

Slovak Republic

Exchange rate: US\$1.00 equals 33.16 koruna (SK).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1906 (salaried employees) and 1924 (wage earners).

Current law: 2003 (social insurance act), implemented in 2004.

Type of program: Social insurance system.

Note: Beginning January 1, 2005, a new system consisting of first-pillar mandatory social insurance and second-pillar mandatory individual accounts will be implemented. All new entrants to the workforce will be required to join the new two-pillar system, but current workers will have until June 2006 to choose whether to join the new system or stay in the old one.

Coverage

Employees, the self-employed, and voluntarily insured persons.

Source of Funds

Insured person: 4% of earnings for old-age and survivor pensions and 3% of earnings for disability and survivor pensions; 26% for voluntary contributors.

Self-employed person: 26% of earnings.

Employer: 19% of payroll.

Government: 26% of the general assessment basis.

The general assessment basis is 12 times the national average monthly wage in the relevant calendar year.

Qualifying Conditions

Old-age pension: Age 62 (men and women) with at least 10 years of insurance.

Early pension: A reduced pension is paid with at least 10 years of insurance. The early pension must be equal to at least 1.2 times the adult subsistence income level (5,502 SK).

Deferred pension: A deferred pension is possible.

Disability pension: At least a 40% loss of working capacity.

Survivor pension: The deceased met the pension requirements for an old-age or disability pension or was a pensioner at the time of death.

Old-Age Benefits

Old-age pension: The pension is equal to the product of average personal wage points (the personal assessment basis divided by the general assessment basis), the insurance period, and the current pension value (183.58 SK).

The personal assessment basis is total earnings in the relevant calendar year on which contributions were paid.

The general assessment basis is 12 times the national average monthly wage in the relevant calendar year.

The pension value is adjusted annually on January 1 according to changes in the national average wage.

Early pension: Same as the old-age pension, except the current pension value is reduced by 0.5% for each 30-day period before retirement age that the pension is awarded.

Deferred pension: Same as the old-age pension, except the current pension value is increased by 0.5% for each 30-day period after retirement age that the pension is awarded.

There is no officially stated minimum or maximum monthly pension.

Benefit adjustment: Benefits are adjusted periodically according to changes in consumer prices and the national average wage.

Permanent Disability Benefits

Disability pension: The pension is paid with a minimum insured period of at least 1 year if aged 22 or younger; 2 years if aged 23 to 24; 3 years if aged 24 to 26; 5 years if aged 27 to 28; and at least 5 years if older than age 28.

With at least a 70% loss of working capacity, the pension is based on average personal wage points (the personal assessment basis divided by the general assessment basis), the total projected insurance period up to retirement age, and the current pension value.

With less than a 70% loss of working capacity, the pension is based on the percentage loss of working capacity, average personal wage points (the personal assessment basis divided by the general assessment basis), the total projected insurance period up to retirement age, and the current pension value.

The personal assessment basis is total earnings in the relevant calendar year on which contributions were paid.

The general assessment basis is 12 times the national average monthly wage in the relevant calendar year.

The pension value is adjusted annually on January 1 according to changes in the national average wage.

There is no officially stated minimum or maximum monthly pension.

Benefit adjustment: Benefits are adjusted periodically according to changes in consumer prices and the national average wage.

Survivor Benefits

Survivor pension: 60% of the insured's pension is paid to a widow(er). The pension ceases on remarriage.

Orphan's pension: 30% of the insured's pension until the end of compulsory education (age 26 if a student or disabled).

There is no minimum survivor pension.

The maximum survivor pension is 100% of the insured's pension.

Benefit adjustment: Benefits are adjusted periodically according to changes in consumer prices and the national average wage.

Administrative Organization

Ministry of Labor, Social Affairs, and Family provides supervision.

Social Insurance Agency, consisting of headquarters and 38 branch offices, administers the program.

Sickness and Maternity

Regulatory Framework

First law: 1888.

Current law: 2003 (social insurance act), implemented in 2004.

Type of program: Social insurance system.

Coverage

Employees, the self-employed, and voluntarily insured persons.

Source of Funds

Insured person: 1.4% of earnings; voluntarily insured persons contribute 4.4% of earnings.

Self-employed person: 4.4% of earnings.

Employer: 1.4% of payroll.

Government: None.

Qualifying Conditions

Cash sickness and medical benefits: Temporary incapacity for work due to a sickness or an accident; the voluntarily insured must also have at least 270 days of insurance in the 2 years before the onset of the incapacity.

Cash maternity benefits: 270 days of insurance in the 2 years before the expected date of childbirth.

Compensation allowance: Paid to women who are exempt from some types of work while pregnant and who are redeployed by their employer to another job paying lower wages.

Sickness and Maternity Benefits

Sickness benefit: For the first 3 days, 25% of the daily assessment basis; thereafter, 55% of the daily assessment basis. The employer pays the first 10 days. (The Social Insurance Agency pays benefits for the self-employed and voluntarily insured from the first day of incapacity.) The benefit is payable for up to 1 year.

The daily assessment basis is based on the value of earnings on which contributions for sickness benefits have been paid in the calendar year preceding the year of the onset of incapacity.

Attendance care benefit: 55% of the daily assessment basis to provide care for a sick child.

The daily assessment basis is based on the value of earnings on which contributions for sickness benefits have been paid in the calendar year preceding the year of the onset of incapacity.

Maternity benefit: 55% of the daily assessment basis. The benefit is payable for 28 weeks (37 weeks for a single mother and for multiple births) including at least 6 weeks before the expected date of childbirth.

The benefit is also paid for 22 weeks for fostering a child.

The daily assessment basis is based on the value of earnings on which contributions for sickness benefits have been paid in the calendar year preceding the year of the onset of incapacity.

Compensation allowance: The benefit is 55% of the difference between the monthly assessment basis for compensation allowance (30.4167 times the daily assessment basis) and the assessment basis on which contributions for sickness benefit are paid. The benefit is paid for 1 calendar month.

Workers' Medical Benefits

Medical services are provided directly to patients through General Health Insurance Agency facilities. Services include medical treatment, hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, and spa treatment.

Dependents' Medical Benefits

Same as for family head. Medical services are provided directly to patients through the General Health Insurance Agency facilities. Services include medical treatment, hospitalization, medicines, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, and spa treatment.

Administrative Organization

Ministry of Labor, Social Affairs, and Family provides supervision.

Social Insurance Agency, consisting of headquarters and 38 branch offices, administers the program.

Ministry of Health and General Health Insurance Agency administer medical services provided through health centers and clinics.

Work Injury

Regulatory Framework

First law: 1887.

Current law: 2003 (social insurance act), implemented in 2004.

Type of program: Social insurance system.

Coverage

Employees.

Source of Funds

Insured person: None.

Employer: Contributions vary according to the assessed degree of risk. The average contribution is 1.2% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit (injuries bonus): The benefit is paid for a work injury or occupational disease. The benefit is 62% of the daily assessment basis for 3 days of incapacity or 25% of the daily assessment basis for 4 days of incapacity.

The daily assessment basis is based on the value of earnings on which contributions for sickness benefits have been paid in the calendar year preceding the year of the onset of incapacity.

Rehabilitation benefit: 80% of the daily assessment basis.

Retraining allowance: 80% of the daily assessment basis.

Permanent Disability Benefits

Permanent disability benefit: With at least a 70% loss of working capacity, the pension is based on average personal wage points (the personal assessment basis divided by the general assessment basis), the total projected insurance period up to retirement age, and the current pension value.

With less than a 70% loss of working capacity, the pension is based on the percentage loss of working capacity, average personal wage points (the personal assessment basis divided by the general assessment basis), the total projected

insurance period up to retirement age, and the current pension value.

The personal assessment basis is total earnings in the relevant calendar year on which contributions were paid.

The general assessment basis is 12 times the national average monthly wage in the relevant calendar year.

The pension value is adjusted annually on January 1 according to changes in the national average wage.

There is no officially stated minimum or maximum monthly pension.

Injury annuity: The benefit is paid for a loss of 40% or more of working capacity as a result of a work injury or occupational disease. The benefit cannot be paid at the same time as the injuries bonus or while receiving rehabilitation benefits or retraining allowances. The monthly benefit is based on 80% of the assessment basis (30.4167 times the daily assessment basis) and the percentage loss of working capacity.

The daily assessment basis is based on the value of earnings on which contributions for sickness benefits have been paid in the calendar year preceding the year of the onset of incapacity.

Injury settlement: The lump sum is paid for a loss of at least 10% but not more than 40% of working capacity as a result of a work injury or occupational disease. The lump sum is based on the assessment basis (365 times the daily assessment basis) and the percentage loss of working capacity.

The daily assessment basis is based on the value of earnings on which contributions for sickness benefits have been paid in the calendar year preceding the year of the onset of incapacity.

Workers' Medical Benefits

Same as for the medical benefits shown under sickness benefit, above, plus the cost of specialist medical treatment (up to 500,000 SK) and rehabilitation.

Survivor Benefits

Survivor pension: 60% of the insured's pension is paid to a widow(er). The pension ceases on remarriage.

Orphan's pension: 30% of the insured's pension until the end of compulsory education (age 26 if a student or disabled).

There is no minimum survivor pension.

The maximum survivor pension is 100% of the insured's pension.

Benefit adjustment: Benefits are adjusted periodically according to changes in consumer prices and the national average wage.

Death benefit: A lump sum is payable to the spouse or child of a person who died of a work injury or an industrial disease. The maximum benefit for a spouse must not exceed

1,000,000 SK. The maximum benefit for one child is 50% of the benefit paid to the spouse; the total maximum benefit for children must not exceed 1,000,000 SK.

Benefit adjustment: The death benefit is adjusted in July according to changes to the old-age pension.

Funeral benefit: The cost of the funeral of a person who died of a work injury or an industrial disease. The pension is paid to the person who met the cost of the funeral, up to a maximum.

Administrative Organization

Ministry of Labor, Social Affairs, and Family provides supervision.

Social Insurance Agency, consisting of headquarters and 38 branch offices, administers the program.

Ministry of Health and General Health Insurance Agency administer medical services provided through health centers and clinics.

Unemployment

Regulatory Framework

First law: 1991.

Current law: 2003 (social insurance act), implemented in 2004.

Type of program: Social insurance system.

Coverage

Unemployed job seekers.

Source of Funds

Insured person: 1% of earnings; voluntary contributors, 2%.

Employer: 1% of payroll.

Government: None.

Qualifying Conditions

Unemployment benefit: Registered with a labor office, looking for work, and younger than age 62. Unemployment insurance contributions were paid for at least 3 of the last 4 years.

Unemployment Benefits

50% of the daily assessment basis is paid for up to 6 months.

The daily assessment basis is based on the value of earnings on which contributions have been paid in the 3 calendar years preceding unemployment.

Administrative Organization

Ministry of Labor, Social Affairs, and Family provides supervision.

Social Insurance Agency, consisting of headquarters and 38 branch offices, administers the program.

Family Allowances

Regulatory Framework

First law: 1945.

Current laws: 1994, 1995, 1996, 1997, 1998, 1999, and 2001.

Type of program: Universal system.

Coverage

Residents; noncitizens must have at least 1 year's residence.

Source of Funds

Insured person: None.

Employer: None.

Government: Total cost.

Qualifying Conditions

Family allowances (child allowances): Until the completion of compulsory education; age 25 if a student or disabled.

Parental allowance: For a parent taking daily care of a child under age 4; under age 7 if the child has special health care needs.

National service allowance: Awarded to the spouse and dependent children of a person performing military or civilian national service duties.

Birth grant (layette): A grant for the purchase of clothing and other necessities for a newborn child whose father, mother, or guardian has permanent residence in the Slovak Republic.

Multiple birth allowance: An annual allowance paid to parents to care for the birth of triplets or more children or the birth of two sets of twins within a 2-year period. The family must be resident in the Slovak Republic and have at least three children younger than age 15.

Foster parent grant: Paid to a foster caregiver without the means to provide necessary care.

Foster care allowance: Paid for children in foster care.

Funeral allowance: A lump-sum social benefit.

Family Allowance Benefits

Family allowances (child allowances): 500 SK a month for each child. The allowance is paid regardless of family income.

Parental allowance: 3,790 SK a month; 1,200 SK if the parent is gainfully employed or receiving sickness benefits.

National service allowance: 800 SK a month for a dependent child and 1,050 SK a month for a spouse or other dependent.

Birth grant (layette): 4,000 SK; the grant is increased by 50% for the birth of triplets or more children.

Multiple birth allowance: For a child up to age 6, the allowance is equal to 2,160 SK a month; aged 6 to 15, 2,660 SK; older than age 15, 2,840 SK.

Foster parent grant: For a child up to age 6, the lump-sum grant is 5,400 SK; aged 6 to 15, 6,640 SK; older than age 15, 7,080 SK.

A lump sum of 7,080 SK is payable on the termination of foster care.

Foster care allowance: For a child up to age 6, the monthly allowance is 2,160 SK; aged 6 to 15, 2,660 SK; older than age 15, 2,840 SK.

Funeral allowance: 2,100 SK.

Administrative Organization

Ministry of Labor, Social Affairs, and Family provides supervision.

Social Insurance Agency, consisting of headquarters and 38 branch offices, administers the program.