





**CZECH SOCIAL SECURITY ADMINISTRATION**

# **ANNUAL REPORT 2008**

© Czech Social Security Administration, 2009

ISBN 978-80-87039-17-5

# CONTENTS

<b>KEY DATA FOR 2008</b>	<b>4</b>
<b>INTRODUCTION</b> Introduction of the Director General of the Czech Social Security Administration	<b>5</b>
<b>ORGANIZATION PROFILE</b> Role, responsibility, and organizational structure	<b>8</b>
<b>EMPLOYEES</b> Number and age structure of employees, qualification structure and education, knowledge of languages, employment and wages	<b>20</b>
<b>CORE ACTIVITIES</b> Collection of social security contributions, inspections of organizations and small organizations, social security contribution receivables, pension decisions and payments, pensions distributed abroad, payment of sickness benefits, inspections of the adherence to a treatment regime/conditions, medical assessment service, compensation according to special regulations, informing clients about their pension claims, preparing for major social insurance legislative changes	<b>24</b>
<b>ECONOMIC RESULTS</b> Revenue, expenditure, operating expenses, assets	<b>34</b>
<b>INTERNATIONAL RELATIONS</b> European Union, international projects, international agreements, conferences and meetings	<b>40</b>
<b>INFORMATION AND COMMUNICATION TECHNOLOGIES</b> e-Submissions, transformation and infrastructure projects	<b>44</b>
<b>PUBLIC RELATIONS</b> Provision of information, website, publishing activities, office hours, contact information	<b>48</b>

# KEY DATA FOR 2008

Employees	8,219
Clients	7,999,605
Of that employees of organizations	3,250,136
employees of small organizations (up to 25 employees)	999,450
employers	266,674
self-employed individuals *	727,063
pensioners	2,754,011
individuals voluntarily registered for pension insurance	2,271
Pensions paid out	3,437,596
Settled applications for new pensions	251,315
Tax income from social security contributions, including voluntary contributions and payments to the state's employment policy	CZK 375,348 mil.
Expenditure on pension insurance benefits	CZK 304,871 mil.
Expenditure on sickness insurance benefits	CZK 31,882 mil.
The success rate for collecting contributions after removing irrecoverable receivables	99.79 %
Operations associated with the EU	196,288
Countries to which the CSSA pays out pensions	64
Personal pension insurance information sheets sent to clients	134,957
Appraisals by the CSSA's Medical Assessment Service	187,726
Received e - Submissions	1,539,446
Received electronically submitted documents	8,117,114

\* Self-employed individuals obliged to pay pension insurance contributions



2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008  
2008

# INTRODUCTION





## Introduction of the Director General of the Czech Social Security Administration

You are now opening the Annual Report of the Czech Social Security Administration for 2008. The previous period was an important and successful phase for our institution. I have been given the honour of introducing the fruits of the labours of the Czech Social Security Administration (CSSA) that are presented on the following 52 pages of the 2008 Annual Report. The individual chapters are arranged to display the key data that shows how the CSSA succeeded in pursuing its goals and objectives. The scope of the activities carried out by the CSSA is truly magnificent – our clients consist of almost the entire population of the Czech Republic.

During 2008, a great deal of time was devoted to preparing to implement the new Sickness Insurance Act effective from 1.1.2009. The new Act, which transfers the payment of benefits to individual district social security administrations, represents an overall transformation of the existing sickness insurance system. Throughout 2008, the CSSA was striving to create favourable conditions for launching the new system on 1.1.2009.

With regard to pension insurance, the CSSA was involved in the process of drafting legal regulations and international agreements relating to social security – in addition to decision-making, methodology, and control activities. One of the most important tasks was preparing to carry out parametric changes brought about by the Pension Insurance Act for Stage I of the pension reform, which were approved in the autumn of 2008.

The preparation for reorganizing and the sphere of action of the medical assessment service in connection with the amendment of the Social Security Organization and Implementation Act was one of the strategic tasks for the CSSA in 2008. The amendment will result in a new organization and assignment of the first-instance medical assessment service to the CSSA from 1.7.2009.

I would like to point out that the CSSA was one of the first public administration authorities to start preparing projects co-funded by the European Union. Our goal is to promote modernization and the effective operation of the institution especially with regard to

its clients and the security of the social insurance information system using European resources. The CSSA manages and processes an extensive amount of data – our databases include data on approximately 8 million clients.

The growing interest in the CSSA's services is proven by the figures and statistics given on the following pages of the Annual Report. The CSSA, as a modern institution, provides its services to clients each working day of the week. More than half of the 92 CSSA offices throughout the Czech Republic have modern barrier-free client centres. In 2008, the CSSA sent 134,957 Informative Personal Pension Insurance Sheets to its clients. A total of 99,751 clients contacted the CSSA Information Office Call and the Client Centre resolved 105,853 telephone enquiries.

The CSSA collected CZK 310.8 billion in pension insurance contributions in 2008 as well as CZK 45.8 billion in sickness insurance contributions. On the other hand, it distributed CZK 305.5 billion in pension insurance benefits and CZK 31.9 billion in sickness insurance benefits. The overall success rate for collecting contributions was 99.79% in 2008.

The results of our work documented by this seventh Annual Report represent the long-term continuous efforts of all CSSA employees. I would like to stress the term “continuity” in connection with achieving the strategic goals and objectives of the CSSA to fulfil the organization's mission – i.e. providing fast, accessible, and modern social security services. Finally, I would like to thank all our employees for their dedication, hard work, optimism, and friendliness, without which the CSSA would never be able to carry out all its tasks.

A handwritten signature in black ink, appearing to read 'Michálková' with a stylized flourish at the end.

JUDr. Božena Michálková  
Director General of the CSSA



# 7,999,605

The Czech Social Security administration administers the affairs of more than 7 million 999 thousand clients, of whom more than 2 million 754 thousand are pensioners.



## Organization Profile

The Czech Social Security Administration (CSSA) is the largest financial administration body in the Czech Republic's civil service and is unique with a total annual income and expenditure of almost CZK 719 billion.

It administers the affairs of more than 7 million 999 thousand clients, of whom more than 2 million 754 thousand are pensioners. The CSSA pays more than 3 million 437 thousand pensions.

The CSSA pays (either itself or via employers) sickness benefits, maternity benefits, cost of living allowances in pregnancy and maternity, and attendance allowances (support when caring for a family member) for practically the entire working population of the Czech Republic. The CSSA contributes more than one third of

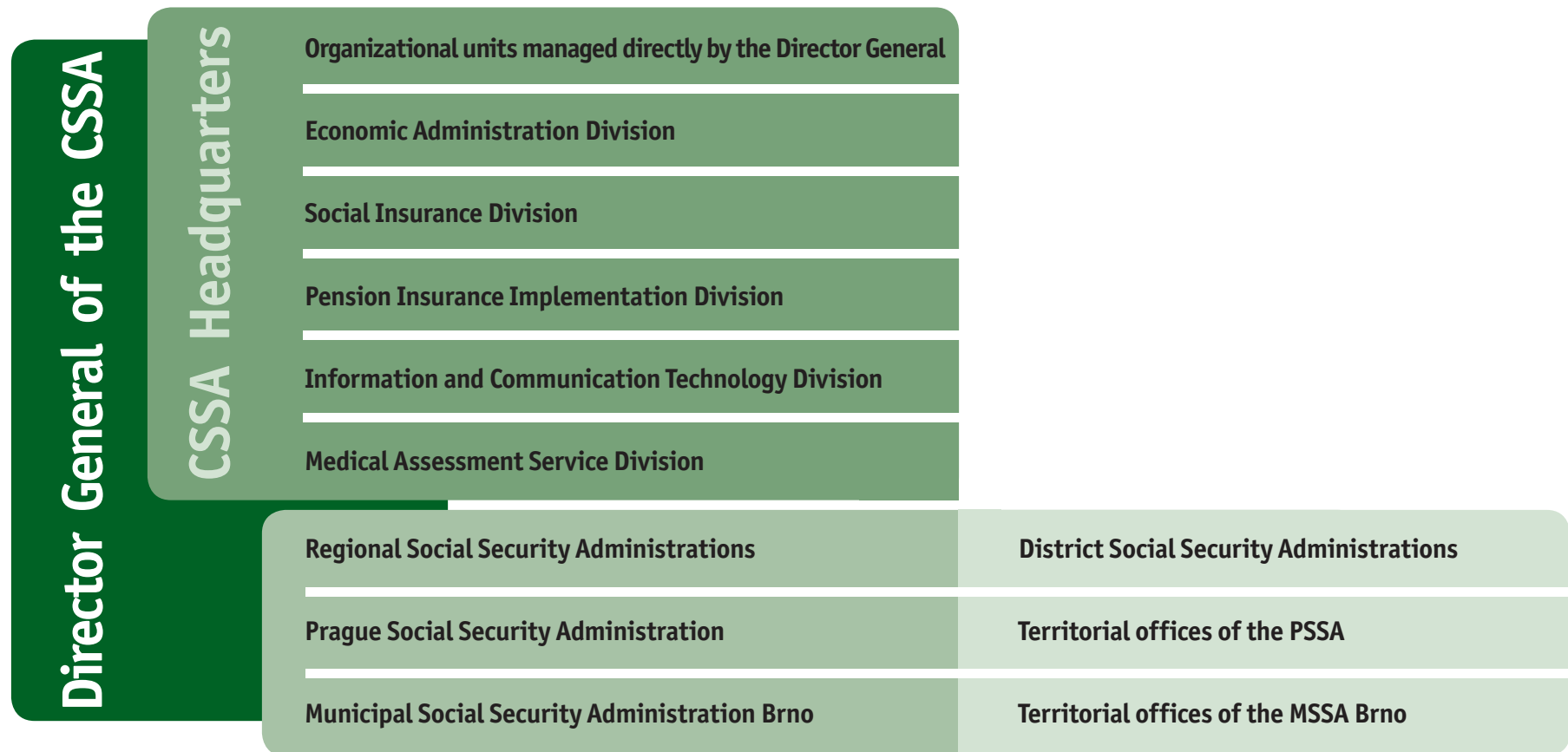
the earnings of the Czech budget by collecting social security contributions, the contribution to the state employment policy.

According to the EU coordinating directives, the Czech Social Security Administration acts as the liaison agency and competent institution for foreign institutions in respect of monetary benefits in sickness and maternity, pensions, and the assessment of legal applicability.

The Czech Social Security Administration also includes the Medical Assessment Service, which assesses the health and the ability to work of citizens for the purposes of sickness and pension insurance. It also inspects assessments of temporary incapacity to work from attending physicians.

As an organizational component of the state, the Czech Social Security Administration is subordinate to the Ministry of Labour and Social Affairs of the Czech Republic. The head of the Czech Social Security Administration is the Director General JUDr. Božena Michálková.

### Organization chart



## Mission

“The Czech Social Security Administration is a modern agency and a social security administrator that functions effectively in a manner that corresponds to the modern technology of the information society of the third millennium and it is imbued with an exclusive orientation towards creating the maximum value for its clients and thus the highest possible fulfilment of its clients’ expectations and the greatest possible degree of customer satisfaction.”

## The organizational structure

The organizational structure of the CSSA corresponds to the country’s regional structure. The headquarters of the Czech Social Security Administration is based in Prague. It consists of five divisions with a total of 21 sections and one independent department and a further six organizational units that are managed directly by the Director General of the CSSA. In addition to this, the Director General also manages a total of 13 regional offices – for the South Bohemian Region, the South Moravian Region, the Karlovy Vary Region, the Hradec Králové Region, the Liberec Region, the Moravian-Silesian Region, the Olomouc Region, the Pardubice Region, the Plzeň Region, the Central Bohemian Region, the Ústí nad Labem Region, the Vysočina Region and the Zlín Region. The Director General of the CSSA also manages the Prague Social Security Administration (PSSA), which looks after Prague clients, and the Municipal Social Security Administration (MSSA) in Brno, which provides services to people in Brno. Social security services to the public are provided by a total of 92 CSSA offices throughout the Czech Republic.



**JUDr. BOŽENA MICHÁLKOVÁ**  
Director General of the CSSA



**Ing. JAN ŠRANK**  
Deputy Director General of the CSSA

## CSSA CHIEF EXECUTIVES



**Ing. RADOSLAVA KODYMOVÁ, CSc.**  
**Chief Executive of the Economic Administration Division**



**JUDr. ELIŠKA VOLFOVÁ**  
**Chief Executive of the Pension Insurance Implementation Division**



**Ing. VLADIMÍR FANTA**  
**Chief Executive of the Information and Communication Technology Division**



**MUDr. LJILJANA BOJIČOVÁ**  
**Chief Executive of the Medical Assessment Service Division**  
(in office until 30.6.2008)

## DIRECTORS OF UNITS MANAGED DIRECTLY BY THE CSSA DIRECTOR GENERAL



**Ing. JIŘÍ DEMEŠ**  
**Director of the Security Policy Section**



**Ing. ZDENĚK JOSKA**  
**Director of the Internal Audit, Inspection,  
and Complaints Section**



**Ing. JIŘÍ KUDLÍK**  
**Director of the European Coordination  
and International Relations Section**



**Mgr. ŠTĚPÁNKA FILIPOVÁ**  
**Director of the Communication Section and the  
CSSA Spokeswoman**  
(in office until 31.8.2008)



**PaedDr. MILUŠE HÁJKOVÁ**  
**Director of the Human Resources Section**

## REGIONAL DIRECTORS



**JUDr. JAN STAVINOHA**  
**Director of MSSA Brno**

**A total of three offices, including the headquarters:**

MSSA Brno headquarters – Director: JUDr. Jan Stavinoha

MSSA Brno II – Head: Hana Manhalterová

MSSA Brno III – Head: JUDr. Ludmila Smejkalová



**doc. JUDr. VILÉM KAHOUN, Ph.D.**  
**Director of the South Bohemian Region RSSA**

**A total of seven offices, including the Regional Office:**

DSSA České Budějovice – Director: doc. JUDr. Vilém Kahoun, Ph.D.

DSSA Český Krumlov – Director: Ing. Marie Bedlivá

DSSA Jindřichův Hradec – Director: Mgr. Josef Čech

DSSA Písek – Director: JUDr. Jaroslava Pitulová

DSSA Prachatice – Director: PhDr. Zdeněk Albrecht

DSSA Strakonice – Director: Ing. Karel Chod

DSSA Tábor – Director: JUDr. Marcela Vašková



**PhDr. MIROSLAV VOTÝPKA**  
**Director of the South Moravian Region RSSA**

**A total of six offices, including the Regional Office:**

DSSA Brno-venkov – Director: PhDr. Miroslav Votýpka

DSSA Blansko – Director: JUDr. Libuše Svěráková

DSSA Břeclav – Director: Ing. Zlatuše Máčelová

DSSA Hodonín – Director: Ing. Eva Milošová

DSSA Vyškov – Director: Mgr. Ivo Rotrekl

DSSA Znojmo – Director: JUDr. Radoslav Kraus



**LADISLAV PEŇÁZ**

**Director of the Karlovy Vary Region RSSA**

(in office until 31.8.2008)

**A total of three offices, including the Regional Office:**

DSSA Karlovy Vary – Director: Ladislav Peňáz

(in office until 31.8.2008)

DSSA Cheb – Director: Ing. Leopold Písek

DSSA Sokolov – Director: Bc. Janka Gajewská



**Mgr. KAREL BAUER**

**Director of the Hradec Králové Region RSSA**

**A total of five offices, including the Regional Office:**

DSSA Hradec Králové – Director: Mgr. Karel Bauer

DSSA Jičín – Director: Ing. Jiří Bílek

DSSA Náchod – Director: Ing. Pavel Sobotka

DSSA Rychnov nad Kněžnou – Director: Ing. Dana Wirtová

DSSA Trutnov – Director: Ing. Daniela Prokešová



**Ing. ZUZANA KRUPIČKOVÁ**

**Director of the Liberec Region RSSA**

**A total of four offices, including the Regional Office:**

DSSA Liberec – Director: Ing. Zuzana Krupičková

DSSA Česká Lípa – Director: Ing. Dana Pospíšilová

DSSA Jablonec nad Nisou – Director: Ing. Martin Šámal

DSSA Semily – Director: Ing. Jaroslava Krausová





**JUDr. MILAN KEKA**  
**Director of the Moravian-Silesian Region RSSA**

**A total of six offices, including the Regional Office:**  
DSSA Ostrava-město – Director: JUDr. Milan Keka  
DSSA Bruntál – Director: Ing. Věra Tesolinová  
DSSA Frýdek-Místek – Director: Ing. Ludmila Babišová  
DSSA Karviná – Director: JUDr. Martin Nogol  
DSSA Nový Jičín – Director: JUDr. Jaroslav Juřík  
DSSA Opava – Director: Ing. Margarita Drastíková



**Ing. ALENA ŠMOTKOVÁ**  
**Director of the Olomouc Region RSSA**

**A total of five offices, including the Regional Office:**  
DSSA Olomouc – Director: Ing. Alena Šmotková  
DSSA Jeseník – Director: Ing. Vítězslav Macek  
DSSA Prostějov – Director: Mgr. Zita Popelářová  
DSSA Přerov – Director: Jaroslav Pospíšil  
DSSA Šumperk – Director: Ing. Ľubica Semerádová



**JUDr. LUDMILA KNOTKOVÁ**  
**Director of the Pardubice Region RSSA**  
(in office until 7.8.2008)

**A total of four offices, including the Regional Office:**  
DSSA Pardubice – Director: JUDr. Ludmila Knotková  
(in office until 7.8.2008)  
DSSA Chrudim – Director: Ing. Blanka Krejcarová  
DSSA Svitavy – Director: Ing. Jaroslava Müllerová  
DSSA Ústí nad Orlicí – Director: JUDr. Olga Počtýnská



**PaedDr. ZDENĚK TOR**  
**Director of the Plzeň Region RSSA**

**A total of seven offices, including the Regional Office:**

DSSA Plzeň-jih – Director: PaedDr. Zdeněk Tor  
 DSSA Domažlice – Director: Ing. Jindřich Kohout  
 DSSA Klatovy – Director: Ing. Jana Tomanová  
 DSSA Plzeň-město – Director: Ing. Antonín Vacík  
 DSSA Plzeň-sever – Director: PhDr. Jiří Hala  
 DSSA Rokycany – Director: Ing. Luboš Koubík  
 DSSA Tachov – Director: Ing. Lýdie Regecová



**JUDr. TOMÁŠ HEJKAL**  
**Director of Prague SSA**

**A total of thirteen offices, including the headquarters:**

The PSSA Headquarters – provides services for Prague 8 – Director: JUDr. Tomáš Hejkal  
 PSSA branch office no. 71 based in Prague 2 – Head: RNDr. Petr Paris  
 PSSA branch office no. 72 based in Prague 1 – Head: RSDr. Gabriela Hrušíková  
 PSSA branch office no. 73 based in Prague 3 – Head: Ing. Miroslav Novák  
 PSSA branch office no. 74 based in Prague 4 – Head: Daniela Pránčlová  
 PSSA branch office no. 75 based in Prague 4-Modřany – Head: Jaroslava Kostková  
 PSSA branch office no. 76 based in Prague 4-Jižní Město – Head: Mgr. Jarmila Bičaníková  
 PSSA branch office no. 77 based in Prague 5 – Head: Ing. Zuzana Vittvarová  
 PSSA branch office no. 78 based in Prague 5-Jihozápadní Město – Head: Ing. Vladimír Derfler  
 PSSA branch office no. 79 based in Prague 9-Vysočany – Head: Ing. Miroslav Feřtek  
 PSSA branch office no. 81 based in Prague 3 – Head: Ing. Miluše Ponzerová  
 PSSA branch office no. 82 based in Prague 9 – Head: Ing. Jana Jiroušková  
 PSSA branch office no. 83 based in Prague 10 – Head: Ing. Květoslava Cimlerová



**Ing. KAREL PERLÍK**  
**Director of the Central Bohemian Region RSSA**

**A total of twelve offices, including the Regional Office:**

DSSA Praha-východ – Director: Ing. Karel Perlík  
 DSSA Benešov – Director: Ing. Petr Stanka  
 DSSA Beroun – Director: JUDr. Václav Klíma  
 DSSA Kladno – Director: Ing. Alena Prajzlerová  
 DSSA Kolín – Director: Ing. Ivana Tluchořová  
 DSSA Kutná Hora – Director: Ing. Robert Velický  
 DSSA Mělník – Director: Ing. Marie Pechová  
 DSSA Mladá Boleslav – Director: Ing. Jana Fronková  
 DSSA Nymburk – Director: Mgr. Ivanka Součková  
 DSSA Praha-západ – Director: Ing. Ivana Panochová  
 (in office until 30.4.2008)  
 DSSA Příbram – Director: Ing. Ladislav Růžička  
 DSSA Rakovník – Director: PhDr. Hana Kronichová



**Ing. ANNA MATULOVÁ**

**Director of the Ústí nad Labem Region RSSA**

(in office until 24.11.2008)

**A total of seven offices, including the Regional Office:**

DSSA Ústí nad Labem – Director: Ing. Anna Matulová

(in office until 24.11.2008)

DSSA Děčín – Director: Ing. Jiří Řezáč

DSSA Chomutov – Director: Mgr. Marek Bergman

DSSA Litoměřice – Director: Věra Kalousová

DSSA Louny – Director: Ing. Petr Burdych

DSSA Most – Director: Ing. Ivana Henžlová

DSSA Teplice – Director: JUDr. Jiří Budek



**JUDr. DANIELA VONDROVÁ**

**Director of the Vysočina Region RSSA**

(in office until 4.7.2008)

**A total of five offices, including the Regional Office:**

DSSA Jihlava – Director: JUDr. Daniela Vondrová

(in office until 4.7.2008)

DSSA Havlíčkův Brod – Director: Ing. Josef Zadina

DSSA Pelhřimov – Director: JUDr. Libuše Pavlíčková

DSSA Třebíč – Director: JUDr. Zdeněk Nováček

DSSA Žďár nad Sázavou – Director: Mgr. Miroslav Lučka



**IVAN RYBKA**

**Director of the Zlín Region RSSA**

(in office until 31.7.2008)

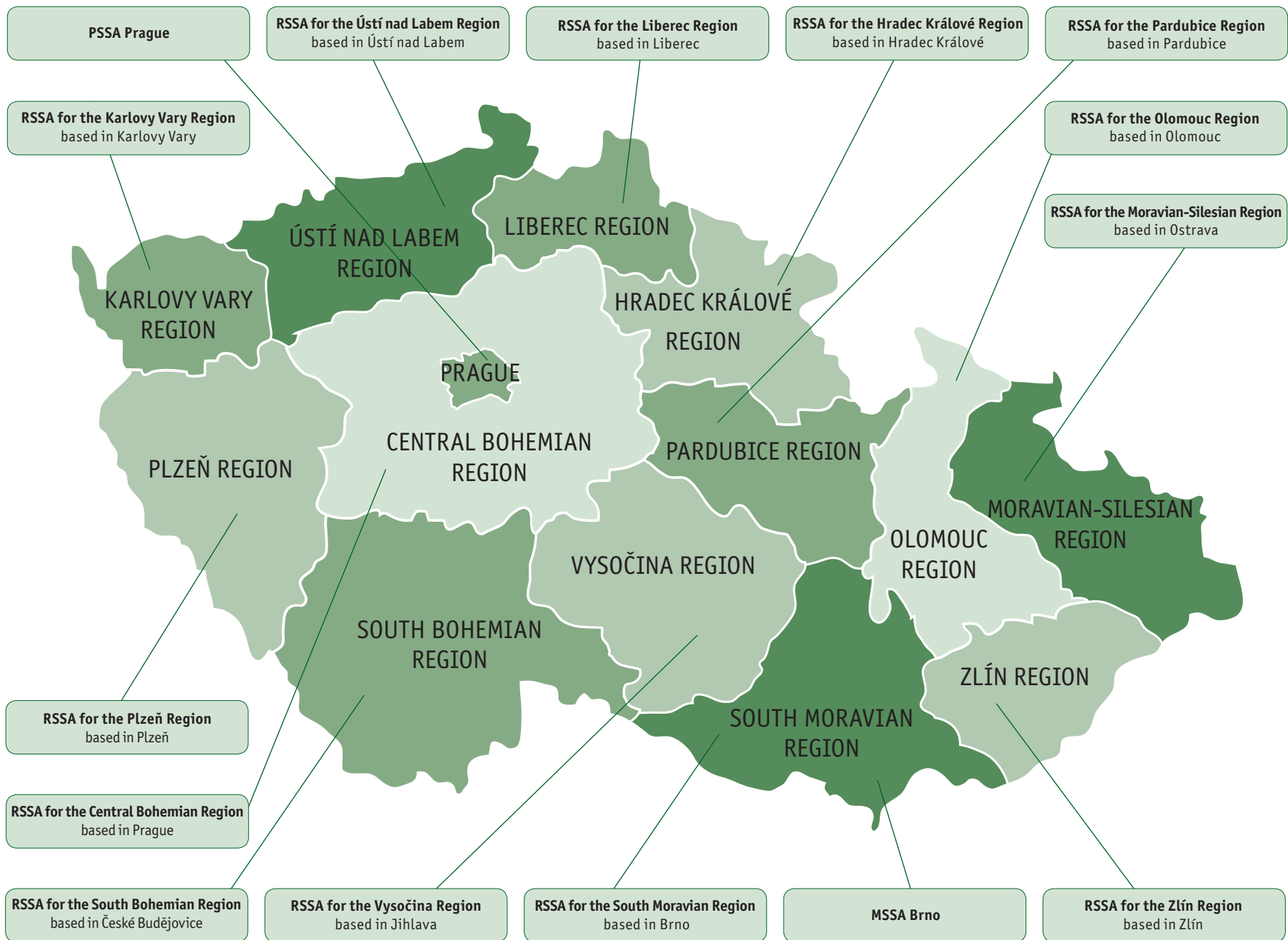
**A total of four offices, including the Regional Office:**

DSSA Zlín – Director: Ivan Rybka (in office until 31.7.2008)

DSSA Kroměříž – Director: Bc. Eva Nováková

DSSA Uherské Hradiště – Director: Bc. Ludmila Hrabcová

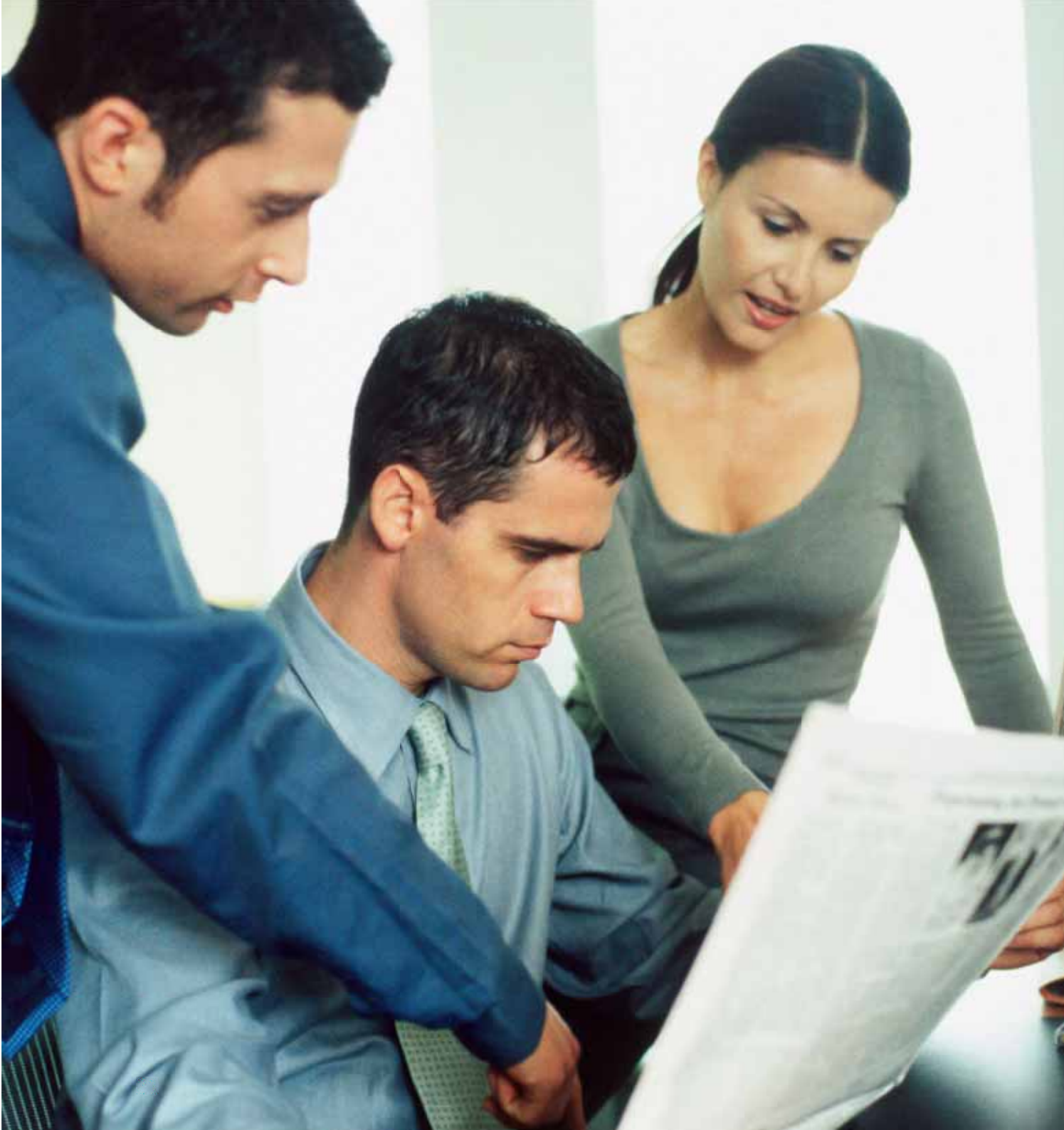
DSSA Vsetín – Director: JUDr. Rostislav Lucbauer



Notes: RSSA – Regional Social Security Administration; PSSA – Prague Social Security Administration; MSSA – Municipal Social Security Administration

# 8,219

As of 31 December 2008, a total of 8,219 people worked for the Czech Social Security Administration, of which 2,210 worked at the CSSA headquarters and 6,009 worked in the territorial units.



8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

8,219

**EMPLOYEES**

## Number and age structure of employees

As of 31.12.2008, a total of 8,219 people worked for the Czech Social Security Administration, of which 2,210 worked at the CSSA headquarters and 6,009 worked in the territorial units. Women were predominant, including the executive positions. The percentage of women is 88.03%.

As in previous years, no significant changes took place in the age structure of CSSA employees.

The most significant change compared to 2007 is the reduction in the 21 to 30 age category (by 2.2%); there has been a slight increase in the over 61 age category (by 1.2%). The rather negative trend of the previous year has continued, as it has not been possible to stabilize the employee age category of under 30 years of age. The 51 to 60 age category is still the strongest age category (31.7%). The continuation of an adverse development from the previous years has resulted in an increase in the number of the CSSA employees in the age category of 50 and more – 37.4% (35.8% as of 31.12.2007); these employees will move to the post-productive age category within the next decade.

## Qualification structure and education

The employees' qualification structure remained stable compared to 2007. The slight increase (0.5%) in the number of tertiary educated employees is positive. The reason for this may be the relatively high number of employees who increased their qualifications by studying Bachelor/Master study programs of various universities. The number of secondary school graduates still prevails (70.5%). Due to the systemization of the CSSA as well as the structure of its activities, this proportion must be maintained and reinforced.

A high number of so-called "education exceptions" according to § 3, section 3 of Government Decree no. 564/2006 Coll., remains a problem – especially with regard to secondary school graduates in job classes requiring a specialist upper secondary and/or tertiary education. There are almost 250 of these exceptions at headquarters; as far as individual DSSAs are concerned, there is usually one exception for each DSSA on average.

In the CSSA, lifelong learning has been considered the most important part of the HR strategy for several years. It aims at individual employee groups according to the rules for the education of administration employees, and it mainly strives to develop the core competencies of individual groups. In 2008, educational programs were traditionally "tailor-made", and carried out, in most cases, by internal lecturers from the CSSA headquarters, as well as from individual RSSAs and/or DSSAs, and from the PSSA and the MSSA Brno.

New employees or employees assigned to a specific specialized agenda, as the case might be, obtain basic theoretical knowledge through self-study e-learning courses, and subsequent daily courses on pension insurance, sickness insurance, the agenda of the self-employed, collecting contributions and inspections. The daily courses take place in educational centres in Karlovy Vary and Kroměříž. A total of four specialized courses were carried out in the 1st semester, with a total of 55 CSSA employees attending. The courses

were completed by final electronic tests and successful graduates received the respective certificates. No specialized courses were held in the 2nd semester of 2008 – they were postponed due to the planned legislative sickness and pension insurance changes and in order to update them.

The specialization (contents) of the courses and the lectures is the responsibility of the lecturers of individual specialized agendas of the regions in cooperation with the methodologists of the CSSA headquarters. The active lecturing team of the CSSA consists of 146 erudite experts, who also participate in the continuous update of daily/electronic courses for each legislative change.

A total of 48 events took place in the Karlovy Vary educational centre during 2008, and a total of 1,814 CSSA employees were trained. These events included a methodology meeting on various legislative changes, two courses on pension and sickness insurance, and six intensive language courses with a total of 138 participants (employees). Other specialized training and meetings took place at the Kroměříž and Křešice educational centres. A total of 1,462 employees attended 85 various events.

In May 2008, the Directors of individual RSSA/PSSA/MSSA had a two-day refresher legal course carried out by lecturers from the Law Faculty at Charles University in Prague. The course specialized in civil, commercial, and labour law as well as changes in these areas, plus another and new topic – providing information. The Directors then had a one-day seminar on combating corruption, the aim of which was to inform the participants about the various types of corruption, the anticorruption policy of the public administration, as well as the tools and assessment of the effectiveness of anticorruption measures.

In June 2008, a two-day refresher course on interpretation, news, and changes in labour, commercial, and civil law was organized by the CSSA headquarters in cooperation with the Law Faculty of Charles University in Prague for the graduates of the third round of the specialization course from 2004/2005. A total of 14 graduates attended the course.

In September 2008, 27 employees completed the sixth round of a two-semester specialization course for CSSA employees on administrative, civil, commercial, labour, criminal, and financial law at the Law Faculty of Charles University in Prague. The seventh round of this course was opened for a further 30 employees.

In October 2008, the second round of the "European and International Social Security Law" specialization course for CSSA employees continued in cooperation with the Law Faculty of the Palacký University in Olomouc.

In 2008, 538 CSSA employees were trained at the Institute of State Administration (ISA). A total of 66 employees completed specialized and management courses, 105 employees completed courses on computer literacy. Two employees completed the basic preparation course for state administration lecturers. Twelve employees from CSSA headquarters attended the ISA language centre (English, German, and French courses). A total of 785 CSSA employees passed the subsequent initial education/training.

Also important was the preparation of 15 employees of the CSSA headquarters enrolled in the Central Register of Employees for the National Program Securing the Czech Republic's Presidency of the European Union. The enrolled employees passed 68 mandatory and optional courses on language and institutional training.

Studies at public and private universities also contributed to the increasing qualifications of CSSA employees. In 2008, 89 CSSA employees commenced their studies at

Bachelor and Master study programs, 1 employee commenced a graduate study program. Four employees commenced their studies at specialist upper secondary schools, and four employees commenced studies at secondary schools.

More than 7,000 employees had access to the electronic learning program in 2008. The educational system was stable throughout the period, and the educational modules were constantly available to employees. At the end of the year, a new "Business English" e-course was implemented in the form of electronically distributed education (e – DV), with a number of interactive elements. The aim of the course is to improve the administrative-technical, telephone, and social communication skills of employees in a foreign language. The course was supplemented by a lesson on the terminology associated with the CSSA's activities according to the specification of the administration.

In the second half of 2008, intensive preparation took place to update specialized internal courses in connection with the extensive legislative sickness insurance changes. The primary objective was to make sure all courses were topical as of 1.1.2009, i.e. as of the effective date of Act no. 187/2006 Coll., on Sickness Insurance.

## Classification of CSSA employees according to education and gender – as of 31.12.2008

Achieved education	Men	Women	Total	%
Primary	9	154	163	2.0
Apprenticed	115	452	567	6.9
Full specialist secondary	353	5,440	5,793	70.5
Specialist upper secondary	25	172	197	2.4
Tertiary	482	1,017	1,499	18.2
<b>Total</b>	<b>984</b>	<b>7,235</b>	<b>8,219</b>	<b>100.0</b>

## Knowledge of languages

Regular individual and group language lessons continued throughout the CSSA for 658 employees. The courses were carried out in association with the Institute for Linguistic and Specialization Preparation at Charles University in Prague and the Embassy of the French Republic in Prague which provided French courses for the 7 employees included in the Central Register of Employees for the National Program Securing the Czech

Republic's Presidency of the European Union. Eight one-week intensive English/German courses took place in the CSSA educational centres. These courses were aimed at completing the standardized exams of levels one to three. 238 employees successfully completed the language courses, of which 184 employees passed the exam for English, 48 employees for German, and 6 employees for French. Only 15 employees failed the exam, and 405 employees, who did not take the test due to lower language knowledge, received a "Certificate" corroborating the length of the language preparation at the CSSA and the level of their respective knowledge. In the second half of 2008, individual language courses for 10 managers as well as group courses for 35 employees of selected specialized divisions were carried out. A further 11 employees enrolled in the Central Register continued with the French courses.

## Employment and wages

Employee fluctuation is a significant indicator that points to the stability of an organization's employee structure, its openness and capacity to change/adapt to changes. This involves the number of entries and departures of employees and the ratio between them and the frequency of the methods used when terminating employment.

As of 31.12.2008, the total fluctuation of CSSA employees was 13.52%; this is an increase of 2.72% compared to 2007. The fluctuation rate increase was caused by implementing the resolution of the Ministry of Labour and Social Affairs on reducing 260 functional jobs at the CSSA as of 1.1.2009 (Resolution of the Government of the Czech Republic no. 436/2007 on reducing functional jobs within the state administration), as 132 employment notices were given due to the reduction of systemized jobs in compliance with § 52, letter c) of the Labour Code (hereinafter the "LC"). Another consequence of this measure is a significant change in the ratio of entries and departures. While this ratio was almost even in 2007 (936 entries and 916 departures), the number of departures increased to 1,111 with a simultaneous reduction of new entries to 795 as of 31.12.2008.

The most frequent ways in which employees terminated their employment in 2008 were – as in the previous two years – by agreement pursuant to § 49 of the LC and after the expiry of the period for which the given job had been negotiated pursuant to § 65 of the LC. Another frequent method involves the termination of employment on a notice pursuant to § 52, letter c) of the LC, which was caused by the aforementioned reduction of systemized jobs.

In 2008, the CSSA once again greatly exceeded the compulsory four-percent share of employees with disabilities, as it employed 382 of these employees.

In comparison with 2007, the average wage rose by CZK 708 to CZK 22,904.



# 99.79%

The success rate of the Czech Social Security Administration's collection of contributions after removing irrecoverable receivables is 99.79%, i.e. more than CZK 375 billion.



## Collecting social security contributions

The collection of social security insurance, which is one of the main tasks of the CSSA, includes pension, sickness and state insurance policy contributions.

In 2008, the collection success rate was 100.15%. This is a reduction of 0.9% compared to 2007 (the collection success rate in 2007 was 101.05%).

In order to achieve a more objective evaluation of the success rate of social security contribution collection in a given year, it is appropriate to remove the written off, irrecoverable receivables from the total success rate. The data shows that the contribution

collection success rate remained over 98% in 2004 and 2005, increasing to 99.5% in 2006, and over 100% in 2007. In 2008, the collection success rate after removing written off, irrecoverable receivables was 99.79%.

### *The development of earnings from contributions in total, the prescribed contributions in total and the contribution collection success rate since 2004*

Year	2004	2005	2006	2007	2008
Total earnings from contributions (in billions of CZK)	285.06	302.09	324.35	357.21	375.37
Total prescribed contributions (in billions of CZK)	283.28	302.41	321.35	353.50	374.80
Contribution collection success rate (in %)	100.63	99.89	100.93	101.05	100.15

*Notes: Total revenue consists of tax and other revenue from insurance contributions including accessories, i.e. penalties and fines. Revenue from other CSSA operations has not been included. The total prescribed contributions refer to the prescribed insurance contributions including accessories.*

### *The development of earnings from contributions in total, the prescribed contributions in total and the contribution collection success rate since 2004 after removing irrecoverable receivables*

Year	2004	2005	2006	2007	2008
Write-offs (in billions of CZK)	4.82	4.48	4.64	2.39	1.34
Adjusted prescribed contributions (in billions of CZK)	288.10	306.89	325.99	355.89	376.14
Collection (in billions of CZK)	285.06	302.09	324.35	357.21	375.37
Contribution collection success rate (in %)	98.95	98.43	99.50	100.37	99.79

## Inspections of organizations and small organizations

In 2008, all the CSSA offices carried out 167,829 inspections of the fulfilment of the legal obligations in organizations and small organizations, on the basis of which they issued 6,030 payment assessments. Of more than CZK 118 million 244 thousand that organizations and small organizations have to additionally pay for insurance, CZK 102 million 743 thousand consisted of outstanding insurance contributions and the remaining CZK 15 million 501 thousand was accounted for by penalties.

The CSSA inspection employees imposed a total of 1,193 fines of CZK 4 million 669 thousand on organizations and small organizations because of a lack of coopera-

tion from the employers during the inspections and with regard to their reporting obligations. The inspectors ordered 6,043 corrective measures to eliminate ascertained inadequacies, of which 4,168 involved sickness insurance and 1,875 involved pension insurance.

In 2008, 799 CSSA employees from 92 offices throughout the Czech Republic carried out the inspections of the fulfilment of the social security obligations. A total of 141,693 inspections were planned and the CSSA inspectors carried out a further 26,136 inspections over and above the plan. In practice, this means that the CSSA inspected more than 63% of all organizations and small organizations in 2008. The CSSA inspects all organizations and small organizations in regular two-year cycles to ensure that it uncovers any eventual problems in time and can implement instant corrections, where possible.

### Inspections of the fulfilment of social security obligations in organizations/small organizations in 2008

Region	Number of inspections	Payment assessments				Penalties	
		Number	Amount (in thousands of CZK)			Number	Amount (in thousands of CZK)
			Outstanding insurance contributions	Penalties	Total insurance contributions and penalties		
Prague Social Security Administration (PSSA)	30,927	1,346	27,161	4,041	31,202	14	103.5
Central Bohemian	17,300	419	17,730	2,232	19,962	16	44.0
South Bohemian	9,549	362	2,720	139	2,859	18	34.0
Plzeň	8,592	315	3,284	543	3,827	41	117.0
Karlovy Vary	4,580	173	1,734	717	2,451	52	144.0
Ústí nad Labem	11,264	420	3,526	349	3,875	77	158.0
Liberec	6,673	225	11,825	2,079	13,904	13	119.9
Hradec Králové	9,164	469	4,231	525	4,756	344	1,209.4
Pardubice	7,469	312	2,973	338	3,311	99	349.1
Vysočina	6,930	220	1,305	101	1,406	112	576.4
South Moravian	10,648	375	1,980	171	2,151	60	85.0
Municipal Social Security Administration Brno (MSSA)	9,537	326	15,911	2,959	18,870	97	479.0
Olomouc	9,169	237	1,838	149	1,987	49	447.0
Moravian-Silesian	16,782	516	5,351	1,053	6,404	12	33.5
Zlín	9,245	315	1,174	105	1,279	189	769.5
<b>Total</b>	<b>167,829</b>	<b>6,030</b>	<b>102,743</b>	<b>15,501</b>	<b>118,244</b>	<b>1,193</b>	<b>4,669.3</b>

Source: Report on the results of the CSSA's inspection activities in organizations/small organizations 2008

## Social security contribution receivables

The Czech Social Security Administration recorded insurance receivables, including accessories (penalties and fines) of approximately CZK 55 billion 797 million as of 31.12.2008, one year earlier, i.e. as of 31.12.2007, this category amounted to approximately CZK 57 billion 488 million. In both cases, this involved receivables for social security contributions, including penalties and fines that have accumulated since 1993. The amount, which payers owe in contributions therefore fell year-on-year by almost 2.94%, i.e. by approximately 1 billion 691 million CZK.

The outstanding contributions of approximately CZK 27 billion 766 million was the largest part (49.76%) of the receivables from social security contributions as of 31.12.2008. The penalties amounted to 48.46%, i.e. CZK 27 billion 39 million. Fines amounted to CZK 176 million.

This amount was accounted for by small organizations (61.23%), organizations (20.58%) and the self-employed (18.19%). Compared to the previous year, receivables due from organizations and small organizations fell by approximately CZK 2.5 billion. Receivables recorded for the self-employed rose by approximately CZK 842 million in comparison with 2007. 426,275 debtors contributed to the overall amount of receivables in 2008, i.e. 10,773 more than in 2007.

### The portfolio analysis provides the following results:

- Receivables for penalties account for 48.46% of the overall receivables;
- Receivables due from deregistered entities account for 60.70% of all receivables;
- Receivables of more than CZK 30 million due from debtors account for 24.58% of the total receivables; there are 168 such debtors and this basically involves minimally recoverable receivables (bankruptcies and receiverships);
- Approximately 61% of receivables are due from small organizations.

The recovery of receivables is the responsibility of the DSSA/PSSA/MSSA Brno. They use administrative and court decisions and also claim the receivables in any bankruptcy and/or settlement proceedings. In 2008, all the offices of the CSSA made 218,255 decisions, compared to 204,586 decisions in 2007. Last year, the CSSA recovered 145,216 receivables by the administrative enforcement of its decisions, and it also submitted 73,039 proposals for the judicial enforcement of its decisions, i.e. 1,930 (or 2.71%) judicial enforcement of decisions more than in 2007.

As of 1.1.2008, the CSSA claims receivables during insolvency proceedings in compliance with Act no. 182/2006 Coll. In 2008, 701 receivables were entered for insolvency proceedings of CZK 916.6 million; 64 of these receivables were completed. Furthermore, the CSSA entered 599 receivables in already declared bankruptcies pursuant to Act no. 328/1991 Coll., on Bankruptcy and composition, of CZK 670.7 million.

## Receivables of the CSSA as of 31.12.2008 (in millions of CZK)

		Receivables					Percentage share (%)
		Total	Insurance contributions	Penalties	Fines	Other	
<b>Deregistered payers</b>	SEI	3,247.95	2,023.03	1,170.82	54.10	—	—
	SO	23,484.35	10,067.60	13,338.53	78.22	—	—
	0	7,139.10	3,383.29	3,752.31	3.50	—	—
	Total	33,871.40	15,473.92	18,261.66	135.82	—	60.70
<b>Registered payers</b>	SEI	6,693.93	4,971.53	1,694.88	27.52	—	—
	SO	10,484.92	4,805.22	5,668.24	11.46	—	—
	0	3,932.21	2,515.93	1,415.00	1.28	—	—
	Total	21,111.06	12,292.68	8,778.12	40.26	—	37.84
<b>Subtotal</b>		54,982.46	27,766.60	27,039.78	176.08	—	—
<b>Instalment system</b>	SEI	208.43	—	—	—	208.43	—
	SO	197.76	—	—	—	197.76	—
	0	408.80	—	—	—	408.80	—
	Total	814.99	—	—	—	814.99	1.46
<b>Total</b>	SEI	10,150.31	6,994.56	2,865.70	81.62	208.43	—
	SO	34,167.03	14,872.82	19,006.77	89.68	197.76	—
	0	11,480.11	5,899.22	5,167.31	4.78	408.80	—
	Total	55,797.45	27,766.60	27,039.78	176.08	814.99	100.00
<b>Percentage share (%)</b>		100.00	49.76	48.46	0.32	1.46	—

Notes: SEI - the self-employed, SO - small organizations (up to 25 employees), 0 - "large" organizations (over 25 employees).

## Pension decisions and payments

The CSSA pays all pensions, with the exception of those that fall under the jurisdiction of the Ministries of Internal Affairs, Defence and Justice. This involves old age pensions, full or partial disability pensions, widows' and widowers' pensions, and orphans' benefits.

After taking into account the expenditure in the past and future periods (expenditure on the advance to Czech Post at the turn of the budget year), the pension insurance payments in 2008 amounted to CZK 305 billion 536 million. Of this, old age pensions was CZK 222 billion 105 million.

As of 31.12.2008, there were 2,754,011 pensioners – 1,066,465 men and 1,687,546 women. The CSSA distributed a further 50,361 pensions abroad and 1,772 pensions were paid by non-standard payouts. The average amount of the old age pension was CZK 9,638 of which CZK 10,715 for men and CZK 8,784 for women.

In 2008, the CSSA reached decisions on 251,315 new pension applications. The CSSA pays pensions in two ways: in cash or by direct credit to a client's account. As of 31.12.2008, the CSSA made 2,725,952 pension payments. Of this number, the CSSA distributed 1,628,853 pensions via Czech Post, 1,052,049 pensions via direct credit (84,732 more compared to 31.12.2007), and 44,978 pension were paid to care homes via bank transfers.

### Expenditure on pension payments (in millions of CZK)

Year	2004	2005	2006	2007	2008
Amount	226,883	243,648	261,464	282,876	305,536

Note: The advance from December of the previous year has been included in the calculation of pensions, while the advance for January of the following year has not been included.

### Average amount of an old age pension

Year	2004	2005	2006	2007	2008
Men	8,133	8,662	9,157	9,784	10,715
Women	6,600	7,030	7,431	7,938	8,784
<b>Total</b>	<b>7,270</b>	<b>7,744</b>	<b>8,187</b>	<b>8,747</b>	<b>9,638</b>

Note: This involves the amount of the old age pensions without any other simultaneously paid types of pensions, for example widows' pensions.

### Number of pension insurance clients, pensioners, and pensions

Year	2004	2005	2006	2007	2008
Number of pension insurance clients	4,841,549	4,786,415	4,846,240	4,877,954	4,978,920
Number of pensioners	2,625,685	2,645,100	2,683,784	2,719,161	2,754,011
Of which					
women	1,629,999	1,637,584	1,656,280	1,674,015	1,687,546
men	995,686	1,007,516	1,027,504	1,045,146	1,066,465
Number of paid out pensions	3,249,706	3,268,673	3,310,174	3,347,121	3,383,046
Of which					
old age pensions	1,944,915	1,961,870	1,995,350	2,028,865	2,066,005
full/partial disability pensions	563,376	570,055	580,055	586,686	588,745
survivor's pensions	741,415	736,748	734,769	731,570	728,296

Note: This involves pensions paid in the Czech Republic, i.e. without any payments abroad.

## Pensions distributed abroad

People permanently living abroad receive their pensions either to a foreign address or to a personal account at a bank/savings bank in the Czech Republic or abroad. Pensions are paid to addresses abroad 4× a year in March, June, September and December retroactively for each quarter and this was also the case in 2008. Payments to accounts abroad are directly credited in the currency of the given state or in any other freely convertible currency via the Czech National Bank and the appropriate correspondent bank abroad – the payments are always made retroactively and at the intervals that the pension recipient designates. The payments to accounts in the Czech Republic are made in Czech crowns for the previous period and are made via the Czech National Bank. The precondition for distributing pensions abroad is the form “Certificate of Living”, which a pensioner receiving his/her pension abroad sends to the CSSA – duly completed and with an officially authenticated signature – once a year.

As of 31.12.2008, the CSSA made 50,361 pension payments to 64 countries of the world. In 2008, the most pensions were distributed to Slovakia (14,155), Poland (11,623), and Germany (8,586). Pensions distributed abroad by the CSSA include all pension types – i.e. old-age, disability, and survivor’s pensions.

### Ten countries to which the CSSA paid the most pensions in 2008

Country	Number of distributed pensions
Slovakia	14,155
Poland	11,623
Germany	8,586
Switzerland	2,476
Canada	2,130
Bulgaria	1,694
Austria	1,678
Greece	1,565
USA	1,503
Sweden	763

## Payment of sickness benefits

In 2008, the DSSA/PSSA/MSSA administered sickness insurance for 236,595 small organizations with 1,115,295 employees and 938,265 self-employed individuals, of whom 196,225 participated in the sickness insurance scheme. 1,304,775 sickness insurance payments were provided – i.e. 208,016 less cases than in 2007.

The total expenditure on sickness benefits in 2008, i.e. including reimbursements paid to organizations of more than 25 employees, was approximately CZK 31 billion 882 million. The most funds were distributed for sick pay (approximately CZK 24 billion 769 million), followed by maternity benefits of approximately CZK 6 billion 297 million CZK. Attendance allowances accounted for expenditure of approximately CZK 811 million and differential allowances during pregnancy/maternity exceeded CZK 4 million.

In 2008, the Czech Social Security Administration recorded 2,223,914 completed cases of sick leave, i.e. 641,287 completed cases of sick leave less than in 2007 (2,865,201 cases). The average sick leave lasted 39.50 days. This is an increase of 4.40 days compared to 2007. In total, people were ill for 87,851,038 days – i.e. 12,738,081 fewer days lost because of illness than in 2007. Men were ill more often – 1,113,418 completed cases of sick leave in comparison with 1,110,496 cases for women. However, women were ill for a longer period of time – on average, the period of illness lasted 41.38 days for women and 37.64 days for men.

People most frequently fell ill with respiratory illnesses (36.1%). in 2008. The CSSA recorded a total of 802,841 completed cases of sick leave, 14,227,836 sick days, and an average sick leave of 17.72 days due to this type of illness.

### Expenditure on sickness insurance (in millions of CZK)

Year	2004	2005	2006	2007	2008
Sickness benefits	24,705	26,258	26,963	27,881	24,769
Attendance allowance	730	819	825	893	811
Maternity benefits	4,123	4,579	4,981	5,893	6,297
Differential allowance during pregnancy and maternity	5	4	4	4	4
<b>Total</b>	<b>29,563</b>	<b>31,660</b>	<b>32,773</b>	<b>34,671</b>	<b>31,882 *</b>

\* Expenditure on individual items is rounded to millions of CZK – therefore the total does not correspond to the sum of the numbers.

## Inspections of the adherence to treatment conditions

Employees at all CSSA's offices carried out 190,926 inspections of the adherence to treatment conditions during sick leave in 2008. Most inspections took place in Prague (36,526) and in the Moravian-Silesian Region (20,836). On the basis of the inspections, CSSA's offices issued 5,131 sanctions for breaches of the treatment conditions. In practice, this means that 2.68% of the inspected individuals had their sick pay either reduced or withdrawn. CSSA employees also terminated 2,872 cases of sick leave where there was no medical reason for the sick leave to continue in 2008.

### Number of clients covered by sickness insurance

Year	2004	2005	2006	2007	2008
Total	4,358,766	4,298,049,	4,358,984	4,372,191	4,445,811
Of which self-employed	267,524	240,825	222,074	210,540	196,225

### Number of days of sick leave paid

Year	2004	2005	2006	2007	2008
Sickness	97,341,561	100,920,399	98,825,327	97,990,272	85,511,589
Attendance allowance	3,035,134	3,141,523	3,243,589	3,022,249	2,938,306

Note: The number of sick days paid does not correspond to the total number of sick days which includes, among other things, individuals registered at Labour Offices, who do not receive sick pay.

### Sick leave development

Year	2004	2005	2006	2007	2008
Number of completed sick leave cases	2,906,149	3,185,257	2,870,261	2,865,201	2,223,914
Number of sick days	105,955,526	107,095,134	104,747,532	100,589,119	87,851,038
Average duration of 1 case of sick leave	36.46	33.62	36.49	35.11	39.50
Sick leave terminated by a CSSA decision	1,539	2,981	2,497	3,268	2,872
Breaches of treatment conditions	11,211	11,066	9,521	10,312	6,851

## Inspections of the adherence to the treatment conditions as of 31.12.2008

Region	Year 2008	
	Number of inspections	Number of sanctions
South Bohemian	12,875	120
South Moravian	11,055	255
Karlovy Vary	8,785	250
Hradec Králové	10,570	287
Liberec	4,236	155
Moravian-Silesian	20,836	863
MSSA Brno	3,794	262
Olomouc	15,323	358
Pardubice	10,965	397
Plzeň	14,658	361
PSSA	36,526	792
Central Bohemian	21,028	442
Ústí nad Labem	12,890	286
Vysočina	3,374	88
Zlín	4,011	215
<b>Total</b>	<b>190,926</b>	<b>5,131</b>



## Medical Assessment Service

In 2008, the Medical Assessment Service (MAS) carried out health assessment activities mainly for sickness and pension insurance. Other types of assessment were carried out by Labour Office physicians. The CSSA's MAS physicians only carried out an assessment for a postponed case from a previous period or for retroactive assessments.

The CSSA's MAS was also affected by the personnel situation – persisting problems with finding high quality and perspective physicians. The medical team of the CSSA's MAS is aging, however, we were able to maintain the assessment level and reduce the amount of outstanding work.

In comparison with 2007, the proportion of disability ascertainment assessments increased relatively to the total number of all assessments; however, there has been a decrease in the absolute number of disability ascertainment assessments from 73,236 to 70,865 (i.e. by 3.24%). The number of inspection assessments also declined from 110,848 in 2007 to 108,386 cases in 2008 (i.e. by 2.22%). Overall, disability assessments make up 92.26% of all assessments.

The CSSA's MAS also prepared 7,131 assessments for an extension of the period of sickness benefits payment after the lapse of the period of support. Only 52 cases were discussed during appellate proceedings of this agenda, and in 49 of these cases the first instance decision was reconfirmed.

The inspection activities of the CSSA's MAS relating to assessments of a temporary incapacity to work were a little more difficult because of the transition to a new program combining all the sickness insurance – NEM data. The fundamental change has been the transition from isolated local databases to integrated nationwide records. The software-related situation also affected the number of inspections carried out – 4,018 less in 2008 than in 2007. Furthermore, the number of assessments for terminating a temporary incapacity to work on the basis of a decision dropped, only 2,899 such assessments were prepared in 2008 (compared to 3,441 in 2007). A total 178 assessments were prepared during appellate proceedings against a temporary incapacity to work termination on the basis of a decision (i.e. 6.14%); only 8 of these appeals were successful.

During its methodology and inspection activities, the methodology section of the CSSA's MAS reviewed 2,296 assessment files and 4,174 reviews of cases of a temporary incapacity to work assessments made by the CSSA's MAS physicians. In addition to the planned inspection tasks, it carried out another 902 reviews of assessment files for expert assessments for other CSSA units/departments, on the basis of submissions of individuals and institutions, e.g. the Ministry of Labour and Social Affairs, the Public Defender of Rights, etc.

In addition to its own activities, the CSSA's MAS also helped at Labour Offices, and the CSSA's MAS physicians prepared 14,581 assessments for these Offices. Furthermore, the CSSA's MAS provided assessment/review activities on the EU social security law application and bilateral agreements. In 2008, it carried out 8,305 acts within the international agenda, i.e. 393 more than in 2007. The CSSA's MAS Section participated significantly in preparing and organizing the Congress of the European Union of Medicine in Assurance and Social Security (EUMASS), which took place from 5-7.6.2008 in Prague.

The key precondition for carrying out the occupation of a CSSA's MAS physician is a specialized qualification of a physician in assessment medicine. A total of 19 physicians attested in 2008.

## Compensation according to special regulations

Despite the fact that compensation is not associated with social security, which is the heart of the CSSA's activities, the CSSA has had this agenda in its jurisdiction for several years.

In 2008, applications were handled according to Act no. 357/2005 Coll. and Government Decree no. 622/2004 Coll., as amended by Amendment no. 405/2005 Coll. and no. 369/2007 Coll. More than 58,000 applications for bonuses and special allowances to pensions have been settled since the effective date of the relevant regulations. Decisions have been given for all applications filed so far, and the requested allowance was granted in the vast majority of cases.

The CSSA has continued to handle applications for one-off payments in compliance with Act no. 217/1994 Coll., Act no. 39/2000 Coll., Act no. 261/2001 Coll., Act no. 172/2002 Coll., and Act no. 357/2005 Coll., for which the proceedings are still pending because of their complexity and complicated evidence. During 2008, 282 applications were resolved, however, more than 900 cases are still pending as the progress and extent of the investigation is somewhat affected by the judicature developments that have occurred in the meantime.

By the end of 2008, applicants accounted for 119,572 of all the claims associated with compensation and the CSSA paid out CZK 6 billion 537 million.

The CSSA also reviewed three amendments to compensation regulations during the year.

## Informing clients about their pension claims

Since 2006, the CSSA has been providing clients with an informative personal sheet of pension insurance on request. It includes an overview of periods of insurance, substitute periods of insurance and assessment bases that are part of the CSSA's records. Clients are becoming more and more interested in this service – the extract was issued to almost 135 thousand insured persons in 2008. The high number of applicants proves that people want to be continuously aware of their pension claims and to be able to monitor whether their respective employers have in fact fulfilled their legal obligations.

# Preparing for major legislative sickness insurance changes

## SICKNESS INSURANCE

The preparation for implementing the new sickness insurance system, which came into effect on 1.1.2009 in compliance with Act no. 187/2006 Coll., was the top priority of the CSSA in 2008. The legal regulation introduced extensive changes, which concerned not only the circle of insured persons, the amount and terms of entitlement to sickness insurance benefits, but also the organization and execution of sickness insurance (transferring the distribution function for all benefits to DSSAs). Therefore, it required intensive and time-consuming actions in respect of the relevant organizational, technical, and methodological measures. During the preparation, the CSSA followed with activities, which were carried out in 2006 in compliance with the then expected introduction and launch of the new system in 2007.

Due to the two-year gap, the proposed processes had to be updated in a number of cases, i.e. because of several amendments to the Sickness Insurance Act, which were introduced during the previous period. This did not involve just legislative and technical changes but also factual and parametrical changes. It involved preparing and implementing new application support for routine operations, based on the principle of data base centralization and decentralized user access, producing and publishing new methodology instructions, producing, printing, and distributing new and/or updated forms, negotiating with external partners (e.g. Česká pošta, s. p., banks, and health insurance companies), training CSSA/DSSA employees and informing employers, attending physicians as well as the general public.

## PENSION INSURANCE

One of the important tasks of the CSSA for the period of 2008–2010 is to prepare for an amendment to the Pension Insurance Act. The adopted amendment to Act no. 155/1995 Coll. (Act no. 306/2008 Coll.) contains a number of minor as well as major changes in pension calculation, the period of insurance assessment and certain processes also change significantly i.e. for disability pensions and pension distributions. To implement these extensive changes a number of activities are necessary, which the CSSA must carry out during the legal vacancy period so as not to affect the process of handling the normally exercised pension claims and to make sure the CSSA is prepared to follow the valid legal regulations from the effective date of the amendment act.

The preparatory work started immediately after the Parliament of the Czech Republic adopted the amendment act back in July 2008. The CSSA prepared a list of tasks, necessary to implement successfully the parametric changes, and a time schedule for fulfilling them. It initiated merit-related interpretation of the changes and temporary provisions, it specified changes affecting technological support and it issued technical and organizational provisions for carrying out the parametric changes. At the same time, it prepared the terms and conditions for transforming partial disability pensions, in line with the legislative changes, starting from January 2010 – modifying databases and loading data on the percentage drop of the earning power of these pensions.

# 336,752,583,170

In 2008, the pension and sickness insurance expenditure was CZK 336 billion 753 million, of which pension insurance benefits were CZK 304 billion 871 million and sickness insurance benefits CZK 31 billion 882 million.



336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

336,752,583,170

## ECONOMIC RESULTS

## Revenue

The state budget set the total revenue for CSSA at CZK 376 billion 684 million for 2008. The tax earnings for 2008 were budgeted at CZK 375 billion 521 million. Of this, pension insurance contributions amounted to CZK 311 billion 796 million, sickness insurance contributions CZK 46 billion 9 million and the contribution to the state employment policy CZK 17 billion 716 million.

The actual revenue from insurance contributions and the contribution to the state employment policy came to CZK 374 billion 427 million, i.e. 99.7% fulfilment of the budget. Of this, the CSSA collected CZK 310 billion 829 million for pension insurance, CZK 45 billion 837 million for sickness insurance and CZK 17 billion 761 million for the contribution to the state employment policy.

The government budgeted non-tax revenue for 2008 at CZK 1 billion 163 million. The actual non-tax revenue of the CSSA amounted to CZK 1 billion 246 million, i.e. 107.1% fulfilment of the budget.

## Operating expenses

Row no.	Specification	Actual 2008 (in CZK mil.)	Share in expenditure (%)
1.	Personnel costs	3,099	55.9
	Of that		
	wages, other payments, and severance pay	2,266	40.9
	insurance contributions	788	14.2
	cultural and Social Fund	45	0.8
2.	Purchase of materials	47	0.8
3.	Water, fuels, and energy	124	2.2
4.	Postal services	578	10.4
5.	Services, repairs, maintenance and travel expenses	1,445	26.2
6.	Other non-capital expenditure	52	0.9
7.	Transfer of non-capital funds to the reserve fund	0	0
8.	Subtotal	5,345	96.4
9.	Capital expenditures, including reserve fund transfers	201	3.6
10.	Total operating expenses	5,546	100.0

## Expenditure

The budget for pension payments for 2008 was set at CZK 304 billion 893 million after adjustments. The actual amount was CZK 304 billion 871 million, i.e. 99.99% of the budget was used. In 2008, old age pensions amounted to CZK 222 billion 105 million, full disability pensions CZK 42 billion 446 million, partial disability pensions CZK 14 billion 952 million, widows' pensions CZK 20 billion 871 million, widowers' pensions CZK 2 billion 96 million, and orphans' benefits CZK 3 billion 66 million.

Other payments for 2008 were budgeted at CZK 32 billion 97 million after adjustments. The actual amount was CZK 31 billion 885 million, which means that almost 99.34% of the budget was spent. Of that, the largest sum went on sick pay (CZK 24 billion 769 million), attendance allowances (CZK 811 million), differential allowances during pregnancy and maternity (CZK 4 million), and maternity benefits (CZK 6 billion 297 million).

The total operating expenses for 2008 (i.e. program financing expenditure, wage costs, including the associated expenditure and material costs) were set at CZK 4 billion 518 million. The overall operating expense budget was CZK 5 billion 930 million after budgetary adjustments. The actual expenses amounted to CZK 5 billion 546 million, including the reserve fund.

The insufficient provision of material expenses persistently complicates the CSSA's budget situation and funding its operations. Therefore the CSSA has applied an economic system of internal specification of disposable materials expenses for several years in order to secure priority financing for the core activities resulting from the CSSA's mission. Expenses necessary for carrying out long-term goals and projects have thus repeatedly been subject to continuous budgetary measures, i.e. to reinforce the role of information and communication technologies (ICT), which tends to be very complicated.

The CSSA launched a new program for the Development and renewal of the material and technical platform of the CSSA in 2008, which is scheduled for the period of 2008–2010. The financial funds for 2008 of CZK 1 billion 300 million were retained within the budget of the Ministry of Labour and Social Affairs and they were gradually allocated by the CSSA on the basis of issued registration sheets. As of 31.12.2008, the CSSA had allocated a total of CZK 1 billion 117 million.

In 2008, the total wage resources, including the reserve fund, was CZK 2 billion 266 million, of which wages amounted to CZK 2 billion 247 million and other payments and performed work to CZK 19 million. The total spent was CZK 2 billion 266 million.

In 2008, the material expenses indicator does not include expenses for the acquisition of low-value assets (including software), the acquisition of other ICT services, operating the public data network, and repair/maintenance expenses. These expenses were realized within the program financing – non-capital tasks.

The inclusion of the reserve fund resources in order to resolve the issue of the missing funds of the CSSA in 2008 was affected by Government Decree no. 32 of 9.1.2008, which made it possible to use the reserve fund resources only after negotiations with the Minister of Finance and with the consent of the Prime Minister. The expenses for postal services form the decisive part of all material expenses.

The indicator of the CSSA's efficiency expressed as a percentage share of the total operating expenses to the actual tax revenues and benefit payments was 0.78% in 2008. According to the approved budget for 2008, the indicator was 0.64%.

## Assets

As of 31.12.2008, the CSSA had long-term tangible assets of CZK 7 billion 940 million and long-term intangible assets of CZK 1 billion 141 million.

All of the assets were used exclusively for carrying out the CSSA's public administration role. If any of the assets were not necessary for carrying out its public administration role, the Czech Social Security Administration proceeded in accordance with Act no. 219/2000 Coll., on Property of the Czech Republic and the representation thereof in legal relations, and with implementing regulation no. 62/2001 Coll. The assets are not written off in accordance with the CSSA statute.

There were 37 easements burdening the assets of the Czech Social Security Administration in 2008. The easements most frequently involved securing an owner's access to his/her property (on foot, by car, right of passage, etc).

In 2008, the CSSA entered into seven legal acts (contracts) involving the transfer of intangible assets. In two cases, this involved a transfer of the authority to manage the assets of the Czech Republic between the CSSA and other state agencies based on the registration of the given change of authority. In one of the cases, the CSSA acted as the assigner, while in the other case, it acted as the assignee. Furthermore, the CSSA negotiated a contract on the free transfer of real-estate as well as a contract on the purchase of real-estate with territorially autonomous units (a municipality/region). It has also negotiated a contract on the sale of real-estate as well as a contract on a future barter contract with two private entities.

### Long-term tangible assets as of 31.12.2008

Account number	Name	CZK
031	Land	273,061,790.80
032	Artworks and collections	1,329,016.00
021	Buildings and structures	4,648,913,274.00
022	Independent movables	1,829,375,610.20
042	Acquisition of long-term tangible assets	45,550,009.00
028	Low value fixed tangible assets	1,092,036,092.04
977	Other low value fixed tangible assets	50,514,516.05
<b>Total</b>		<b>7,940,780,308.09</b>

### Long-term intangible assets as of 31.12.2008

Account number	Name	CZK
012	Intangible results of research and development	60,804,192.00
013	Software	709,151,959.85
041	Acquisition of long-term intangible assets	141,256,839.00
018	Low value fixed intangible assets	177,185,264.86
019	Other long-term intangible assets	1,648,198.65
977	Other low value fixed intangible assets	51,719,315.96
<b>Total</b>		<b>1,141,765,770.32</b>

## Limitations to ownership rights in 2008

Ownership Deed no.	Cadastral territory		Easement	Easement description
Prague				
292	554782	Prague	V-55000/2005-101	Establishing and operating cabling – Eurotel Praha
452	554782	Prague	Z-13300592/1999-101	Pedestrian and vehicle access
			V-24675/2005-101	Placing an entry
1608	554782	Prague	Z-38916/2003-101	Joint use
			Z-38915/2003-101	Joint use
2074	554782	Prague	Z-11800553/1997-101	Pedestrian and vehicle access
South Bohemian Region				
1932	544256	České Budějovice	Z-2800339/1996-301	Use of non-residential premises
4624	545881	Jindřichův Hradec	Z-100244/1997-303	Pedestrian and vehicle access
			Z-100269/1997-303	Pedestrian and vehicle access
			Z-100311/1997-303	Pedestrian and vehicle access
1040	732630	Prachatice	V-1788/2008-306	Establishing and operating communication networks – ČD Telematika
5883	549240	Písek	Z-100154/1998-305	Repairs and maintenance
Liberec Region				
3368	576964	Semily	V-1541/2004-608	Pedestrian access and passage
Olomouc Region				
1357	500496	Olomouc	Z-8758/2004-805	Option to buy
1464	500496	Olomouc	Z-5200523/1998-805	Pedestrian and vehicle access
5911	511382	Přerov	Z-618/2003-808	Civil Defence shelter
			Z-101839/1998-808	Civil Defence shelter
Moravian-Silesian Region				
2634	554821	Ostrava	V-1193/2007-807	Establishing and operating cabling
2634	554821	Ostrava	V-467/2005-807	Establishing and operating cabling – Eurotel Praha
			V-468/2005-807	Establishing and operating cabling – Eurotel Praha
			Z-1600836/2000-807	Pedestrian and vehicle access
1874	597180	Bruntál	Z-6523/2005-801	Statutory right of lien
4221	599191	Nový Jičín	Z-200080/2001-804	Gas pipes and an electrical connection point

Karlovy Vary Region				
3984	560286	Sokolov	Z-101080/2000-409	Operating a water mains connection
Plzeň Region				
6164	665797	Klatovy	V-2679/2008-404	Establishing and operating communication networks – ČD Telematika
4729	559717	Rokycany	Z-5900475/1999-408	Pedestrian and vehicle access
PSSA				
748	554782	Praha	Z-6500055/2001-101	Pedestrian and vehicle access
Central Bohemian Region				
4393	531057	Beroun	Z-102314/1996-202	Use of the English courtyard
5705	537004	Nymburk	V-3040/2006-208	Underground thermal energy piping
Liberec Region				
4626	561380	Česká Lípa	Z-1300206/1998-501	Operating utility networks
Pardubice Region				
11760	571164	Chrudim	V-2898/2004-603	Pedestrian and vehicle access
Ústí nad Labem Region				
4050	554804	Ústí nad Labem	Z-8201510/1999-510	Travel, vehicle entry and exit
5000	565971	Louny	Z-5201523/1999-507	Pedestrian and vehicle access
3797	567027	Most	Z-9003540/2000-508	Inspection, repair and maintenance of street lighting
Vysočina Region				
5290	659673	Jihlava	V-8557/2008	Establishing and operating electric lines
8866	590266	Třebíč	V-1844/2003-710	Pedestrian and vehicle access
Zlín Region				
3124	592005	Uherské Hradiště	Z-100434/2000-711	Right to operate a bakery



# 196,288

In 2008, the Czech Social Security Administration performed more than 196 thousand social security related tasks with regard to the EU, the EEA, and Switzerland.



196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

196,288

# INTERNATIONAL RELATIONS

In 2008, the CSSA handled 196,288 social security related submissions with regard to the EU member states, the member states of the European Economic Area (EEA) and Switzerland. On a year-on-year basis, this is a 7% increase in the number of tasks (in 2007, the CSSA handled 182,297 submissions relating to the EU agenda). Of the total submissions, 73,395 were applications for benefits/payments and 104,781 inquiries. On average, CSSA employees handled 16,357 submissions a month – i.e. an increase in the monthly workload of 1,166 tasks compared to 2007 (2007: 15,191 submissions a month). People most frequently sought advice on pensions, while applications were most frequently lodged in connection with an assessment of the applicability of legal regulations.

## European Union

In accordance with Council Regulation (EEC) 1408/71 and Council Regulation (EEC) 574/72 (the so-called coordination regulations), the CSSA is the competent authority for pensions, sickness and maternity benefits, and cash benefits paid for occupational injuries and illnesses (this only applies to sickness and pension insurance benefits in cash – sickness benefits and disability pensions) and assesses legal applicability. The aforementioned coordination regulations currently apply to 31 states (member states of the EU/EEA and Switzerland): the Czech Republic, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Ireland, Italy, Cyprus, Lithuania, Latvia, Luxembourg, Hungary, Malta, Germany, Netherlands, Poland, Portugal, Austria, Romania, Greece, Slovakia, Slovenia, Great Britain, Spain, Sweden, Iceland, Lichtenstein, Norway and Switzerland.

## International projects

In 2008, the Transition Facility (TF) project “The audit of functionality and security of the social security information systems” was successfully completed. The results met individual project objectives, i.e. improving the professional level and quality of the CSSA's internal audit, as well as creating methodology complying with international standards for professional practice in internal audits and with international standards for information technology audits.

Another successfully completed TF project was “Strengthening the capacity of the CSSA in collecting social security contributions”. This project was also carried out in cooperation with the German pension insurance administration of Westphalia (DRV). The analysis of the contribution collection system within the CSSA confirmed that the success rate of contribution collection is high and the CSSA effectively monitors the contribution collection.

The CSSA prepared five other projects. The projects were definitively approved at the end of 2008 when the contracts with twinning partners were signed. The project activities will start in January 2009.

Furthermore, the CSSA also started preparing for drawing financial resources allocated from the EU Structural Funds for the period of 2007–2013. It presented six projects via the Ministry of Labour and Social Affairs of the Czech Republic on the Integrated operational program (IOP) and the Operational program Human Resources and Employment.

## International agreements

On 21.2.2008, the Social security agreement was signed between the Czech Republic and Japan, which regulates the applicability of legal regulations, pension insurance and resulting benefits/payments, and partially health insurance. Subsequent negotiations of the delegations of the Czech Republic and Japan, which took place at the Ministry of Labour and Social Affairs in Prague in March 2008, with the participation of CSSA representatives, on preparing an administrative agreement for the implementing the Agreement were aimed at resolving detailed processes and procedures. These included preparing various forms, mutual sharing of information on procedures for filing applications for pensions and assessing an applicants' health. Another meeting of the entities took place in October 2008 in Japan to discuss unresolved issues.

In April 2008, the first round of negotiations took place in Prague on preparing a new social security agreement with Moldavia; these negotiations also included a one-day visit of the Moldavian delegation to the CSSA. The delegation agreed on the personal and materials extent of the future contract and undertook to formulate a mutual draft of the contractual document, which should regulate pension and sickness insurance, unemployment insurance, and even medical care. The second round took place in Moldavia in September of 2008, with the participation of a representative of the CSSA. From the factual perspective, the draft contract has been finalized.

In April 2008, the first meeting of representatives of the CSSA and the Ukrainian Pension Fund took place in the Ukraine on working procedures for implementing the Social security agreement between the Czech Republic and the Ukraine. The representatives agreed on the final version of the bilingual bilateral forms (in Czech and Ukrainian) as well as the process for confirming the periods of insurance in the Ukraine for Czech citizens – fellow countrymen, who moved to the Czech Republic from the Chernobyl area, as well as on other issues associated with the mutual application of pension claims.

In May 2008, CSSA representatives participated in the first round of negotiations at the Ministry of Labour and Social Affairs on preparing a social security agreement between the Czech Republic and India, which regulates the applicability of legal regulations, pension insurance and resulting benefits/payments. The Indian delegation visited the CSSA during the negotiations.

In May 2008, CSSA representatives negotiated with their American counterparts from the Social Security Administration (SSA) in Baltimore, USA on preparing both institutions for the Social security agreement between the Czech Republic and the USA signed on 7.9.2007, which will come into effect in 2009. The parties agreed on the joint processes and mutual cooperation of both institutions during pension proceedings and when confirming the applicability of legal regulations. In connection with this meeting, a working meeting took place at the CSSA headquarters in November 2008 with representatives of the American insurance agency (FBU) – Warsaw branch and the US Embassy in the Czech Republic. The main purpose of the meeting was to discuss specific processes for filing and handling pension applications and for providing all the necessary information.

In September 2008, CSSA representatives negotiated with their Korean counterparts (NPS) at the CSSA headquarters on implementing the Social security agreement between the Czech Republic and Korea. The participants discussed issues relating to filing pen-

sion claims, assessing the applicability of legal regulations, and prepared and approved bilingual Czech-Korean forms. The Agreement regulates the specific legislation as well as pension insurance benefits. The Agreement as well as an administrative agreement came into force on 1.11.2008.

In October 2008, another round of negotiations on the new social security agreement, which should supersede the existing unsatisfactory legal regulation – Agreement of 1959 (expired on 31.12.2008), took place in Moscow, at the Ministry of Health and Social Development with the participation of a CSSA representative. The new agreement has not been signed. The parties could not reach agreement on the common principles for the period from the expiry of the old Agreement and both parties will exclusively follow their intrastate legal regulations. The mutual relations of the Czech Republic and the Russian Federation on social security will therefore not be regulated by any contracts and/or agreements starting from 1.1.2009.

In November 2008, the CSSA representatives took part in the first round of negotiations with Mongolia on preparing a social security agreement.

## Conferences and meetings

In 2008, a number of international working meetings took place at the CSSA headquarters. At the invitation of the CSSA Director General, a meeting took place with representatives of the British pension insurance authority for international relations. The subject matter of the meeting was the mutual sharing of information on pension insurance, providing information on the progress of preparatory work for electronic data interchange and the application of a new regulation.

In 2008, CSSA experts met with World Bank representatives and discussed information sharing on the expected affects of the project to create a single collection point for public budget revenues.

The cooperation with German partners on organizing consulting days for clients continued. More than 250 consultations on pension insurance were provided during the fourth Czech-German consulting days, which took place in March 2008 in Plzeň. The objective of the consultations was to advise clients on statutory pension issues, and to inform them about individual accounts of insured persons as well as about the approximate amount of German pensions.

The fifth consulting days, which took place in Dresden in October 2008, and which were dedicated to pensions, proceeded similarly.

In May 2008, the Czech-German consulting days aimed at monetary sickness and maternity benefits took place in Cheb for the first time in cooperation with the German authority AOK Bayern. Both employees and employers were informed about the cross-border rights and obligations of monetary sickness and maternity benefits, to which European regulations apply. The consulting days were followed by a meeting of Czech and German experts on issuing incapacities for work.

A CSSA delegation headed by the Director General, JUDr. Božena Michálková, attended the “New models of old-age and disability pensions” European Colloquium in Berlin, which was organized by the German insurance authority Deutsche Rentenversicherung Bund (DRV).

CSSA representatives met experts of the Slovak Social Insurance Company at a regular annual meeting of liaison bodies. The agenda covered issues relating to the key activities of the CSSA in the Slovak Republic, i.e. pension and sickness insurance, determining the applicability of legal regulations and the medical assessment service.

The first meeting of the Czech and Greek liaison bodies took place in Athens, and covered monetary sickness and maternity benefits and the assessment of the applicability of legal regulations. An expert meeting took place with Austrian colleagues on recovering receivables, together with other bilateral talks on cooperation and implementing European law and international agreements and treaties on social security.

A number of activities relating to the preparation for the Czech Presidency of the European Union, to activities of CSSA employees within the bodies of the European Commission, as well as to work on new coordination regulation, including preparation for international electronic data interchange were carried out. The preparation for the Presidency also involved negotiations on the level of intrastate bodies as well as discussions with representatives of liaison bodies of other member states, namely France and Sweden.

CSSA representatives participated in the activities of the Administrative Commission for the social security of migrant workers, its Technical Commission, as well as a number of ad hoc working groups, in the consulting body of the Council for the social security of migrant workers, and within the working group of the Council for social affairs. On the national level, the CSSA participated in the activities of the Resort Coordination Team for the Czech Presidency preparation, the Resort Coordination Group for EU affairs (processing the general positions of the Czech Republic), working subgroups for social security coordination, the free movement of persons and international electronic data interchange. CSSA experts participated in regular meetings of the European Social Insurance Platform (ESIP) in Brussels, as the CSSA is a member of ESIP. The International Social Security Association (ISSA), of which the CSSA is a member, organized a seminar (Warsaw – November 2008) on the topic “Disability pension systems and strategy for labour market integration. The CSSA briefly introduced the position, activities, and tasks of the organization. During its presentation, it also addressed the existing legal regulation of disability pensions in the Czech Republic, and explained the modifications adopted as part of the parametric changes in the Czech Republic.

# 8,117,114

In 2008, the Czech Social Security Administration electronically accepted and processed more than 8 million 117 thousand forms and this represents more than 1 million 539 thousand e - Submissions from organizations and self-employed individuals.



In 2008, the information and communication technologies (ICT) transformation processes continued in connection with the "Information system for the management and administration of the CSSA" program. The processes of digitalizing and centralizing data, documents and applications, which are the key preconditions of the whole solution, continued with the aim of discontinuing territorial applicability and providing services to clients at any territorial unit of the CSSA. Projects to significantly improve the network environment for communicating with central data storages and the central server platform had to be designed and carried out, including creating three operating environments to integrate, train, and operate the applications. The preparation and production of the project for the transition to the system of electronic forms as a single interface for client communication via the Portal of the Public Administration (PVS) continued.

## e-Submissions

In 2008, the CSSA actively used the transaction sections of the PVS for collecting client data and it coordinated with all the involved parties from the perspective of organizing, legislation, program, and technology. The CSSA used the PVS as an electronic filing room for selected types of e-Submissions: pension insurance records (ELDP), sickness insurance registration/deregistration forms (P/O), and an overview of revenue and expenditure of self-employed individuals. In 2008, 1,539,446 e-Submissions were accepted from organizations and the self-employed via the DIS system; this corresponds to 8,117,114 forms. The services were expanded in July 2008, and they can now be used to receive data from the Ministry of Industry and Trade of the Czech Republic for the agenda of the self-employed. Daily updates of the Trade Register and the Single registration form for physical entities can now be received via the PVS. Using this service, the delivery of paper forms from trade

### Number of e-Submissions in 2008

	ELDP	P/O	Overviews of self-employed individuals	Total
Number of accepted e-Submissions	295,873	1,242,965	608	1,539,446
Of that				
via PVS	294,440	367,403	608	662,451
on media	1,433	2,016	N/A	3,449
made at DSSA (Filler)	N/A	602,999*	N/A	602,999
Number of accepted e-forms	3,521,832	4,594,674*	608	8,117,114

\* Registration forms (deregistration forms, changes, corrections: from digitally signed media, csv files and forms made via 602XML Filler at the CSSA territorial offices)

offices within the territory of a CSSA organizational unit could be discontinued. In October 2008, the DIS system was integrated in the AAA portal. Preparatory work was under way at the end of the year to facilitate the acceptance of the new forms in force from 1.1.2009.

By the end of 2008, 52,026 organizations had registered for the e-Submission of CSSA forms, of which 22,143 organizations employed more than 25 employees. There were 30,079 of these organizations at the end of 2008 with a total of 3,250,136 employees. This means that almost 74% of organizations with more than 25 employees used the CSSA e-Submissions from 31.12.2008. The electronic forms were also used by 29,883 small organizations (with up to 25 employees) and 1,570 self-employed individuals.

## Transformation and infrastructure projects

A number of projects continued in 2008 within the concepts set down in previous years. For example, the CSSA Information Concept was produced, certification was carried out and the CSSA received certification for its Integrated information system.

In compliance with the directive of the Ministry of Labour and Social Affairs, the CSSA ICT Development Strategy until 2013 has been prepared. Work continued on individual projects to finalize pilot operations and prepare for routine operations. This involved activities for implementing the new Sickness Insurance Act as of 1.1.2009.

Eighty-four ICT priorities were defined in 2008; 7 of the priority tasks were carried out internally, the remaining tasks were incorporated in projects resolved by external suppliers.

The selected projects included, for example, the Collection of Contributions project to centralize contribution collection; the Sickness Insurance project – transition from the local method of processing to centralized data and a decentralized environment for sickness insurance. The Payments of Benefits project consists of administering requests for all types of benefits/reductions, compiling the payment receipt, compiling the payment batch, creating payment files, recipient accounts, and processing feedback on payments made. The Processing of New Forms (ELDP, POS, and ONZ) project involved the introduction of new types of background materials for claims when processing in compliance with the requirements of the Sickness Insurance Act (effective as of 1.1.2009). The Application for a pension project consists of an electronic type of pension application, including scanning a completed application and its individual appendices. The project Executions and Bankruptcies (this relates to decisions on execution withholdings withheld from benefits recipient and paid to the beneficiary/external entity outside of the CSSA) involves the delivery of applications in support of the agenda of executions and bankruptcies. The object of the first stage of the Insolvency Proceedings project (a conceptual solution for receivables recovery) was to develop basic application support of various processes associated with insolvency proceedings in 2008.

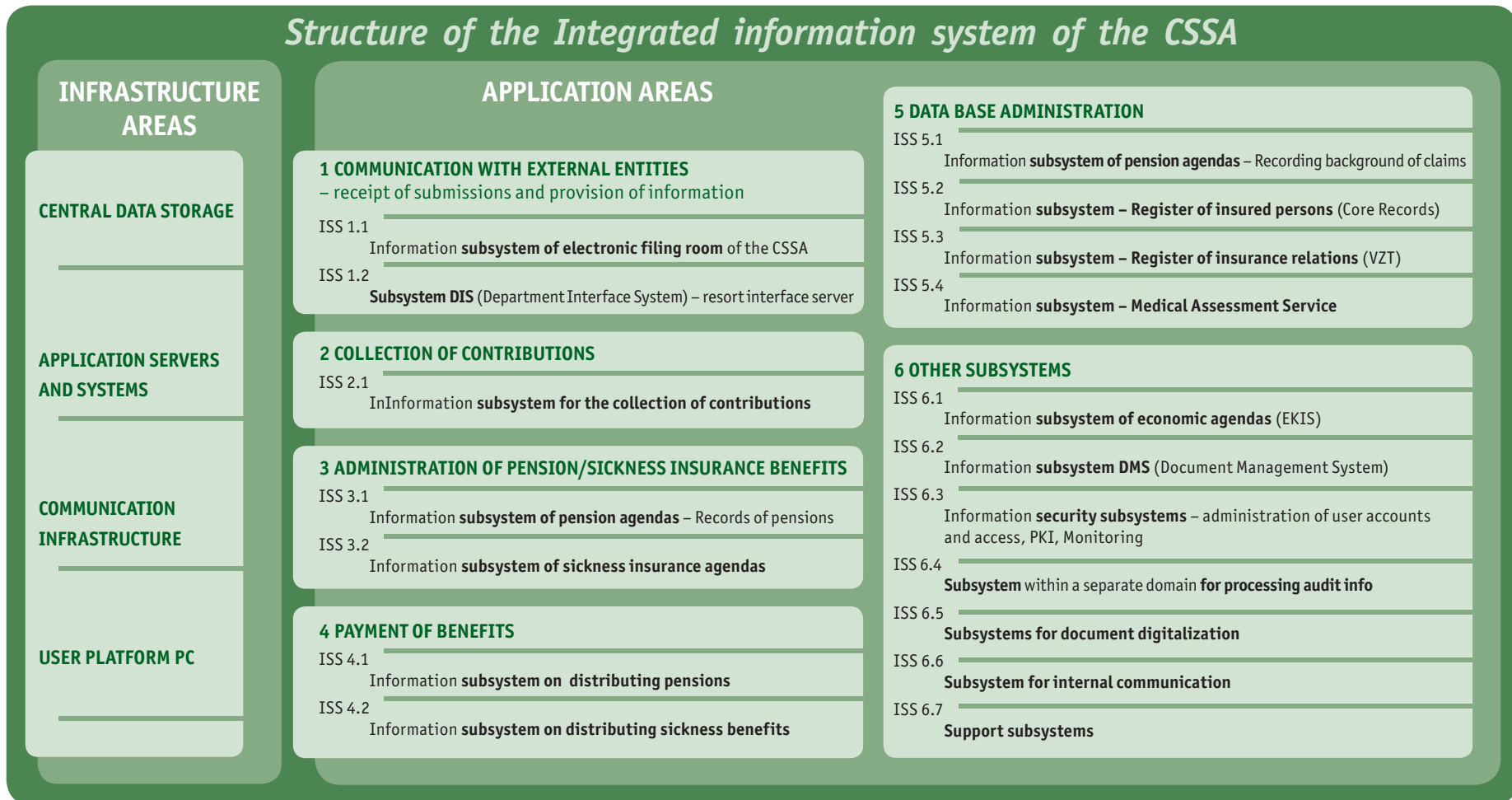
The aim of the Pension Insurance project is to create a new information system for administering pension insurance benefits. The Background Materials for Claims project addressed the completion of processes for the comprehensive processing of background materials for pension insurance claims.

The CSSA continued increasing the security of its data. The most important tasks included developing the AAA portal, implementing technology accounts, reflecting the organizational changes of 1.1.2009, and setting access privileges for routine operations applications as of 1.1.2009 – i.e. access privileges settings for several thousand employees.

In compliance with Government Decree no. 211/2008 Coll. and with Government Decree no. 212/2008 Coll., the CSSA prepared and successfully completed valorising pensions and pension supplements, effective from August 2008. During the fourth quarter of 2008, preparation for valorising pensions and pension supplements followed in compliance with Government Decree no. 363/2008 Coll. and with Government Decree no. 364/2008 Coll., effective from January 2009.

The agenda of “Slovak pensions” relates to the EU. It involves implementing the requirements in the main pension records as well as in the pension agenda processing system during a working/payment cycle. A separate application (SVK) has been created to handle the agenda of calculating and distributing pensions according to the interpretation of the Ministry of Labour and Social Affairs.

Another important task involved modifying forms in line with the administrative commission for the social security of migrant workers, i.e. form E 205.



The object of completed projects was to develop the Integrated information systems, and they were categorized as infrastructural (developing the technical base) and application (developing individual areas of the CSSA).



# 105,853

Employees of the Czech Social Security Administration Call Centre answered more 105 thousand telephone calls in 2008. The Information Office handled approximately 100 thousand enquiries from clients and more than 827 thousand people visited the CSSA's website.



One of the priorities of the CSSA is the high-quality and fast provision of services and information to clients. Clients can contact the Information Office of the CSSA headquarters, client centres and information offices at individual DSSAs, and the CSSA's Call Centre. They can also visit the Czech Social Security Administration website at <http://www.cssz.cz>. In addition, the CSSA works closely with the public and commercial media.

## Client Centres

More than half of the 92 CSSA offices (i.e. the individual DSSA/PSSA/MSSA) had their own client centre in 2008. With their modern announcement systems, these centres guarantee fast and continuous provision of services to the public, the necessary privacy and security, and barrier-free access. In 2008, the CSSA opened two new client centres – in Pardubice and in Prague 9, Sokolovská.

The client centres (or information centres at the DSSA/PSSA/MSSA, as well as the CSSA headquarters) have been providing services to the public every working day for a number of years. In 2008, the DSSA offices operated during the following working hours: Monday and Wednesday from 8.00 am to 5:00 pm, Tuesday and Thursday from 8.00 am to 2:00 pm, and Friday from 8 am to 1:00 pm.

## Information Office

Employees of the Czech Social Security Administration Information Office handled 99,751 enquiries from clients during the period 1.1.2008–31.12.2008; 8,053 clients requested information on the application of the EU social security law and the international treaties governing social security. Therefore, on average 394 clients contacted this office every day.

The demand for other services of the Information Office has grown as well. The Office provided copies of records for an insurance period to 13,370 clients. Confirmations of pension amounts were delivered to 6,775 applicants. The CSSA cash desk provided cash advances and/or pension payments in 1,835 cases for CZK 39,559,901.

## Call Centre

In 2008, employees of the CSSA's Call Centre handled 105,853 telephone calls. In practice, therefore the Call Centre addressed approximately 418 telephone calls every working day in 2008. Among the most frequent were requests for information on specific pension-related matters and enquiries and requests often related to the payment of pensions. Furthermore, the Call Centre provided clients with 4,722 confirmations of pension amounts and paid 476 cash advances on pensions via the CSSA cash desk. It also forwarded 6,397 reminders and follow-up letters to specialized units and sections.

## Media

In 2008, the CSSA itself or the areas administered by the CSSA were the source of 1,433 media items. This number only includes the media (nationwide dailies, public television and radio, etc.), regularly monitored by the CSSA. Through the CSSA's own activities (publishing press releases, organizing events, etc.), the monitored media published or filmed 912 items i.e. almost 63.6% of all media items in 2008 reacted to the media activities of the Czech Social Security Administration. The media issued the remaining 521 items of information as their own topics, however, the CSSA often participated in these items as well and this number includes items arising from 531 media inquiries, which the CSSA answered in 2008. For the sake of completeness, it must be added that the CSSA issued 88 press releases and held 6 press conferences or other media events in 2008.

## Website

In addition to various informative materials, the Communication Section also uses the CSSA website to publish documents that must be published according to the legal regulations. For example, the Administrative Procedure Code states that the CSSA must publish any written materials in the form of a public announcement enabling remote access. During the period 1.1.2008–31.12.2008, the Communication Section thus published 17,818 documents on the official electronic bulletin board. This number corresponds to 1,484 documents a month, i.e. 488 published items each month (on average 996 documents were published per month in 2007). In addition to documents published in the form of a public announcement, the electronic presentation editorial staff publishes and updates a large amount of other information. At the end of the year, the website was updated in connection with the new reorganization and the new legal regulations of 1.1.2009. For example, the Communication Section prepared an electronic presentation for new e-Submissions services and the application of the Sickness Insurance Act.

The new website also includes visit rate statistics. It records visits to the CSSA website in a different manner using different technology than the previous CSSA website. It is therefore not possible to compare the data on a year-on-year basis. The regular website updating and growing Internet access in general affect the visit rate of the CSSA website. 827,621 people visited the CSSA website in 2008 (i.e. 68,968 people a month or 2,673 people a day). The highest number of visitors to the CSSA website was in March (119,235 people) and in April (97,229 people).

In connection with the legislative changes at the beginning of the year, the Life Situations section administered by the CSSA was continuously updated. It is located on the Public Administration Portal, to which the CSSA website refers, as the CSSA works closely with the editorial staff of the Portal.

## Publishing activities

The CSSA regularly published the National Insurance monthly magazine in 2008. Its 39th edition was published with an average print run of 10,500 copies per month. The magazine published more than 140 articles about social security and 113 consultations. The National Insurance editorial team worked with approximately 60 regular contributors.

As far as nonrecurring materials are concerned, the CSSA published the following publications for the general public in 2008:

- Social security in 2008 a print run of 50,000 copies;
- CSSA social insurance manual in 2008 a print run of 100,000 copies;
- Manual of a future pensioner in 2008 a print run of 100,000 copies;
- Informative poster Obligations of an insured person during a period of temporary incapacity to work a print run of 120,000 copies for client centres, information offices of the CSSA premises, medical rooms of attending physicians, and medical facilities;
- Guide to the new Sickness Insurance Act in 2009 a print run of 100,000 copies. This provided information about changes in sickness insurance/sickness insurance benefits as of 1.1.2009.

Apart from the publishing plan, the CSSA also published 100 copies of the informative poster International Consulting Days. These posters were for the Czech and German public as part of the consulting days on sickness insurance.

All of these materials were available to the general public at all of the CSSA offices throughout the Czech Republic and also in electronic form on the CSSA website.

As in previous years, the CSSA published the 2007 Pension Insurance Statistical Yearbook, the 2007 CSSA Activity Report, and the 2007 CSSA Annual Report in 2008.

## Office hours

All CSSA offices are open to the public on workdays:

### THE CSSA HEADQUARTERS

(Information on pension insurance)

Monday and Wednesday	8:00 am – 5:00 pm
Tuesday and Thursday	9:00 am – 2:30 pm
Friday	9:00 am – 2:00 pm

### REGIONAL AND DISTRICT OFFICES

All of the regional/district offices are open to the public every day, at least to the following extent:

Monday and Wednesday	8:00 am – 5:00 pm
Tuesday and Thursday	8:00 am – 2:00 pm
Friday	8:00 am – 1:00 pm

In addition to personal contact, clients can also contact the **CSSA Call Centre**, which provides information on pension insurance by telephone on +420 257 062 860, during the following working hours:

Monday and Wednesday	8:00 am – 5:00 pm
Tuesday and Thursday	8:00 am – 2:30 pm
Friday	8:00 am – 2:00 pm

## Contact information

**Website:** <http://www.cssz.cz>

### The CSSA headquarters

Address: Křížová 25, 225 08 Prague 5

Telephone exchange: +420 257 061 111

Fax: +420 257 063 360

E-office: [posta@cssz.cz](mailto:posta@cssz.cz)

Information booklet  
Not for sale on the book market

**Czech Social Security Administration – Annual Report 2008**

Issued in June 2009, first edition, 52 pages, 400 copies.

Issued by the Communication Section of the Czech Social Security Administration,  
Křížová 25, Prague 5.

Graphic design: Ing. Monika Tvrdíková  
Production: DRAGON PRESS s. r. o.

