Foreign employees are employees of a foreign employer with registered office located in a country, which is "foreign country not covered by an agreement", if they do their work activities in the Czech Republic in benefit of the foreign employer.

➤ **Change to the circle of sickness-insured persons**

Since 1 January 2012 the Act No. 187/2006 Sb. on sickness insurance, as amended, has been amended by the Act No. 365/2011 Sb. This amendment broadens the circle of the sickness-insured persons with employees active on the basis of an agreement on work and with other persons given in Section 5 a) under points 16-20.

An employee active on the basis of an agreement on work has the obligation to participate in the sickness insurance born if he/she complies with two conditions as follows:

- the work activities are performed on the territory of the Czech Republic, and
- in the calendar month in which the agreement on work is effective, he/she reached chargeable income in the amount over CZK 10 000.

On 1 January 2013 the Act No. 401/2012 Sb. amending the Act No. 359/1999 Sb. on social and legal protection became effective. This act changed the circle of persons participating in the sickness insurance, moment of the insurance termination, and determination of entities fulfilling tasks of the sickness insurance in the Act No. 187/2006 Sb.