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Brochure

**Croatian Citizens in the European Union**

Membership of the EU from 1 July 2013 - your opportunities

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## Croatian Citizens in the European Union

### Membership of the EU from 1 July 2013 - your opportunities

#### I. INTRODUCTION

Dear citizens, on the pages before you there is a brief presentation of health and pension insurance rights, and the rights of the unemployed. The rights are presented which are realized in the territory of the Republic of Croatia as well as those which, from 1 July 2013, you will be able to realize as citizens of the European Union.

**Compulsory health insurance** is administered by the Croatian Institute for Health Insurance (CIHI).

Rights from compulsory health insurance encompass rights to:

- health care and
- rights to cash benefits.

Compulsory health insurance includes insurance of rights in cases of injury at work and occupational diseases, which also cover measures for providing specific health care for workers and diagnostic procedures when an occupational disease is suspected.

Persons with an established residence in Croatia and foreigners with permanent or temporary stay in Croatia register for compulsory health insurance with the CIHI, unless this is regulated otherwise by a treaty.

Citizens of the European Union travelling in Croatia or who are in Croatia only temporarily for some other reason and have compulsory insurance in one of the member states of the European Union, have the right to any necessary health care on the basis of a European Health Insurance Card.

In the same way, if as a person insured through the CIHI, you are staying temporarily in one of the member states of the European Union and you suddenly become ill, are injured or suffer an accident, you have the right to health care in that country which cannot be postponed until your planned return to Croatia, which is charged to the CIHI. You will also have the right to health care within the European Union on the basis of the European Health Insurance Card.

**Compulsory pension insurance** includes insurance on the basis of generational solidarity (“pay as you go”, first pillar) and insurance on the basis of individual capitalised savings (second pillar).

Compulsory pension insurance is financed from contributions by insured persons at the rate of 20% from salaries or the insurance base. For insured persons with first and second pillars 15% of contributions are paid into the first pillar and 5% into the second pillar, and for those who only have first pillar insurance, all 20% of their contributions are paid into the first pillar.

The Ministry of Finance is competent to manage payment of contributions.

In pension insurance based on generational solidarity (first pillar), persons who are employed in the Republic of Croatia, who are self-employed or perform professional work, including independent agricultural work, persons who are liable to pay income tax on the basis of informal types of work, and who are obliged to pay social insurance contributions, and other groups of people, have compulsory insurance.

The status of insured person is established by filing an application for insurance.

Applications are filed by:

- the insured person's employer or
- the insured person him/herself, if they are obliged to pay pension insurance contributions themselves.

Applications are filed with the regional service or regional office of the Croatian Pension Insurance Institute according to the employer's head office or its branch (for employees) or according to the location of the residence or office, and the deadline for applications is eight days from the occurrence of the situation on the basis of which insurance is being established (conclusion of an employment contract, the beginning of independent work, self-employment etc.)

As an exception, a person for whom no application for pension insurance is filed may ask the Institute to declare their right to insurance or status as an insured person by a decision in administrative proceedings.

After the end of the compulsory period of pension insurance in the first pillar, the person may file an application within one year for what is called "extended insurance", which later, when realizing the right to a pension, is deemed compulsory insurance.

The Croatian Pension Insurance Institute is the competent institution for administration of first pillar pensions.

In pension insurance based on individual capitalized savings (second pillar), the same circle of people are insured who are insured under the first pillar, but who were younger than 40 years of age on the date when the second pillar began to be applied (1 January 2002) or at the time when their insurance began (by employment or self-employment, the start of independent work or on some other basis). Persons who were older than 40 years but younger than 50 in 2002 also have compulsory second pillar insurance, if they have chosen that form of insurance. Persons who were 50 years old on 1 January 2002 are only insured through the first pillar.

Persons who have attained the status of insured person and are younger than 40 years of age are obliged to choose a compulsory pension fund from the Central Register of Insured Persons (REGOS) in branches of the Financial Agency (FINA), within three months. If they do not choose a pension fund within that time limit, REGOS will allocate the insured person to one of the existing compulsory pension funds, *ex officio*. After registration with a compulsory pension fund, a personal account is opened to record the contributions collected as second pillar pension insurance and the yields from their capitalization.

**Unemployed persons** who are registered with the Croatian Employment Service may realize the right to a cash benefit during their unemployment if they meet all the statutory requirements. This benefit may also be retained while they are seeking employment in another member state of the European Union. When Croatia enters the European Union, the Croatian Employment Service will become part of the European Employment Services (EURES) network, and you will

have mediation services available for employment in other member states of the European Union. Within the Croatian Employment Service there are already 4 Migration Information Centres (MIC) in regional offices in Zagreb, Osijek, Rijeka and Split.

## **II. HEALTH CARE**

You are entitled to health care at the expense of compulsory health insurance in the Republic of Croatia if you have registered for compulsory health insurance with the Croatian Institute of Health Insurance (hereinafter: CIHI), where you demonstrate your status as an insured person by a health card or a certified copy of your health insurance application.

### **What does Health Insurance Cover and Where can it be Exercised?**

The right to health care comprises the right to primary health care, specialist and consultant health care and hospital health care, the right to use the medication from the CIHI basic and supplementary lists of medicinal products, the right to dental prostheses and implants, orthopaedic and other aids, and the right to health care abroad.

You may exercise your right to health care services covered by compulsory health insurance in the Republic of Croatia at health institutions, through private health care practitioners and providers of orthopaedic and other aids who have signed a contract with the CIHI for provision of health care services or manufacture and supply of aids.

### **Your Right to Health Care Benefits when Moving within the European Union**

If you, as a CIHI insured person temporarily staying in a European Union member state, should suddenly fall ill, be injured or suffer an accident, you will be entitled to receive in that member state the necessary health care that cannot be postponed until your scheduled return to Croatia, at the expense of the CIHI.

You will exercise your right to health care within the European Union based on the European Health Insurance Card.

### **The European Health Insurance Card**

If you have valid status in the compulsory health insurance in Croatia, the competent local CIHI office, according to your place of residence, may at your request and free of charge issue a European Health Insurance Card (hereinafter: European Card). The card does not replace the health insurance card that you use in Croatia.

The European Card is generally issued for a period of one year and remains valid until its stated date of expiration. Exceptionally, if your status in compulsory health insurance is determined for a period shorter than a year, the European Card will be issued to you only for the period during which you will be insured. If you have been posted for temporary work in another European Union member state, the European Card will be issued to you and to your immediate family members (spouse and children) who are staying with you abroad, for the entire period of your posting.

You can apply for a new European Card within 30 calendar days before the old one expires, but if you should lose your health insurance, you must hand over your card to the competent local office of the CIHI.

## **Certificates**

In exceptional circumstances, such as the loss of a card or unexpected travel abroad, the local CIHI office competent according to your place of residence will issue a Certificate, at your request and free of charge. It is valid for between 1 day and 90 days, and it enables you to access health insurance services during your temporary stay in another member state in the same way as if you had a European Card.

## **Pensioners**

If you are receiving a Croatian pension, alongside the Croatian health insurance card, you will be issued a European Card by CIHI at your request.

If you are living in Croatia but receiving your pension from an EU member state, you will access health care in Croatia based on the Croatian health insurance card, but the cost will be covered by the foreign health care insurer. If necessary, the foreign insurer will issue you with a European Card.

If you are living in Croatia and receiving your pension benefit from several member states, but not from Croatia, you will access health care services based on the Croatian health insurance card, but at the expense of the health insurance provider from the member state in which you have completed the longest period of insurance. Therefore, the same foreign insurance provider will issue you, if necessary, with a European Card.

Similarly, a European Card will also be issued to the persons registered for compulsory health insurance as members of your family.

## **Family Members of an Active Insured Person who is a Worker Employed in Another EU Member State**

If you are resident of Croatia, and your entitlement to health care is derived from the family member working in an EU member state, you will be accessing health care in Croatia based on a Croatian health insurance card, in the same way as other Croatian insured persons. However, the costs of your health care will be covered by the foreign health care insurer from the member state in which the family member generating the health benefit is working, from whom your health

insurance is derived. If necessary, the foreign insurer will issue you with a European Health Insurance Card.

### **Scheduled Treatment**

If you are going to another EU member state to receive medical treatment, the CIHI will reimburse your costs of treatment only if you applied for a prior authorisation by the CIHI and your request has been granted.

## **III SICKNESS BENEFITS**

### **ENTITLEMENT TO PAID SICK LEAVE**

You may exercise your right to paid sick leave in Croatia if you are registered for compulsory health insurance with the CIHI as: a person working for an employer with a registered seat in Croatia; a person elected to permanent office in certain government bodies; a person living in Croatia and working abroad without being insured there; a company management board member, the owner of a private company/trade, a farmer subject to personal income tax or profit tax, a priest, a person assisting a Croatian military war invalid or a person with the status of parent-caregiver.

Sick leave is absence from work due to sickness or injury, or other circumstances, such as: medical examinations; isolation due to the outbreak of infectious disease; an organ or live tissue transplant in favour of another person insured by the CIHI; a person accompanying a CIHI insured person to a place of treatment outside of their place of residence; a person caring for a sick child or spouse; pregnancy complications; maternity leave; leave due to the death of a child during maternity leave; sick leave due to a disease which is a direct result of participation in the Croatian Homeland War and sick leave due to work-related injury or sickness.

The right to paid sick leave is determined by the chosen primary health care physician, at latest before the expiry of the deadline stipulated by separate regulations. After the expiry of the deadline, the right to sick leave is determined by the competent CIHI physician.

Sick leave benefit is paid either by the employer or by the CIHI, depending on the duration and type of sick leave.

### **Your Entitlement to Cash Benefits when Moving within the European Union**

If you and your immediate family members have a residence or temporary residence in another European Union member state, and under the Croatian compulsory health insurance legislation, you are entitled to certain cash benefits during your temporary inability to work, the CIHI will

continue to pay such benefits to you in the other member state, in accordance with the Croatian legislation. Under a bilateral agreement signed between the two states, those cash benefits can be paid to you by the competent institution in the country of your stay, however, according to Croatian legislation and at the expense of the CIHI.

If the law requires that you complete a period of compulsory health insurance before you can become eligible for cash benefits, then, in order to exercise this right, either in the Republic of Croatia or in another member state, the insurance periods completed in all member states, including Croatia, will be taken into account.

*For instance, if you move because of your job from one member state to another, and the entitlement to sick pay in this other member state is conditional upon prior registration for compulsory health insurance of a specific duration, when determining your entitlement to sickness benefit, your registration for compulsory health insurance in both member states will be taken into account.*

## **IV. MATERNITY AND PARENTAL BENEFITS**

The persons entitled to maternity and parental benefits (leaves and adequate cash benefits) are as follows:

- employed and self-employed parents;
- parents who are earning a second income; farmers who are outside the corporate or personal income tax system; unemployed parents and
- parents outside the labour system.

When it comes to accessing maternity and parental benefits, the following categories have been granted the same status as the parents of the child:

- adoptive parents;
- a minor's legal guardian and foster parent;
- foreign nationals granted approval for permanent stay in Croatia; and
- asylum seekers and aliens under subsidiary protection (without any requirements pertaining to citizenship and duration of stay in Croatia).

### **Employed and Self-employed Parents**

If you are an employed or a self-employed parent, providing you meet the requirements stipulated in the Maternity and Parental Benefits Act, you have the right to use maternity and parental leave, the right to work part-time during maternity leave, use your leave or work part-time in order to care for a child with a severe developmental disorder, as well as to use your leave during pregnancy, maternity leave or breastfeeding if your job is harmful to your health and the health of the baby you are breastfeeding, then breastfeeding absence, days off to attend prenatal examinations and unpaid leave until the child is 3 years old.

## **Unemployed Parents, Parents Earning a Second Income and Farmers who are Outside of the Tax System**

These categories of persons, provided they meet the conditions stipulated by law, can access their right to maternity and parental exemption from work. The maternity exemption from work can be used from childbirth until the baby is six months old. For the first and the second born child, the parental exemption from work can be used between the ages of six months and one year. For twins, the third and every subsequent child, the parental exemption is used between the ages of one and three.

## **Parents Outside the Labour System**

If you belong to the category of persons outside the labour system (if you are a pensioner, a regular student, a dependant person as defined by social welfare legislation or if you do not belong to any of these categories but are duly registered for compulsory health insurance) you may access the right to maternity and parental care for your child, provided you also meet other eligibility requirements. The maternity exemption from work can be used from childbirth until the baby is six months old. For the first and the second born child, the parental exemption from work can be used between the ages of six months and one year. For twins, the third and every subsequent child, the parental exemption is used between the ages of one and three.

## **How are those rights exercised?**

The right to maternity and parental benefits may be exercised by applying to the local CIHI office which has competence according to the place of residence, mainly upon a written application by the beneficiary, except for the right to maternity leave which is accessed based on the sick leave report by the mother's chosen primary care physician.

## **Your Entitlement to Maternity and Parental Benefits When Moving Within the European Union**

If the access to maternity and parental benefits is conditioned by a prior period of residence, work-based insurance or compulsory health insurance over a certain period of time, when determining your entitlement to such benefits in a member state, including Croatia, the periods of temporary stay, employment or health insurance completed in another EU member state or states, will be taken into account.

If you and your family members have a residence or temporary residence in another European Union member state, and under the Croatian compulsory health insurance law you are entitled to certain cash benefits during your temporary inability to work, the CIHI will continue to pay such benefits to you in the other member state, in accordance with the Croatian legislation. Under a

bilateral agreement signed between the two states, those cash benefits can be paid to you by the competent institution in the country of your stay, however, according to Croatian regulations and at the expense of the CIHI.

## V. DISABILITY BENEFITS

### DISABILITY PENSION

For the exercise of the right to disability pensions, the following requirements must be met:

- the existence of disability
- the necessary pension qualifying period.

Disability may occur as the consequences of:

1. illness and injuries outside work
2. injuries at work or occupational diseases.

#### Disability exists:

- when due to changes to health which cannot be resolved by treatment, the insured person's ability to work is permanently reduced by more than one half in comparison with a physically and mentally healthy insured person of the same or similar education and ability (**professional incapacity for work**).

The work according to which the insured person's capacity to work is assessed covers all tasks which are appropriate for his/her physical and mental abilities, and which are deemed appropriate in relation to his/her previous work.

When professional incapacity for work is established in the case of an insured person, his/her residual capacity for work is established, if in terms of his/her health, age, education and abilities, he/she may be rehabilitated and enabled to work full time in some other job.

- When due to changes to health, which may not be resolved by treatment, the permanent loss of capacity for work occurs (**total incapacity for work**).

#### The pension qualifying period requirement is met when:

- the pension qualifying period covers at least one third of the working life if the disability occurred due to illness or injury outside work, before 65 years of age. The working life is taken as the number of complete years from the day when the insured person reached the age of 20, up to the day when the disability occurred. For insured persons who underwent regular education after the age of 20 and through that education attained a certificate of further education, their working life shall be reckoned from the time they reach the age of 23, and for insured persons who attained higher education, from the 26 years of age. The period of working life shall be shortened for the period during which the insured person:
  - was on compulsory military service
  - was registered as unemployed with the competent employment service.

- If the disability occurred due to an injury at work or an occupational disease, the insured person shall attain the right to a disability pension regardless of the length of their pension qualifying period.

**Exceptionally, insured persons shall attain the right to a disability pension:**

- whose disability occurred before they reached the age of 35 and they have completed further education, if up to the day the disability occurred they completed at least two years of pension qualifying period, and for insured persons with higher education if up to the day the disability occurred they completed one year of pension qualifying period, and if the disability occurred during their insured period or within one year after the end of the insured period.
- whose disability occurred before they reached the age of 30, if they completed at least one year of pension qualifying period and if the disability occurred during the insurance period or within one year of the end of the insured period.

Insured persons whose disability occurred as the result of an act resulting in their convicted for a criminal offence against the Republic of Croatia by a final judgement and for criminal offences against values protected by international law, do not attain or they shall lose the right to disability pension attained on the basis of that disability from the first day of the following month after the month in which that judgement was rendered in criminal proceedings and became final.

If in this case the right of family members of the insured person exists to maintenance support from the insured person, his disability pension shall be paid out to those members of the family in the amount of a survivor's pension.

**Exercising the Right - Filing an Application**

The procedure to exercise the right is instituted by filing an application with the regional service or regional office *of the Croatian Pension Insurance Institute* according to the place of residence of the applicant, or if the applicant's residence is abroad, the competent regional service or office in whose area he was last insured.

**Your Right to a Disability Pension When you Move Within the European Union**

According to European Union regulations, the legislation of the member states may be divided into two types in terms of disability payments:

**States with Type A legislation** – according to this legislation the level of disability pension does not depend on the duration of the insurance qualification period or residence, but to exercise the right to a disability pension it is necessary for the person to have been insured in that state at the time when the disability occurred.

**States with Type B legislation** - according to this legislation the level of disability pension depends on the duration of the insurance qualification period or residence, and is calculated according to the same legislation as old-age pensions.

Disability pensions from Croatian insurance arising as the result of illness or injuries outside of or injuries at work or occupational diseases are counted as Type B pensions.

When you file an application for disability pension, the competent institution of the member state will take into consideration the insurance qualifying period or residence in another member state if that is necessary for recognition of the right to a disability pension.

Each member state applies the national legislation when establishing the degree of disability.

Disability pensions shall be paid out regardless of which member state you are resident in.

Compensation for physical injury - see Title VIII.

## VI OLD AGE BENEFITS

### Old age Pensions

An insured person shall attain the right to an old age pension when they reach 65 years of age and have at least 15 years' pension qualifying period.

Insured persons employed in part time work shall also attain the right to an old age pension when they reach the age of 65 if they have spent 15 years under insurance payments.

**In the transitional period until 2029**women shall exercise the right to old age pensions under more favourable conditions regarding the age they have reached:

Age for exercising rights:	Prescribed Age - women -	
	<i>Years</i>	<i>Months</i>
2012	60	6
2013	60	9
2014	61	0
2015	61	3
2016	61	6
2017	61	9
2018	62	0
2019	62	3
2020	62	6
2021	62	9
2022	63	0
2023	63	3
2024	63	6
2025	63	9

Age for exercising rights:	Prescribed Age - women -	
	<i>Years</i>	<i>Months</i>
2026	64	0
2027	64	3
2028	64	6
2029	64	9

### Early Old Age Pension

An insured person shall attain the right to an early old age pension when they reach 60 years of age and at least 35 years of pension qualifying period.

**The level of pension** shall be permanently reduced for each calendar month that retirement is taken earlier, up to the age of the insured person prescribed for exercising the right to an old age pension.

**In the transitional period from 2011 until 2029** women shall exercise the right to early retirement under more favourable conditions regarding the age they have reached and the pension qualifying period:

EARLY OLD AGE PENSION WOMEN		
Year	Age	Pension
2012	55 years and 6 months	30 years and 6 months
2013	55 years and 9 months	30 years and 9 months
2014	56 years	31 years
2015	56 years and 3 months	31 years and 3 months
2016	56 years and 6 months	31 years and 6 months
2017	56 years and 9 months	31 years and 9 months
2018	57 years	32 years
2019	57 years and 3 months	32 years and 3 months
2020	57 years and 6 months	32 years and 6 months
2021	57 years and 9 months	32 years and 9 months
2022	58 years	33 years
2023	58 years and 3 months	33 years and 3 months
2024	58 years and 6 months	33 years and 6 months
2025	58 years and 9 months	33 years and 9 months
2026	59 years	34 years
2027	59 years and 3 months	34 years and 3 months
2028	59 years and 6 months	34 years and 6 months
2029	59 years and 9 months	34 years and 9 months

## **Exercising the Right - Filing an Application**

The proceedings are instituted by filing an application with the regional service or regional office *of the Croatian Pension Insurance Institute* according to the place of permanent or temporary residence of the person filing the application. If the applicant's residence is abroad, the competent regional service or office is the one in whose area the person was last insured.

## **Exercising Rights from Second Pillar Pension Insurance**

The Croatian Pension Insurance Institute sends data on members of the second pillar from the decision to recognize pension rights. The insured person selects a pension insurance company who will pay him/her a second pillar pension and after the prescribed procedure, REGOS issues an order to transfer funds from the second pillar member's personal account (of the future pension beneficiary) to the account of the selected pension insurance company. The pension insurance company concludes a pension contract with the insured person, after it receives data from REGOS on the total amount of capitalized assets in the personal account on the day the personal account is closed. From the assets transferred, minus the prescribed fee, the pension insurance company pays the pensioner a life-long monthly second pillar pension, in line with the contract signed.

## **Your Right to an Old Age Pension When you Move within the European Union**

If you were insured in two or more European Union member states, the proceedings for exercising pension rights are instituted by filing an application with the competent institution in the member state in which you have residence or in the member state where you were last insured. If you were never insured in the member state where you have residence, your application will be forwarded to the member state where you were last insured. An application filed in one member state shall be deemed an application filed in all member states.

You will be able to exercise your right to a pension in all member states in which you were insured for at least twelve months, if you meet other requirements according to the national legislation of those states, for example, the necessary age.

If you have completed a pension qualifying period of less than twelve months in a member state and if you are only unable to exercise your right to a pension because of that short period, it shall be transferred to all the other member states in which you were insured and from which you are able to exercise the right to a pension, in a proportional amount.

All insurance qualifying periods you completed in member states of the European Union will be taken into account when you attain the necessary age for an old-age pension. The amount of the pension from each member state depends on the length of the qualifying period or residence in that state.

Your old age pension shall be paid out regardless in which European Union member state you are resident.

## VII. THE RIGHT TO A SURVIVOR'S PENSION

Members of the family of a deceased insured person have the right to a survivor's pension, if that person:

- completed at least five years of insurance or at least 10 years of pension qualifying period or
- met the requirements on the length of pension qualifying period to attain the right to disability pension or
- was a beneficiary of old-age, early retirement or disability pension or
- was a beneficiary of professional rehabilitation rights.

If the death of the insured person or persons occurred due to injuries at work or an occupational disease, members of the family have the right to a survivor's pension regardless of the length of the insured party's pension qualifying period.

**Widows/widowers/extra-marital partners** have the right to a survivor's pension:

- if they have reached 50 years of age when their partner dies or
- if they are younger than 50 and if when their marital partner died they had been declared incapable of work or that incapacity occurred within one year of the death of their marital partner or
- if after the death of their marital partner one or more children were left who have the right to a survivor's pension, and the widow/widower or extra-marital partner performs the duties of a parent towards those children. If total incapacity for work occurs during the time those rights apply on these grounds, the right to a survivor's pension shall be retained whilst that incapacity continues.

If the widow/widower or extra-marital partner had not reached the age of 50 when their partner died, but they were 45 years old, they shall have the right to a survivor's pension when they reach the age of 50.

A widow/widower or extra-marital partner, who reached the age of 50 whilst the right to a survivor's pension applied shall retain that right permanently, and if that right ends before they reach the age of 50, or after they reach the age of 45, they shall attain the right to a survivor's pension when they reach the age of 50.

Widows gain the right to a survivor's pension even when the insured person's child is born after his death. In that case they have the right to a survivor's pension from the day the insured person dies.

**An extra-marital partner** may exercise the right to a survivor's pension if the extra-marital relationship existed and lasted for at least three years.

**A divorced marital partner** has the right to a survivor's pension if the right to maintenance has been awarded by a court decision.

**A child** has the right to a survivor's pension:

- if at the time of his/her parent's death he/she is younger than 15 years or younger than 18 and if he/she is registered with the employment service for employment
- if he/she has been declared totally incapable of work before the age for which children are entitled to a survivor's pension and they shall be entitled to a survivor's pension as long as the incapacity lasts
- if the total incapacity for work occurs after the age up to which children have the right to a survivor's pension and before the death of the insured person or beneficiary of the right, they have the right to a survivor's pension if the deceased supported them up until they died
- if at the time of the death of the insured person they are in regular education or they begin that education after the death of the insured person, children shall have this right until they complete regular education, but no longer than until the age of 26 years. If their regular education is interrupted due to illness, the child has the right to a survivor's pension during their illness, up to the age of 26 years, and even after that age, but no more than for the length of time that was lost in regular education due to illness, if it is continued before the age of 26.

A child who becomes totally incapable of work during the time he/she is entitled to a survivor's pension shall retain that right whilst that incapacity lasts.

**A parent** who was supported by the insured person or beneficiary of the right until that person died, has the right to a survivor's pension:

- if at the time of the death of the insured person or beneficiary of a right they have reached the age of 60 years
- if the parent is younger than 60, but up until the death of the insured person or beneficiary of a right was declared totally incapable of work, they shall retain the right to the pension permanently whilst that incapacity lasts or if they reach the age of 60 years while that right lasts.

**The right to a survivor's pension shall be lost by** widows or widowers younger than 50 years of age who get married, unless they are entitled to that right due to total incapacity to work or are children of the insured person, and also brothers, sisters and other children without parents who get married, apart from children who attained that right due to their total incapacity for work and children who are in regular education.

### **Exercise of the Right - Filing an Application**

The right to a survivor's pension shall begin no earlier than the first day of the month after the month in which the beneficiary died.

The proceedings are instituted by filing an application with the regional service or regional office of the *Croatian Pension Insurance Institute* according to the place of permanent or temporary residence of the person filing the application. If the applicant's residence is abroad, the competent regional service or office is the one in whose area the person was last insured.

## **Your Right to a Survivor's Pension When you Move Within the European Union**

The legislation applicable to old age pensions is also applicable to survivor's pensions pursuant to the EU regulations.

Survivor's pensions shall be paid out regardless in which member state the surviving marital/extra-marital partner is resident.

## **VIII BENEFITS FOR INJURIES AT WORK OR OCCUPATIONAL DISEASE**

### ***1.1 BENEFITS BASED ON HEALTH INSURANCE***

#### **Who is Covered by Insurance against Injury at Work or Occupational Disease?**

The most populous group of persons insured against injury at work and occupational disease are those employed by domestic or foreign employers with a registered seat in the Republic of Croatia, as well as craftsmen and self-employed persons.

Additionally, insurance against injuries at work and occupational diseases is also compulsory for the persons elected or appointed to permanent office in certain government bodies or local and regional self-government units and, provided they receive remuneration for their work, company management board members who are not registered for work-based compulsory health insurance; for persons who are residents of or lawfully admitted for permanent stay to the Republic of Croatia who are working abroad for a foreign employer but, nevertheless, are not insured in the country of work; persons engaged in agriculture and forestry as their only or main economic activity, provided they are subject to personal income or profit tax and have no work-related insurance as well as other persons as defined by law.

There is a group of insured persons, for whom insurance is compulsory in certain circumstances and for as long as those circumstances persist. Those are, for instance, pupils and students during practical work, practical training, study tours and work they engage in through authorised agents; members of voluntary fire departments for the duration of their participation in fire-fighting; athletes, coaches and organizers taking part in organized amateur sports events, etc.

#### **What are your Rights Arising from Compulsory Health Insurance in Case of Injury at Work or Occupational Disease?**

The rights arising from compulsory health insurance in cases of injury at work and occupational disease are as follows:

1. preventive measures, including, *inter alia*, measures aimed at prevention and detection of occupational diseases (preventive medical check-ups and diagnostic procedures and monitoring of the employee's state of health in line with the special worker health care programme);

2. entitlements in the case of a recognised injury at work or occupational disease

a) the right to health care in the Republic of Croatia and abroad under the same terms, in the same scope and in the manner stipulated by law, CIHI regulations, and social security treaties;

b) the right to cash benefits:

-*sick pay* (100% of the stipulated base rate);

-*reimbursement of travel costs* (when using health care services due to injury at work or occupational disease, in the amount equal to the cost of travel by public transport at the lowest price and for the shortest distance, according to the official distance-meter of the public transport operator);

-*reimbursement of funeral costs* (in case of death of the insured person if such a death was a direct result of an injury at work or occupational disease, in the amount equal to the cost of the standard funeral equipment and the mortuary transport).

## **How Can you Exercise your Rights?**

The right to preventive check-ups and diagnostic procedures within the special health care programme for workers is exercised through the specialist in occupational medicine chosen by your employer. A self-employed person may use his/her own discretion in choosing a specialist in occupational medicine.

In case of an injury at work, or if there is a suspicion of occupational disease, proceedings must be instituted at the competent local CIHI office to determine or recognise the entitlement based on that injury at work or occupational disease. The proceedings start with the filing of an injury at work or occupational disease report, which is completed by the employer and the chosen general (family) practitioner of the insured person.

The entitlements arising from a recognised injury at work or occupational disease start as of the date of occurrence of the accident or disease. The right to health care is exercised through health practitioners and institutions in the Republic of Croatia who have signed a contract with the CIHI, as well as abroad, under the terms and in the scope and manner as determined by law, CIHI regulations and international social security agreements.

Sick leave resulting from a recognised injury at work or occupational disease is administered by the chosen general/family medicine doctor, and for the duration of such sick leave, insured persons are entitled to sick pay.

Insured persons are entitled to reimbursement of travel costs incurred in connection with exercising the right to health care in case of an injury at work or occupational disease, independently of the distance between the insured person's place of living and the place where he/she is sent to receive health care, by applying at the competent local CIHI office.

The right to reimbursement of funeral costs can be exercised on the basis of an application to the competent local CIHI office, by the legal or natural person who covered the funeral expenses for the insured person whose death was a result of a recognised injury at work or occupational disease.

## **Your rights in case of an injury at work or occupational disease when you are moving within the European Union**

If you suffer an injury at work or you have fallen ill with an occupational disease during your stay in another member state, you have the right, based on the European Card, to use health care in a contracted health care institution in the member state of your stay.

An insured person posted to work in another member state may exercise the right to sick pay due to a recognised injury at work or occupational disease in accordance with the Croatian and European social security regulations.

### **1.2 BENEFITS BASED ON PENSION INSURANCE**

#### **Physical Injury Benefits**

In a case of an injury at work or an occupational disease the insured person may exercise the right to a physical injury benefit for. Physical injury comprises the loss, vital damage to or significant incapacity of an individual organ or parts of the body, which makes the normal work of the organism more difficult and requires greater effort to meet everyday needs, regardless whether that damage does or does not cause disability. Physical injury and its degrees are expressed in percentages from 30 to 100% and are contained in the statutory list of physical injuries. Compensation paid for physical injuries is established on the basis of a specially defined base, in an equal amount for each degree of physical damage and is paid to the beneficiary, regardless whether he/she is employed or not.

#### **How and Where to Exercise the Right?**

The proceedings are instituted by filing an application with the regional service or regional office *of the Croatian Pension Insurance Institute* according to the place of permanent or temporary residence of the person filing the application. If the applicant's residence is abroad, the competent regional service or office is the one in whose area the person was last insured.

Disability pension due to an injury at work or occupational disease - see Title V.

#### **Your Right in a Case of an Injury at Work, or Occupational Disease if you Move Within the European Union**

You can exercise the right to cash benefits for injuries at work or occupational disease in the member state in which the injury or occupational disease occurred.

## **IX FAMILY BENEFITS**

### **THE RIGHT TO CHILD BENEFIT**

Child benefit is cash income used by a parent or another person to whom a child is entrusted for custody and upbringing, for support in the maintenance and upbringing of the child.

The right to child benefit is gained and exercised depending on the number of children and the level of total income of the members of the beneficiary's household and other prescribed requirements.

In the exercise of the right to child benefit an extra-marital relationship is deemed equivalent to a marriage.

Child benefit cannot be the subject of enforcement or insurance, apart from in a court decision on support of the children for whom that benefit is received.

Child benefit is the personal right of the beneficiary and cannot be transferred to another person, and may exceptionally be paid to a third person.

If both parents are able to exercise the right to child benefit, they are obliged to reach an agreement as to which of them will exercise that right, and the right to a benefit may be exercised only on one basis.

The right to child benefit may be exercised to the end of the school year in which the child reaches the age of 19 years. An exception is prescribed for children with health problems who are entitled to benefits until they reach the age of 21, and children with severe problems are entitled to child benefit until the end of the calendar year in which they reach 27 years of age.

Beneficiaries are not entitled to child benefit:

- while the child is undergoing education abroad;
- for a child who is permanently accommodated in an institution in which support is paid from the state budget.

The right to child benefit ends when that child gets married.

### **Requirements**

- Croatian citizenship, or for foreigners - permanent resident status in the Republic of Croatia,
- residence in the Republic of Croatia for at least three years before filing the application,
- total income up to 50% of the budget base per member of the household a month, that is in 2012 it may not exceed 1,663.00 HRK a month per member
- the household shared with the child.

Under special requirements, that is regardless of the total income of the household the beneficiary shall be entitled to child benefits for:

- children with severe health problems
- a child of a killed, missing or forcibly imprisoned Croatian Homeland War Veteran, pursuant to the Act on the Rights of Croatian Homeland War Veterans and Members of their Families.

**The amount of child benefit** is established as a percentage of the budget base and depends on the established income, the health of the child and the status of the parents.

The budget base is set each year by the *Act on Executing the State Budget of the Republic of Croatia*, and in 2012 it was 3,326.00 HRK.

### **Exercise of the Right - Filing an Application**

The proceedings are instituted by filing an application with the regional service or regional office of the *Croatian Pension Insurance Institute* according to the place of permanent or temporary residence of the person filing the application.

### **Your right to Family Benefits When You Move Within the European Union**

Family benefits are all cash benefits and benefits in kind intended to cover the costs of family life. If the right to family benefits depends on the periods of insurance or residence, those periods shall be taken into account from other member states when necessary.

Family benefits cannot be paid for the same period and for the same member of the family at the same time by two or more member states of the European Union. The regulations of the European Union contain clear rules about which member state of the European Union will pay the family benefits. According to those regulations the state of employment has priority over the state of residence. If employment exists in two or more member states, the priority shall be given to the member state in which the children reside. If the amount of benefit in the member state of residence is higher than the amount of benefit in the member state of employment, the member state of residence is obliged to pay the difference in the benefit to compensate for the difference between those two benefits. These provisions make it possible to exercise the right to the highest amount of family benefits prescribed by the legislation of one of these member states.

## **X. UNEMPLOYMENT BENEFITS**

### **THE RIGHT TO A CASH BENEFIT DURING UNEMPLOYMENT**

#### **Requirements for Exercising the Right**

For an unemployed person to exercise the right to a cash benefit, he/she must:

- meet the requirement of previous employment,
- register within the statutory time limit with the competent regional office of the Croatian Employment Service and file an application for cash benefit,
- his/her employment must not have ended by his/her fault or will.

#### **Previous Employment**

You shall only attain the right to cash benefit if at the time your employment ended you have been employed for at least 9 months in the past 24 months.

To enable you to exercise this right in the Republic of Croatia (or in another member state of the European Union) time will be taken into consideration that you spent working in any member state of the European Union, including Croatia.

*For example, if you worked in the Republic of Croatia for 4 months, and before that in some other member state of the European Union for 5 months, when establishing your right to cash benefit, the time you spent in employment in both of these states will be taken into account.*

#### **The deadline for Registration and Applications**

In order to exercise the right to cash benefits you must register with the Croatian Employment Service within 30 days of the termination of your employment contract and file an application for the benefit.

If you were on sick leave after the end of your employment relationship, or on maternity, parental, adoptive parent or foster parent leave, then you must register within 30 days of the end of any of those situations.

You must register and file an application in the regional office of the Croatian Employment Service where you are registered as permanently or usually resident.

#### **The reason for the Termination of Your Employment Relationship**

You are not entitled to cash benefit if your employment relationship was terminated:

- because you gave in your notice, apart from extraordinary termination of your employment contract caused by the employer's conduct,
- by a written agreement on termination of employment,

- because your work was not satisfactory during your trial period or you did not meet the requirements of the probationary internship, or you did not pass the professional examination within the prescribed time limit,
- due to a violation of employment obligations (termination due to the conduct of the employee), or due to a serious violation of employment obligations (extraordinary termination)
- for serving a prison sentence longer than 3 months.

### **The Level of Benefit**

The amount of benefit depends on the salary you received before the termination of your employment relationship because the base for establishing the level of benefit consists of the average salary calculated, reduced by the contributions for compulsory insurance, earned in a three-month period preceding the termination of the employment relationship, or service.

In the first 90 days the cash benefit shall be 70% and for the remaining period 35% of the base.

The lowest and highest amounts of benefit are prescribed.

The highest amount of benefit depends on the average salary paid in the business sector in the Republic of Croatia in the previous year and the benefit may not be more than 70% during the first 90 days and for the remaining period it may not be more than 35% of that salary.

The lowest amount of benefit depends on the minimum salary in the Republic of Croatia, reduced by contributions for compulsory insurance, and the benefit may not be lower than 50% of that salary.

### **The Duration of the Benefit**

You may exercise the right to cash benefit for between 90 and 450 days, which depends on the total length of time you spent in an employment relationship.

- 90 days if you have spent from 9 months to 2 years at work,
- 120 days if you have spent from more than 2 years at work,
- 150 days if you have spent from more than 3 years at work,
- 180 days if you have spent from more than 4 years at work,
- 210 days if you have spent from more than 5 years at work,
- 240 days if you have spent from more than 6 years at work,
- 270 days if you have spent from more than 7 years at work,
- 300 days if you have spent from more than 8 years at work,
- 330 days if you have spent from more than 9 years at work,
- 360 days if you have spent from more than 10 years at work,
- 390 days if you have spent from more than 15 years at work,

- 420 days if you have spent from more than 20 years at work,
- 450 days if you have spent from more than 25 years at work,

### **There is an Exception to This Rule:**

If you spent 32 years in employment and you lack 5 years until you meet the age requirement to attain the right to an old age pension, you have the right to a cash benefit until you find new employment or until some other circumstance occurs to end the right to cash benefit.

In order to establish the duration of the right to cash benefit time will be taken into consideration that you spent working in any member state of the European Union, including Croatia.

### **The Termination of the Right to Cash Benefit**

The right to cash benefit shall end if:

- you establish an employment relationship;
- the period expires for which you were entitled to unemployment benefit;
- you work without a certificate, contract or decision as the basis for that work;
- you register a commercial company or other legal entity, or attain more than a 25% share in a commercial company or other legal entity;
- you become the president or a member of the management board of a company;
- you register a trade or craft, a freelance profession or agricultural or forestry business;
- you become insured as an agricultural worker according to the pension insurance legislation;
- you are employed according to special legislation;
- you meet the requirements for an old age pension, or receive a survivor's pension, a disability pension due to your total incapacity for work or you receive a disability pension due to your professional incapacity to work in an amount greater than the unemployment benefit established;
- you have been found to have total incapacity for work;
- you receive a benefit pursuant to special legislation in an amount higher than the unemployment benefit established;
- you go to serve a prison sentence longer than 3 months;
- you reach the age of 65 years;
- you refuse to be included in training courses organized or paid for by the Employment Service or without justifiable cause you drop out of or do not complete the training course;

- you fail to report to the Employment Service for two consecutive months, and do not inform the Employment Service of justified reasons for failing to report;
- you do not meet the requirements of actively seeking work and availability for work;
- you sign off from the records;
- you do not accept employment or by your actions you cause your employment to be refused by the employer.

## **Your Entitlement to Cash Benefits When Moving Within the European Union**

If you are entitled to a cash benefit while you are unemployed in the Republic of Croatia and you decide to seek work in some other member state of the European Union, you may retain the benefit and continue to use it for no longer than three months if you meet the following requirements:

- you must be registered with the Croatian Employment Service as unemployed for at least 4 weeks after you became unemployed;
- you must report your departure to the Croatian Employment Service and seek the issue of a U2 form;
- you must register with the employment service of the state in which you are seeking work within 7 days of the day when you ceased to be available to the Croatian Employment Service;
- you must actively seek work in that state and be available for work;
- the benefit will be paid by the Croatian Employment Service for no longer than three months, directly into your bank account, and in the amount established in the Republic of Croatia;
- the employment service in the state where you are seeking work will inform the Croatian Employment Service whether you are reporting regularly to the Service and whether you are meeting all the requirements on actively seeking and being available for work.

## **Employment Abroad**

- When Croatia enters the European Union, the Croatian Employment Service will become part of the European Employment Services (EURES) network, and you will have mediation services available for employment in other member states of the European Union;
- Within the Croatian Employment Service there are already 4 Migration Information Centres (MIC) in regional offices in Zagreb, Osijek, Rijeka and Split;
- In the Migration Information Centres you can obtain information and advice related to employment, conditions of life, visas, education abroad, immigration programs, rights and protection of immigrants, reuniting families in member states of the European Union, Switzerland, the USA, Canada, New Zealand and Australia. There is also

information available on the possibilities for foreigners or returnees coming to the Republic of Croatia;

- For more information or arranging an appointment for counselling, apply to: <http://www.hzz.hr/default.aspx?id=7372>

## **XI. STUDENTS**

If you are studying in Croatia according to the Croatian legislation governing education and you are registered for compulsory health insurance with the CIHI, you are entitled to health care covered by compulsory health insurance in the same way, and in the same scope, as any other person insured with the CIHI.

During your practical work, practical training, study tours and jobs mediated by student employment services, you must be insured against injury at work and occupational disease, as well.

If you have the valid status of a CIHI insured person, you are entitled to maternity and parental childcare, as well as the adequate cash benefit.

### **How Can You Exercise Your Rights?**

You can use the health care services covered by compulsory health insurance in Croatia provided by the practices and institutions which have a contract with the CIHI.

In case of an injury at work or occupational disease during practical work, a certified injury at work or occupational disease, a report form has to be completed by the faculty and submitted to the CIHI office. If the injury or disease occurred at the job mediated by a student employment service, the form has to be completed by the service in question.

An application for maternity and parental childcare should be filed at the local CIHI office which has competence according to the place of residence.

### **Your Rights When Moving Within the European Union**

If you, as a CIHI insured person temporarily staying in a European Union member state, should suddenly fall ill, be injured or suffer an accident, you will be entitled to receive in that member state the necessary health care that cannot be postponed until your scheduled return to Croatia, at the expense of the CIHI. You will access your right to health protection within the European Union based on the European Health Insurance Card.

If you have a residence or temporary residence in another European Union member state, and under the Croatian compulsory health insurance law you are entitled to certain cash benefits during your temporary inability to work, the CIHI will continue to pay such benefits to you in the other member state, in accordance with the Croatian legislation. Under a bilateral agreement signed between the two states, those cash benefits can be paid to you by the competent institution in the country of your stay, however, according to Croatian legislation and at the expense of the CIHI.

If the entitlement to maternity and parental benefits is conditional upon prior period of residence, work-based insurance or compulsory health insurance over a certain period of time, when determining your entitlement to such benefits in a member state, including Croatia, the periods of temporary stay, employment or health insurance completed in another member state or member states, will be taken into account.