

INCAPACITY FOR WORK DUE TO DISEASE OR INJURY IN 2008

In 2008, incapacity for work caused by disease or injury in the Czech Republic was significantly affected by changes in sickness insurance introduced on 1 January 2008. In the framework of Act No. 261/2007 Sb., the Public Budget Stabilisation Act, in particular the following adjustments to the way of determining the amounts of sickness insurance benefits were made. The adjustments are presented in time sequence:

Adjustments introduced in the period from 1 January 2008:

- the amount of sickness benefit or financial support for care of family members is determined by 90% of the daily assessment basis for the first reduction ceiling also after the first 14 days of incapacity for work or care of family members;
- there is no eligibility for sickness benefit for the first three calendar days of incapacity for work;
- the amount of sickness benefit (for a calendar day) is determined from the daily assessment basis – 60% of daily assessment basis for the 4th to 30th calendar day of incapacity for work, 66% for the 31st to 60th calendar day of incapacity for work, and 72% starting from the 61st calendar day of incapacity for work.

Adjustments introduced on 30 June 2008:

- The Constitutional Court cancelled with effect from 30 June 2008 the institute of benefit waiting period (free of sickness benefit for the first three days of incapacity for work).
- Since 30 June 2008 until 31 August 2008 – sickness benefit amounted to 60% of the daily assessment basis for the first three days of incapacity for work.
- Since 1 September 2008 until 31 December 2008 – sickness benefit for the first three days of incapacity for work accounted for 25% of the daily assessment basis, i.e. the rate applied from 1 January 2004 until 31 December 2007.
- The rates of sickness benefits remained unchanged (see above).

These adjustments had a considerable impact on statistics on incapacity for work due to disease or injury in 2008.

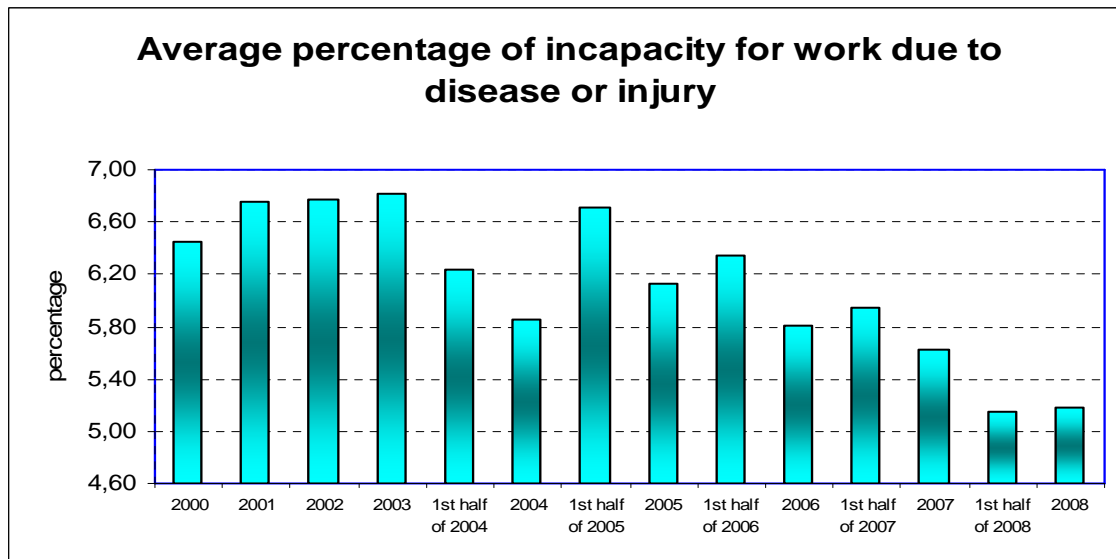
A significant decrease in the number of **newly notified cases of incapacity for work** in total reported for the 1st half of 2008 (in absolute terms by 23.2% and by 24.7% per 100 insured persons) slowed down moderately in 2008 to 18.5% in absolute terms and by 18.1% per 100 insured persons. Concurrently, the average number of the insured persons in the 1st half of 2008 increased, y-o-y, by 1.2%, however, for the whole year 2008 it slightly fell (-0.5%).

A sharp growth of the **average duration of one case of incapacity for work**, which was registered in 1st half of 2008, i.e. from 32.91 days to 38.14 days, showed a moderate slowdown over the year 2008. For the whole year 2008 the average duration of incapacity for work increased from 34.58 days in 2007 to 39.05 days in 2008, i.e. by 12.9%.

This trend is documented also by the **average percentage of incapacity for work**, when the decrease in the 1st half of 2008 made 0.78 percentage point, from 5.941% to 5.157%, while for the whole year 2008 the drop was 0.44 percentage point (from 5.619 to 5.184%). As for the long-term time series of annual data the level of the average percentage was the lowest and came closer to the value registered at the beginning of the 1990s.

In 2008, in the Czech Republic, the total of 237 040 insured persons were missing at work every day due to incapacity for work caused by disease or injury (down by 21 245 insured persons), of which due to disease 212 151 persons (down by 20 017 persons, y-o-y), due to accidents at work 9 695 persons (down by 170 insured persons) and due to other accidents (i.e. out-of-work) 15 194 insured persons (down by 1 059 insured persons).

The graph below shows the average percentage of incapacity for work over a longer period of time (since 2004 including figures for the first half years).



The graph reveals the high flexibility of the average percentage of incapacity for work in relation to the legislative amendment in the area of sickness insurance benefits.

The average percentage of incapacity for work was on the increase up to 2003 when it topped out at 6.814%. That means nearly 7 employees/insured persons out of 100 were not at work on grounds of disease or injury. In 2004, in consequence of changes in the sickness benefit calculation (amendment to Act No. 54/1956 Sb., on health insurance, in effect since 1 January 2004), the average percentage of incapacity for work decreased markedly for the first time and reached 5.857; then, in 2005, it grew temporarily, and the next periods saw a gradual decrease, with the most marked fall in the first half of 2008 caused by legislative amendments mentioned above.

