

Slovak Republic

Exchange rate: US\$1.00 = 0.77 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

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

Current laws: 1998 (social assistance); 2003 (social insurance), implemented in 2004; 2003 (employment services), implemented in 2004; and 2004 (individual accounts), implemented in 2005.

Type of program: Social insurance and individual account system.

Note: Since April 1, 2012, individual accounts are mandatory for new entrants to the labor force. They may opt out of the system within two years.

Coverage

Employed and self-employed persons with annual earnings of more than 12 times the legal monthly minimum wage.

The legal monthly minimum wage is €339.89.

Special systems for certain intelligence, security, police, fire, customs, and military personnel.

Source of Funds

Insured person

Social insurance: 4% of covered monthly earnings for old-age benefits; 3% of covered monthly earnings for disability benefits; survivor benefits are financed by old-age and disability contributions.

The minimum earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is €339.89.

The legal maximum monthly earnings used to calculate contributions are €3,076.

Individual account: None.

Self-employed

Social insurance: 18% of monthly declared earnings for old-age benefits; 6% of monthly declared earnings for disability benefits; survivor benefits are financed by old-age and disability contributions.

Pension fund administrators may charge up to 1% of the self-employed person's monthly contribution to the individual account and 0.025% of the average monthly net value of assets for monthly administrative fees.

The legal minimum monthly earnings are €339.89

The legal maximum monthly earnings used to calculate contributions are €3,076.

Individual account: 9% of monthly declared earnings out of the 18% contributed to the social insurance scheme.

Employer

Social insurance: 14% of monthly payroll for old-age benefits; 6% of monthly payroll for disability benefits; survivor benefits are financed by old-age and disability contributions.

Pension fund administrators may charge up to 1% of the employer's monthly contribution to the employee's individual account and 0.07% of the average monthly net value of assets for monthly administrative fees.

The minimum earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is €339.89.

The legal maximum monthly earnings used to calculate contributions are €3,076.

Individual account: 9% of monthly payroll out of the 14% contributed to the social insurance scheme if the insured has an individual account.

Government

Social insurance: Finances any deficit; contributes for persons caring for children up to age six (age 18 with serious chronic health conditions), for maternity benefit recipients, and disability benefit recipients (until retirement age or until the early retirement pension is paid).

Individual account: None.

Qualifying Conditions

Old-age pension (social insurance): Age 62 with at least 15 years of coverage for men. The retirement age for women is rising gradually to age 62 by 2015. (In 2008, the retirement age for women was 56 years and 9 months.)

Old-age pensioners may continue to work.

Early pension: Paid from two years before the normal pensionable age with at least 15 years of coverage. The monthly pension must be at least 1.2 times the legal monthly subsistence minimum.

The legal subsistence minimum is the difference between specified sources of family income and actual income. The legal subsistence minimum is adjusted annually in July by the Ministry of Labor, Social Affairs, and Family.

Deferred pension: The pension may be deferred. There is no limit.

Old-age pension (individual account): Age 62 with at least 15 years of coverage for men. The retirement age for women is rising gradually to age 62 by 2015. (In 2008, the retirement age for women was 56 years and 9 months.)

Early pension: The monthly pension must be at least 0.6 times the legal monthly subsistence minimum.

Old-age benefits are payable abroad.

Disability pension: The pension is paid with less than one year of coverage if aged 20 or younger; with at least one year of coverage if aged 21 to 24; with at least two years if aged 25 to 28; with at least five years if aged 29 to 34; with at least eight years if aged 35 to 40; with at least 10 years if aged 41 to 45; and with at least 15 years if older than age 45.

The pension is paid for a total disability (at least a 70% loss of earning capacity) or partial disability (at least a 40% loss of earning capacity).

Disability pensioners may continue to work.

A medical examiner of the Social Insurance Agency and a general practitioner assess the degree of disability.

Disability benefits are payable abroad.

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

Eligible survivors include a widow(er) who was married to the deceased and orphans younger than the age at which they can leave school (age 26 if a full-time student or disabled).

The pension ceases on remarriage.

Survivor benefits are payable abroad.

Old-Age Benefits

Old-age pension (social insurance): The monthly pension is the product of the average personal wage point, the length of the coverage period, and the current pension value (€9.5756).

The average personal wage point is the personal wage points earned during particular calendar years and the length of the coverage period, up to three wage points.

The personal wage point is the proportion of the insured's gross annual income in relation to the national average annual wage.

The insured's total covered earnings since 1984 are used to calculate pensions.

Early pension (social insurance): The old-age pension is reduced by 0.5% for each 30-day period the pension is received before the normal retirement age.

Deferred pension (social insurance): The old-age pension is increased by 0.5% for each 30-day period the pension is received after the normal retirement age.

There is no minimum monthly old-age pension.

There is no maximum monthly old-age pension.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index and the national average wage.

Old-age pension (individual account): The pension depends on the value of the insured's contributions plus accrued interest. At retirement, the accumulated capital can be used to provide an immediate life annuity or temporary programmed withdrawals with a deferred life annuity.

Early pension (individual account): Calculated in the same way as the old-age pension (individual account).

Deferred pension (individual account): Calculated in the same way as the old-age pension (individual account).

Permanent Disability Benefits

Disability pension (social insurance): The monthly pension is the product of the average personal wage point, the length of the coverage period, and the current pension value (€9.5756).

The average personal wage point is the personal wage points earned during particular calendar years and the length of the coverage period, up to three wage points.

The personal wage point is the proportion of the insured's gross annual income in relation to the national average annual wage.

The insured's total covered earnings since 1984 are used to calculate pensions.

Partial disability: The disability pension is reduced according to the assessed loss of earning capacity.

There is no minimum monthly disability pension.

There is no maximum monthly disability pension.

The disability pension is replaced by the old-age pension at the normal retirement age.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index and the national average wage.

Disability pension (individual account): No benefits are provided.

Survivor Benefits

Survivor pension (social insurance): The monthly pension is 60% of the pension the deceased received or would have been entitled to receive. The pension is paid for life if the survivor has a disability with an assessed loss of earning capacity greater than 70%, cares for a dependent child, has raised at least three children, or is at least aged 52 and has raised two children.

There is no legal minimum monthly survivor pension.

Orphan's pension (social insurance): The monthly pension is 40% of the pension the deceased received or would have been entitled to receive.

There is no minimum monthly orphan's pension.

All survivor benefits combined must not exceed 100% of the pension the deceased received or would have been entitled to receive.

Benefit adjustment: Benefits are adjusted annually in January according to changes in the consumer price index and the national average wage.

Survivor pension (individual account): If the deceased was younger than the normal retirement age, the survivors receive the value of the balance in the deceased's individual account. If the deceased was an old-age pensioner, eligible survivors receive 60% of the annuity paid to the deceased plus any remaining balance in the deceased's individual account.

Administrative Organization

Social insurance: Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the program and collects contributions.

Individual account: National Bank of Slovakia (<http://www.nbs.sk>) licenses and supervises pension funds.

Licensed pension funds manage individual accounts.

Social Insurance Agency (<http://www.socpoist.sk>) collects contributions.

Sickness and Maternity

Regulatory Framework

First law: 1888.

Current laws: 1994 (health insurance); 1994 (health care), implemented in 1995; 1995 (treatments); 1998 (medical products and devices); 1998 (childbirth allowance), implemented in 1999; 2003 (social insurance), implemented in 2004; 2003 (income replacement), implemented in 2004; 2004 (health care and services); and 2004 (health insurance).

Type of program: Social insurance system.

Coverage

Cash sickness and maternity benefits: Employed and self-employed persons.

Voluntary coverage for employed persons older than age 16 and self-employed persons with annual earnings less than 12 times the monthly minimum wage.

The legal monthly minimum wage is €339.89.

Special systems for certain intelligence, security, police, fire, customs, and military personnel.

Medical benefits: Universal coverage.

Exclusions: Persons insured abroad and non-Slovak citizens working in the Slovak Republic for employers with diplomatic privileges.

Source of Funds

Insured person

Cash benefits: 1.4% of covered monthly earnings; voluntarily insured persons contribute 4.4% of declared monthly earnings.

The minimum earnings used to calculate contributions for cash benefits are the legal monthly minimum wage.

The legal monthly minimum wage is €339.89.

The maximum earnings used to calculate contributions for cash benefits are €1,153.50.

Medical benefits: 4% of covered monthly earnings.

The minimum earnings used to calculate contributions for medical benefits are €339.89.

The maximum earnings used to calculate contributions for medical benefits are €2,307.

Self-employed person

Cash benefits: 4.4% of declared covered monthly earnings.

Declared monthly earnings are 50% of average monthly taxable income of the previous year.

The maximum earnings used to calculate contributions for cash benefits are €1,153.50.

Medical benefits: 14% of declared covered monthly earnings.

The minimum earnings used to calculate contributions for medical benefits are €339.89.

The maximum earnings used to calculate contributions for medical benefits are €2,307.

Employer

Cash benefits: 1.4% of monthly covered payroll.

Medical benefits: 10% of monthly covered payroll.

The maximum earnings used to calculate cash and medical benefits contributions are €1,084.55.

Government

Finances any deficit; contributes for nonactive persons.

Qualifying Conditions

Cash sickness benefits: Paid for a temporary incapacity for work; self-employed persons and voluntarily insured persons must also have at least 270 days of coverage in the two years before the incapacity began. The insured must not be receiving the maternity benefit or the parental allowance.

Cash maternity benefits: The insured must have at least 270 days of coverage in the two years before the expected date of childbirth. The benefit can also be paid to the child's father, the husband of the child's mother, and other persons subject to conditions.

Nursing benefit: Paid to care for a sick child, spouse, parent, or parent-in-law, or to care for a child younger than age 11.

Equalization benefit: 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.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefit: For the first three days, 25% of the daily assessment basis is paid; thereafter, 55% of the daily assessment basis. The employer pays the benefit for the first 10 days. (Social Insurance Agency pays benefits for self-employed persons and voluntarily insured persons from the first day of incapacity.) The benefit is paid for up to 52 weeks.

55% of the daily assessment basis is paid for up to 10 days to provide care for a family member.

The daily assessment basis is the earnings in the last year before the incapacity began, up to €1,084.55.

Maternity benefit: 65% of the daily assessment basis is paid from six to eight weeks before the expected date of childbirth for a total of 34 weeks; 37 weeks for a single mother and for multiple births; 22 weeks for a substitute caregiver; 43 weeks for a single parent or substitute caregiver raising at least two newborn children; or at least 14 weeks if the child is stillborn.

The daily assessment basis is the earnings in the last year before the expected date of childbirth.

Nursing benefit: 55% of the daily assessment basis is paid from the first day of nursing, up to 10 days.

Equalization benefit: 55% of the difference between the earnings before and after job transfer is paid until the end of the ninth month after childbirth.

Workers' Medical Benefits

Medical benefits include medical treatment, hospitalization, medicine, dental care (with limited cost sharing), maternity care, appliances, travel expenses, sanatorium, spa treatment, preventive examinations, vaccination, dispensary care, and convalescent stays for selected professions.

There is no cost sharing for medical consultations for children up to age 6; blood donors; patients in dispensary care up to age 18; patients with disabilities; maternity care; patients with mental disorders; or patients receiving renal, cardiac, or cancer treatments.

Medicine is free of charge or partially reimbursed, according to a schedule in law. There are no annual ceilings or limits.

There is no limit to duration.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the cash benefit program.

Ministry of Health (<http://www.health.gov.sk>) and the Health Care Supervision Authority administer medical benefits provided through health centers and clinics.

Work Injury

Regulatory Framework

First law: 1887.

Current laws: 1965 (compensation); 1965 (minimum requirements); 1986 (dangerous work); 2001 (workplace security and health); 2001 (labor code), implemented in 2002; 2003 (income tax), implemented in 2004; and 2003 (social insurance), implemented in 2004.

Type of program: Social insurance system.

Coverage

Employed persons, students, and certain voluntary fire fighters and rescue workers.

Exclusions: Self-employed persons.

Special systems for police and military personnel.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 0.8% of gross payroll.

There are no minimum or maximum earnings used to calculate contributions.

Government: Finances any deficit and the cost of spa treatment.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period. Benefits are paid for 47 occupational diseases, according to a schedule in law. Accidents that occur while commuting to and from work are not covered.

Temporary Disability Benefits

From the first to the third day of incapacity, 55% of the insured's daily assessment basis is paid; thereafter, 25% of the insured's daily assessment basis.

The daily assessment basis is based on earnings in the last year before the disability began.

The temporary disability supplement is paid in addition to the sickness benefit (see sickness and maternity).

Rehabilitation benefit: 80% of the insured's daily assessment basis is paid during occupational rehabilitation.

The daily assessment basis is based on earnings in the last year before the disability began.

Retraining benefit: 80% of the insured's daily assessment basis is paid during retraining.

The daily assessment basis is based on earnings in the last year before the disability began.

In-kind benefits are also paid for professional rehabilitation. Lump sums are provided for pain compensation and for compensation for difficulties with social reintegration following a work injury or occupational disease.

Permanent Disability Benefits

Permanent disability benefit: If the insured has an assessed loss of earning capacity of at least 40%, the monthly benefit is the product of 80% of the assessment basis (30.4167 times the insured's daily assessment basis) and the assessed degree of disability.

The daily assessment basis is based on earnings in the last year before the disability began.

If the beneficiary receives the disability pension (see Old Age, Disability, and Survivors), the Work Injury permanent disability benefit is decreased by the amount of the disability pension.

The pension ceases on receiving an early or normal old-age pension.

Partial permanent disability: A lump sum is paid for an assessed loss of earning capacity from 10% to 39% and is the product of the assessment basis (365 times the daily assessment basis) and the assessed degree of disability.

The daily assessment basis is based on earnings in the last year before the disability began.

Workers' Medical Benefits

Medical benefits: Health care centers and clinics provide all necessary medical services directly to patients.

Compensation is provided for specified nonreimbursed costs for treatment, up to €16,000.

There is no limit to duration.

Survivor Benefits

Survivor pensions are also paid under Old Age, Disability, and Survivors.

Survivor lump-sum benefit: A lump sum of 730 times the daily gross earnings of the deceased is paid to the surviving spouse, up to €33,193.92. Children receive at least half the sum of the surviving spouse, up to €33,193.92.

Divorced survivor's benefit: Divorced spouses receiving alimony based on a court ruling at the date of the insured's death also receive a pension equal to the alimony amount. The divorced spouse's benefit ceases when the deceased would have reached pensionable age.

Funeral grant: Up to €1,659.70 is paid to the person who paid for the funeral.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the program.

Ministry of Health (<http://www.health.gov.sk>) and the Health Care Supervision Authority administer medical benefits provided through health centers and clinics.

Unemployment

Regulatory Framework

First law: 1991.

Current laws: 2003 (social insurance), implemented in 2004; and 2004 (employment services), implemented in 2005.

Type of program: Social insurance system.

Coverage

Unemployed job seekers.

Voluntary coverage for self-employed persons and persons up to age 16 residing in the Slovak Republic.

Source of Funds

Insured person: 1% of covered earnings; voluntarily insured persons contribute 2% of declared covered earnings.

The legal minimum earnings used to calculate contributions are the monthly minimum wage.

The legal monthly minimum wage is €339.89.

The legal maximum monthly earnings used to calculate contributions are €3,076.

Self-employed person: 2% of declared earnings.

Employer: 1% of covered payroll.

The minimum earnings used to calculate contributions are the monthly minimum wage.

The legal monthly minimum wage is €339.89.

The legal maximum monthly earnings used to calculate contributions are €3,076.

Government: Finances any deficit.

Qualifying Conditions

Unemployment benefit: The insured must register with the labor office as a job seeker and have at least two years of contributions in the last three years.

Unemployment Benefits

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

The daily assessment basis is the earnings in the two years before unemployment and the total earnings used to calculate contributions.

Administrative Organization

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.

Social Insurance Agency (<http://www.socpoist.sk>), consisting of headquarters and 38 branch offices, administers the program.

Family Allowances

Regulatory Framework

First law: 1945.

Current laws: 1998 (funeral grant), implemented in 1999; 1998 (birth allowance), implemented in 1999; 1998 (social assistance); 2002 (parental allowance); 2003 (child allowances), implemented in 2004; and 2005 (family).

Type of program: Universal system.

Coverage

Permanent or temporary residents of the Slovak Republic.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child allowance: Paid for a child up to age 16 (age 18 for a child with chronic health problems, age 25 if a full-time student or if disabled).

Parental allowance: Paid for the care of at least one child up to age three (age six with chronic health problems). The child must not attend a nursery. A foster parent must not be in receipt of the maternity benefit.

Birth allowance: Paid for the birth of a child to parents residing permanently in the Slovak Republic.

Supplement to birth allowance: Paid for the birth of the first, second, and third child who live at least 28 days.

Multiple birth allowance: Paid to parents on the birth of triplets or more children or the birth of two sets of twins in a two-year period. The family must reside in the Slovak Republic and have at least three children younger than age 15.

Funeral grant: Paid to the person who paid for the funeral.

Family Allowance Benefits

Child allowance: €22.54 a month is paid for each child.

Parental allowance: €194.70 a month is paid.

Birth allowance: A lump sum of €151.37 is paid for each child; for multiple births of three or more children (or the birth of two sets of twins in a two-year period) the lump sum is increased by 50% for each child.

Supplement to birth allowance: A lump sum of €678.49 for each child who lives at least 28 days.

Multiple birth allowance: €81.99 a month is paid for a child up to age 6; €101.25 if aged 7 to 15; and €107.55 if older than age 15.

Funeral grant: A lump sum of €79.67 is paid.

Administrative Organization

Central Office of Labor, Social Affairs and Family (<http://www.upsvar.sk>) administers the program.

Ministry of Labor, Social Affairs, and Family (<http://www.employment.gov.sk>) provides supervision.