

Social protection

19.11.2021 |

Selected indicators - methodical notes

Social security consists of social insurance, state social benefits, and social assistance.

Pension insurance according to Act No 461/2003 Code of Acts on Social Insurance is comprised of **old-age insurance** for secured income at old-age and in case of death and **invalidity insurance** in case of declined ability carry out gainful activity in consequence of long-term unfavourable health conditions of the insured person and in case of death. Pension insurance covers employees, employers, compulsory pension insured self-employed persons, voluntary pension insurance persons, and state and social insurance agencies.

Pension insurance system includes old-age and early old-age pensions, invalidity pensions, widow's, widower's and orphan's pensions. Since January 1, 2004, pensions for extended employment are paid as invalidity pensions. Spousal pensions, social pensions, increase of pension in case of disability and increase of pension as the sole source of income are state benefits refunded by the government.

Benefits of sickness **insurance include** four systematic benefits: sickness insurance benefits, family member attendance allowance, maternity financial allowance, and equalizing allowance. Since 2004, employee obtained sickness entitlement is refunded by the Social Insurance Agency from the 11th day of temporary incapacity from work. The first ten days are refunded by employer. Self-employed persons obtained sickness entitlement from the 1st day of temporary incapacity from work.

Injury insurance is insurance for health damage or death as a result of a working accident and occupational disease.

Guarantee insurance is insurance for employers insolvency for employee claim satisfaction.

Insurance in unemployment is insurance in case of income loss from employee activity as a consequence of unemployment and for income security as a consequence of unemployment.

Social security benefits includes **state social benefits** such as children allowance, parental allowance, provider allowance, funeral allowance, child-birth allowance, and allowance to parents. Since 2005, housing contributions is counted amongst social assistance benefits.

There have been changes in the branch of the social care resulting from the transformation of social security. According to Act No 195/1998 Code of Acts on Social Assistance, the system change occurred in the branch of benefits to persons in material destitution. Allocated benefits of social care addressed to different groups of persons were transformed to the one-off **benefit of social assistance**. Expenditures for social assistance are classified according to the Budgetary Classification valid for particular year.

Services of social assistance and material needs benefits are given to the persons for reducing and getting over material needs with their active participation.

Institutional care is provided in the facilities of social services according to Act No 448/2008 Code of Acts on Social Services. According to Act No 416/2001 Code of Acts on the transfer of some competencies from state-administration bodies to municipalities and higher territorial units, most of the facilities were transferred to the care of self-governing regions and municipalities.

Definitions

Old-age pension is the fundamental benefit of pension insurance. Insured persons have entitlement for old-age pension, if they were insured at least 15 years and have pension age.

Insured persons are entitled to **early old-age pension**, if they were insured at least 15 years and the sum of early old-age pension by the day by which pension awarded is higher than 1.2 times the subsistence level sum for one full-aged natural person.

Invalidity pension is allocated for an insured person, who became disabled and obtained the necessary number of pension insurance years and on the day the became disabled did not fulfill the conditions for old-age pension and was not awarded early old-age pension.

Orphan's pension is allocated to dependent children due to death of a parent or adoptive parent. Full orphan benefit is allocated to children whose parents (or adoptive parents) both died. These benefits do not depend on employment duration.

Widow's pension is allocated as the partial replacement of deceased husband's income.

Widower's pension is allocated as the partial replacement of deceased wife's income during care for at least one dependent child.

Wife's pension is the pension security benefit refunded by the government available to married women who are fully disabled or have reached 65 years of age but do not qualify for benefits based on their own pension schemes and earn no income.

Social pension was allocated to persons without subsistence who do not qualify for pension.

Increase of pension in case of immobility is the allowance for the replacement of increased costs relating to the need for serving and taking care of the person by another person.

Increase of pension in case of sole source of income is the state benefit of pension security granted in the case that old-age, invalidity, widow's, widower's or full orphan's pension is the only income source and does not attain 1.1 times the subsistence level.

Sickness benefits temporarily compensate insured persons for loss of income due to sickness or accident.

Family member attendance allowance is claimed when caring for a sick child or caring for another sick member of the family when the provision of such care by another person is necessary.

Maternity benefits compensate woman for loss of income during 34 weeks in last period of pregnancy and after delivery. It is paid for 37 weeks in the case of an employee who is single or who has given birth to two or more children.

Equalizing allowance is paid during pregnancy and until the end of the nine month from delivery to a woman who is transferred to a different job because her original work was dangerous or threatened her pregnancy or maternity.

Children's allowance is provided to all dependent children at the same amount regardless of children age and income of family members, by law.

Parental allowance is the benefit entitled to the parent of or person for permanent personal and proper care of at least one child up to the age of 3 years or up to the age of 7 years for child recognized as suffering from long-term severe health impairment.

Allowance to parents of which together borne three or more children or which during two years frequently borne twins is the state social benefits which once a year contribute on increased expenditures.

Child-birth allowance is a single benefit given to a mother who gave birth or is given to the father of the child or to another person meeting the conditions according to law.

Funeral allowance is a single benefit given as the partial replacement of expenditure for the funeral of a person under social security.

Material needs benefits (up to 2003, benefit of social assistance) is a single or repeated benefit allocated to a person in material destitution to provide basic living condition for said person.