



SOCIAL SECURITY in AUSTRIA

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SOCIAL SECURITY

- Part of State administration
- Mostly provided through Statutory insurance
- **COVERS** (examples)
 - Prevention
 - Sickness
 - Incapacity for work/Invalidity
 - Maternity
 - Unemployment
 - Old age
 - Death of a person liable to provide maintenance/Survivor's pension
 - Nursing care and social need

4 columns of Social Security

Social Insurance	Provision	Social welfare	Private insurance
Health insurance	Military	Aid to the blind	Health insurance
Occupational accident insurance	Injury from immunisation	Handicapped aid	Accident insurance
Old age insurance	War victims	Youth welfare	Life insurance
Unemployment insurance	Crime victims	Tuberculosis welfare	Liability insurance



21 carriers

**Main Association of Austrian
Social Security Institution (HVB)**

Pension Insurance	Health Insurance	Occupational Accident Insurance
PVA - pension insurance organisation	9 regional health insurance funds 6 company health insurance funds	AUVA - Austrian Workers' Compensation Board
SVA - Statutory insurance organisation for commercial businesses		
SVB - Statutory insurance Institute for farmers		
VAEB Statutory insurance Institute for railway and mine workers		
Statutory insurance organisation for Austrian notaries	BVA - Statutory insurance Institute for public sector / civil servants	



5 carriers

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self-employed persons		
Statutory insurance Institute for railway and mine workers and		
	public sector / civil servants	

Independent administration

- the state transfers certain administrative responsibilities to certain groups of people who have a direct interest in these task
- are formed from representatives of these groups of people
- responsible to the State for the administration of the area in question BUT..
- without being under direct state control
- It ensures:
 - independence from state administration
 - inclusion of important societal group
 - democratic administration

Principles of social statutory insurance

- **Solidarity**
- **Compulsory insurance**
- **No exclusion of risks**
- **Not profit-oriented**

Solidarity

„act of conscious consideration, based on the knowledge that human beings depend on each other”

- Characteristics of solidarity in statutory insurance
 - Contribution-wise there is a **transfer from high to low earners**
 - **Benefits provide a balance** between those worthy of protection and those who need less
 - Many family members are covered by insurance **for free**
 - Pension insurance system, there is a transfer from employed persons to pensioners = **contract of the generations**
 - Employers and employees **both contribute** to the **system is financing**

Compulsory insurance

- is established by law
- cover begins immediately without any waiting period
- many insured persons guarantee an optimum spread of risks
- close dependants are insured for free
- contributions do not depend on individual risks

≠ Obligation to insure

- Everybody has to take care of his insurance by his own
- risk selection (no obligation to contract)
- higher or additional premiums for high-risk groups
- higher administration costs

No exclusion of risks

- Medical benefits are available to all insured persons
- No Balance between contribution and benefits:
No distinction between high and low earners,
young or old persons, males and females, or the
healthy and the chronically ill

Not profit oriented

- Use of contributions: effectively, economically and primarily follows social rather than market objectives

Pay-as-you-go system

- **State pensions:** financed by means of the pay-as-you-go system
- current pensions are mainly **financed through contributions of the working population (+ taxation)**
- Advantages:
 - No investment or inflation risk
 - Fast and economical collection of contributions
 - Stronger feeling of solidarity
 - Low administrative expenses
- **≠Funded system**

Protection provided by social statutory insurance

- Social insurance **provides comprehensive protection**

- Almost all Austrians are covered by at least one branch of social insurance (Health, Accident, Pension Insurance)
 - health insurance in case of illness and maternity
 - accident insurance in case of accidents at work and occupational diseases
 - pension insurance providing for old age and surviving dependants

Health insurance

- **Sickness** (treatment, hospital, med. home nursing)
- **Incapacity for work**
- **Motherhood**
- **Dental treatment and protheses**
- **Assistance for physical infirmity** – standard insurance benefits
- **Rehabilitation, Health promotion** – optional statutory duties
- **Curing, Prevention of sickness** – “ex gratia payment”

Health insurance

- Medical treatment has to be adequate and functional, must not exceed the minimum amount needed
- **≠Occupational accident insurance:** with all appropriate means

Family Members

- Without contributions
- If member has no own health insurance
- Main residence in Austria
- Spouses, registered same-sex partners, children, parents and other members of the family, longtime companion

Old age insurance

- Provides:
 - Old age benefits – pension
 - Health protection and Rehabilitation
- Financing: apportionment procedure (Pay-as-you-go system)
- financed by contributions and taxes of the insured people
(Intergenerational contract)
- No minimum pension! – „equalizing“ extra pay
- € 882,78 for single person, € 1.323,58 for couples (2016)

AUVA

Austrian Workers' Compensation Board

Austrian Workers' Compensation Board

- **statutory occupational accident insurance carrier**
- but also:
 - hospital owner
 - functions in labour protection
 - responsible for partial payment of continued remuneration
 - daily sickness benefit for self-employed persons

AUVA's facilities

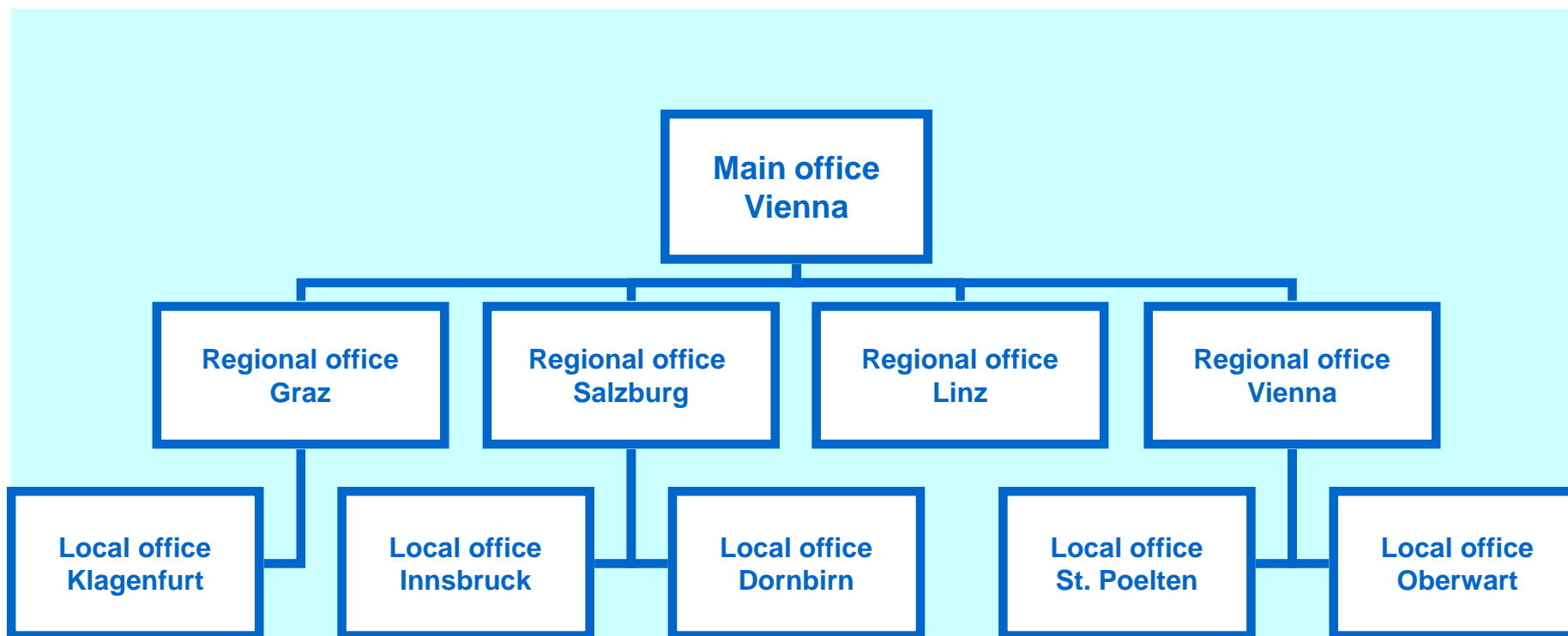
AUVA's customer service centres and treatment facilities

- customer service centre
- trauma centre
- ▲ rehabilitation centre
- ◆ Tobelbad rehabilitation clinic

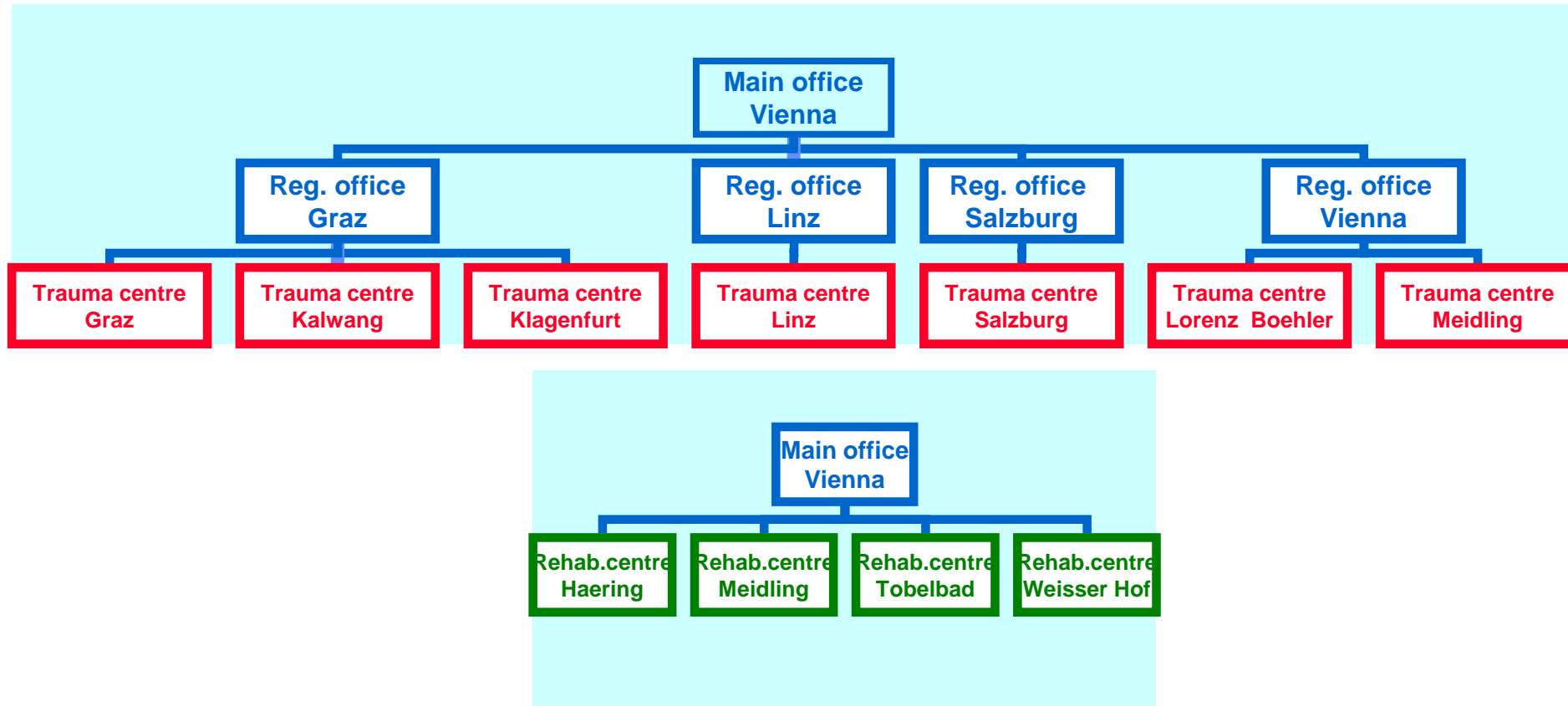


Organisation

Customer service centres



Organisation - treatment facilities



AUVA: Austrian Workers' Compensation Board is Austria's biggest accident insurance carrier

approximately 4.8 million insured persons

- 2.9 million employed persons
- 494,000 self-employed persons
- 1.4 million pupils, students and kindergarten children

In Austria, we have three other occupational accident carriers for certain occupation groups:

public servants

farmers

railway employees

Principles

■ **funding principle**

- employer pays contributions
(1.3% of contribution base = income) – liability
privilege

■ **principle of causality**

- (double causality – medically indicated causality +
legally indicated causality)

■ **ex – officio principle**

Insured events

- **Occupational accident**

an **unexpected external event causing injury, in locational, temporal and causal relationship to the insured occupation or education** (+ commuting accident, acc the treated as occ. Acc)

- **Occupational Disease**

is a **health impairment caused by the insured occupation or education. Occ. dis. are listed** in the **Annex** to the General Social Insurance Act (ASVG)

Duties of accident insurance

- **Prevention of occupational accidents and diseases**
- **First aid in connection with occupational accidents**
- **Medical treatment after accidents (trauma centres)**
- **Rehabilitation (rehabilitation centres)**
 - medical
 - vocational training – financial support
 - social
- **Compensation after occ. accidents and diseases (pensions)**
- **Research of the most efficient and successful methods and instruments to fulfil these duties**
- **Treatment from the occupational medicine point of view**

- **(Subvention to continued remuneration)**
- **(Daily sickness benefit for self employed persons)**

Benefits

■ Benefits in kind

- > prevention
- > first aid
- > medical treatment (with all appropriate means)
- > rehabilitation (medical, vocational, social)

■ Benefits in cash (examples)

- > family and daily allowance during hospital treatment
- > special financial support during medical treatment
- > interim allowance during professional retraining
- > accident benefit
- > integrity compensation
- > survivorship annuities (widow/er, orphans)
- > partial compensation of funeral expenses

Accident benefit

- Claim: 1) **Reduction in earning capacity** because of an occ. accident or disease has **to last more than three months after** the occurrence of the insured event
2) Degree of reduction in earning capacity has to be **at least 20%**
- Amount of accident benefits depends on reduction in earning capacity and on the salary/ies (= assessment base) of the insured person (there are additional benefits for „heavily or severely“ disabled persons (50%-100% reduction in earning capacity))

Notice of accident

■ Occupational accident

Every occupational accident, which **leads to death or to more than three days' working incapacity**, has to be notified to AUVA **within five days** .

Employers, schools etc. have the duty to notify!

But there is no sanction in case of not notifying!

