

# **THE SYSTEM OF PENSION AND DISABILITY INSURANCE IN THE REPUBLIC OF SLOVENIA**

Old-age pension insurance and disability insurance have a long tradition in Slovenia as their beginnings were first recorded at the end of the 19<sup>th</sup> century. Since in the past our territory used to belong to other states, these activities during that time were not legally autonomous as Slovenia had to follow regulations which were imposed by the governments of the states it belonged to. Slovenia's first independent legal regulation of pension and disability insurance was **the Act on Pension and Disability Insurance, adopted in March 1992**. The present Act, adopted in December 1999 and taking effect from 1st January 2000, represents the beginning of the implementation of the announced pension reform which introduces significant changes regarding the conditions for gaining the rights arising from the old-age pension and disability insurance.

## **PROVISION OF INSURANCE ACTIVITIES**

In Slovenia the system of obligatory pension and disability insurance is managed and carried out by **The Pension and Disability Insurance Institute of Slovenia**.

According to the law, the Institute is represented and managed by its **Managing Director**.

The Institute is managed by **the Institute's Assembly**.

**The Institute's Executive Board** is an executive body of the Institute's Assembly.

## **ACTIVITIES OF THE INSTITUTE**

The Pension and Disability Insurance Institute of Slovenia carries out procedures for the provision and protection of the rights for:

- old-age, widow's, survivor's and disability pensions,
- state and partial pensions,
- approval of pension age,
- additional security pension allowances,
- public-service pensions,
- disability benefits,
- attendance allowances for help and care,
- compensation on behalf of disability insurance,
- widow's allowances and compensation.

## **PERSONS INSURED BY THE INSTITUTE OF PENSION AND DISABILITY INSURANCE**

Insurance in the Republic of Slovenia is pursuant to the law obligatory and uniform for all insured persons. The obligatory pension and disability insurance scheme includes workers in employment relationship, self-employed, farmers and members of their families, and some other persons carrying out certain activities providing a basis for obligatory insurance.

Obligatory insurance includes three main types of insured persons:

- fully insured persons,
- insured persons with limited rights,
- insured persons with special cases of insurance.

In 2001, Slovenia had a total of 812.581 insured persons and 492.485 pensioners and among them 98.375 disability pensioners.

The Act on Pension and Disability Insurance offers, under certain conditions and in certain cases, voluntary insurance to some people who do not meet the criteria for obligatory insurance (military service, students and similar). Voluntary insurance enables either full insurance or insurance with limited rights.

## **DISABLED WORKERS, THEIR RIGHT TO BE GIVEN ADEQUATE JOB POSITIONS AND COMPENSATION FOR SALARIES**

Disabled workers who have not completely lost their ability to work are persons who do not receive a disability pension but are waiting either for professional (occupational) rehabilitation or for another adequate job position. They are entitled to the following rights:

- the right to work a reduced number of hours corresponding to their reduced ability to work;
- the right to retain their job or, alternatively, be transferred to another adequate job position;
- the right to undergo professional (occupational) rehabilitation;
- the right to receive adequate compensation.

## **BENEFICIARIES OF OTHER COMPENSATIONS**

Other compensation, paid by the Institute, are:

- additional security allowance,
- disability benefits,
- attendance allowance (for help & care),
- additional allowance to pensions asserted in other republics of the former Yugoslavia.

## **PROCEDURES FOR ENFORCEMENT OF THE RIGHTS**

A procedure for **enforcement of the rights** is initiated:

- upon the request of the insured person;
- upon the request of the widow or widower or family member or his/her legal representative, in the case if widow's or survival's pension;
- upon the proposal of the doctor treating the insured person or the medical commission in case of enforcement of the rights arising from disability insurance.

The Institute's regional office where the insured person was last insured adopts decisions **on the first level claims**. Decisions **on the second level claims** are adopted by The Department for Pension Insurance and The Department for the Disability Insurance at the Head Office of the Institute. The Department for the provision of International Insurance, located at the Head Office of the Institute decides on the first level claims about issues based on international agreements, which are dealt with on the second level by the head of the Institute.

In the cases of enforcement of rights arising from disability insurance it is necessary to define the insured person's disability and his/her ability to work. The law stipulates that during the procedures dealing with disabled persons, professional opinions regarding disability, ability to work, physical deficiencies, and the need for attendance allowance for help and care are given **by professional bodies of the Institute**, such as disability commissions and individual doctors appointed by the Executive Board of the Institute. The procedures for assessment of disability can, according to the law, only be initiated when full medical documentation is provided to the Institute on the insured person's health condition and ability to work.

When enforcing their rights, insured persons are granted **legal means** in the form of complaints and judicial protection.

The law requires that **a review** of positive decisions made on the first level is carried out, with the exception of decisions granting the right to receive pensions in line with international agreements.

## **INTERNATIONAL CO-OPERATION OF THE INSTITUTE**

The Institute also provides insurance in line with international agreements and is authorised to liaise with institutions in other countries which provide the same type of insurance.

After its independence, the Republic of Slovenia preserved its existing bilateral agreements it had in the field of social security with the following countries:

- Austria
- Belgium
- Bulgaria
- The Czech Republic
- Denmark
- France
- Italy
- Luxembourg
- Hungary
- Germany
- The Netherlands
- Norway
- Poland
- The Slovak Republic
- Switzerland
- Sweden
- Great Britain

Until the present, the Republic of Slovenia entered into new agreements on social security with:

- Austria
- Swiss Confederation
- Germany
- Croatia
- Canada
- Macedonia
- Quebec
- Italy (from 1<sup>st</sup> August 2002)

Agreements on social with the following countries are about to be concluded:

- Australia
- France
- Luxembourg
- United Kingdom
- The Netherlands
- The Czech Republic
- Argentina

During the process of Slovenia's accession to the European Union, the Institute was included in the harmonisation of the Slovenian Legislation to the legal acts of the EU and joined the Group for the Preparation of Negotiating Positions in the field of social policy and employment.

In 1995, during the 25<sup>th</sup> General Assembly of the International Social Security Association (ISSA), the Institute gained full membership in this international organisation. The admission of the Institute to ISSA was a logical consequence of the fact that in 1992 the Republic of Slovenia became a member of the United Nations – UN and gained full membership in the International Labour Organisation – ILO.