Randls IR News

December 2019, no. 5/2019

Although all of us are looking forward to Christmas, before we can all fully enjoy this upcoming festive season, we need to once more look at the eagerly anticipated **electronic sick notes**. In order to make it easy for you to adapt to this novelty, we tried to summarise the topic from the point of view of an HR manager in our last issue of HR News.

Our team would like to take this opportunity to thank you for your valued support and partnership and wish you a Merry Christmas and Happy New Year.

Enjoy the read!

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Electronic Sick Notes

In 2020, the Social Security Administration (**"SSA**") starts operation of fully functional and obligatory system of electronic sick notes adopted by Acts No. 259/2017 Coll. and No. 164/2019 Coll.

The electronic sick notes project aims at digitisation of processes relating to administration of temporary incapacity for work (also referred to as "**TIW**") of employees and therefore will (hopefully) lead to simplification and streamlining of communication among all the subjects involved, i.e. SSA, doctors, employers, and employees. Payment of sickness insurance benefits to employees will be simplified as well.

Electronic sick notes are being implemented in connection with abolishing of the 3-day waiting period (effective as of 1 July 2019). Digitisation is designed to ensure that employers are aware at all times of TIWs of all their employees. Full implementation of electronic sick notes is scheduled for 1 January 2020.

Sick notes issued before the end of 2019 are regulated by existing legislation (until the end of the associated TIW).

New legislation does not apply to other sickness insurance benefits (maternity benefit or care benefit, etc.) or to the quarantine procedure.

How will electronic sick notes work?

Prior to the changes, doctor's decision on TIW consisted of 5 (printed) parts. With electronic sick notes implemented, such is reduced to **only 3 parts**, as follows:

- I. part "Report of onset of temporary incapacity for work";
- II. part "Certificate of the insured incapacitated person";
- III. part "Report of end of temporary incapacity for work".

The I. and III. part of the decision, as well as other documents, are further **used in electronic form only**.



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31, 3, 2020	Nataša Randlová / Michal
011 01 2020	Peškar / Ondřej Chlada

- 5. 2. 2020 <u>NEW Employment law from</u> <u>A to Z for Advanced – Part 4</u> Nataša Randlová / Michal Peškar
- 10. 3. 2020 <u>A director or an employee? –</u> <u>concurrent functions</u> *Irena Lišková*

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The doctor sends the I. and III. part of the decision to SSA (in electronic form), on the workday following the day on which decision was issued at the latest.

Employees receive from the doctor only a certificate of insured incapacitated person (in paper form) which they keep for the duration and after the end of their TIW and

> which they use to prove their incapacity to their employer. Employees no longer hand over any documents to their employer.

> Employers do not receive any of the parts of the decision on TIW (neither from doctors nor SSA).

How are employers supposed to find out about TIW?

Employers are primarily informed of TIW by their employees! As has been the case so far, **employees themselves have the obligation to inform their employer of their TIW** (see Sec 206 of the Labour Code) and to prove it by the certificate issued to them. We recommend that means by which employees are to fulfil this obligation should be specified in internal regulations of employer.

Information about TIWs will now also be accessible for employers through SSA's ePortal.

After logging in ePortal, employers can view either details about all TIWs of a particular employee in the past 3 years (i.e. for the du-

ration of employment), or a list of all employees who are temporarily incapable of working at any moment, again for the past 3 years.

To log into ePortal, employers can use either their data box or National Identity Authority (NIA) account.

Employer can also activate a new notification service enabling them to receive (pro-active) notifications about onset, continuation, and end of TIW of employees, either via e-mail of via data box.

As regards notifications sent via e-mail, such contain only a general notice that new information is available to the employer and employer can subsequently view them in ePortal.

Should the employer choose to use data box to receive notifications, two types of notifications are sent:

- initial notifications (not verified by SSA) containing only a notice that a certain employee is temporarily incapable of working;
- verified notifications containing notice with concrete information about particular employee and his or her TIW.

Initial notifications are sent only when a match is made between employee and insurance record in relevant register – we recommend that employers should register or de-register their employees in and from the register of insured persons maintained by the SSA as soon as possible. If match is not made, the employer will receive only verified notification (and only after the SSA conducts investigation and matches the employee with a record).

Verified notifications are sent after data is verified by the SSA. Verification can be instant or take a few hours in non-problematic cases, or it can take a few days.

Employers are not obliged to activate the notification service – **activation of the service is completely voluntary**. Applications for the service can be submitted electronically on a form available through ePortal in which the employers specify, among other things, by what means they are to be notified. Applications are considered to be for an indefinite period of time and as such do not have to be submitted repeatedly. Employers can apply for notifications only for a limited period of time (e.g. in cases of seasonal operations).

Employers can start applying for the notification service from 1 December 2019.

Reporting of changes

In case of any changes relating to TIW (e.g. change in regime of temporarily incapacitated insured person, change in times of the permitted leaving of home, place of stay, diagnosis, etc.), the attending doctor sends an electronic report on changes to competent branch of SSA and records the changes in employee's certificate.

Employers can find out about the changes through ePortal, but only with regard to information that they are entitled to and during the first 14 days of TIW of employee. **Employers are not pro-actively notified of such changes** and have to monitor the changes on their own in ePortal (introduction of notifications with regard to these changes is planned for the future). We recommend that employers should oblige their employees to notify such changes.

<u>Viewing and managing data about TIW in company</u> software

Employer will also have the possibility to **download** and manage data about **TIWs of their employers in their company software** by signing up for the "Data about temporary incapacity for work for employers" service. Employers can apply for the service from **1 December 2019**.

We recommend that you consult your company software provider for information about the technical aspects of how to use the service in your software. Such service will probably be the most practical means of acquiring information about TIWs of employees as management if TIW through data box or ePortal might prove difficult for larger employers.

Authorisation for ePortal services

Employers can authorise their employees or, based on power-of-attorney, other (natural or juridical) persons (e.g. an external accountant) to use ePortal **services on their behalf** (by means of authorisation forms available in ePortal).

What about salary compensation and sickness benefits?

During the first 14 days of TIW, employees are provided salary compensation by their employer (including the first 3 workdays after the abolishing of waiting period).

From the 15th day onwards, employees are provided with sickness insurance benefits (no special applications are necessary).

Should TIW of an employee last for more than 15 days, the doctor reports the fact to the competent branch of SSA and records it in the employee's certificate.

As has been the case so far, **employers send "Annex** to application for benefits" in a mandatory electronic form to competent branch of SSA without undue delay after 14 days of TIW. Employers are either proactively notified (if the service is activated) or they monitor the fulfilment of the obligations by themselves.

Employees do not hand over any documents to their employer in connection with the continuation of their TIW – confirmation of continuation of TIW (socalled "money form") is cancelled.

Sickness insurance benefits are paid to employees in the same way as their salary. Information about the form of payment of salary is provided by their employer through Annex to application for benefits (which contains a new row). In case salary is paid to employee in cash or is sent abroad (via voucher or non-cash transaction) to a non-bank account, the competent branch of SSA agrees with the employee on an alternative way of paying of the benefit (without the need for employer's cooperation, we are told).

End of TIW

If attending doctor concludes that employee's health permits him or her to resume work, he or she sends an electronic report on end of TIW (III. part) and records this in employee's certificate. Employer finds out about this from the employee and through ePortal (or by means of notification service, if activated).

After the end of TIW, employer has to provide the competent branch of SSA with information necessary for calculation and payment of the sickness insurance benefit, i.e. information on whether and when employee performed work during TIW, when employee resumed work after the end of TIW, and how many hours the employee worked on the last day of TIW (if applicable). Information does not need to be provided electronically or on a prescribed form (however, sample form will be accessible through ePortal).

Further information

Up-to-date information on electronic sick notes is also available on the CSSA website (<u>https://www.cssz.cz/web/eneschopenka</u>) on a special telephone line (800 222 700).

This year's 5th (and Christmas) issue of HR News was prepared for you by:

Nataša Randlová and David Smolař.

e-mail: employment@randls.com



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The information included in this material is for informational purposes only. Before applying this information to a specific case, we recommend seeking an independent lawyer.