



# Social Security Coordination

DG Employment,  
Social Affairs  
and Inclusion

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Unit B4 'Free movement of workers  
and coordination of social security schemes'

# Overview

- What is Social Security Coordination
- Rules in the sickness sector
- Electronic exchange
- Free movement of workers
- Information sources

# What is social security coordination

## Regulations (EC) Nos 883/2004 and 987/2009

- Building bridges between the various social security system to avoid loses of rights in cross border situations (avoiding that people who make use of right of free movement are punished in the field of social security)
- No harmonisation: MS organize their own social security system

# Legal basis

- **Article 48 TFEU (ex 42 TEC)**

Strong legal basis: no problems with principle of subsidiarity

Strongest legal instrument: Regulation (directly applicable)

- (Old Regulations 1408/71 and 574/72)
- from 1 May 2010: new Regulations (EC) Nos 883/2004 (Basic Regulation) and 987/2009 (Implementing Regulation)

# Key principles

- **prevention of conflicts of law** (determination of single applicable legislation)
- **equality of treatment**
- **aggregation of insurance periods**
- **assimilation of facts**
- **maintenance of acquired rights** (export of benefits - cash)

# Benefits covered

- **Sickness** maternity and paternity benefits
  - Invalidity benefits
  - Old-age benefits
  - Pre-retirement benefits
  - Survivors' benefits
  - Accidents at work & Occupational diseases
  - Unemployment benefits
  - Family Benefits
- 
- Special non-contributory benefits – between social security benefits and assistance (not exportable)
- 
- Social assistance excluded

# Determination of applicable legislation

- **Rules to make sure that one SS legislation applies to a person at a time (prevents double or non coverage)**
- **Basic principle – lex loci laboris**
- special rule for civil servants & armed forces + civilian service
- unemployed and non-active persons – legislation of the State of residence applies
- specific rules for: posting & pursuit of activities in 2 or more MS
- MS can agree on exceptions in the interest of persons concerned

# Organisation of coordination

- **Administrative Commission**  
Decision making
- **Audit Board**  
Approve average costs and accounts
- **Technical Committee**  
Support AC on technical aspects
- **Advisory Commmittee**  
Dialogue with social partners



# Basic rules - **Sickness**

two major categories – benefits **in CASH & in KIND**

- **CASH benefits** – intended to replace income
  - paid by the State where the person is insured (amount and duration depends on the national legislation). Exportable.
- **benefits in KIND** – healthcare, medical treatment, medicines, hospitalisation & direct payments to reimburse the costs.
  - provided by the State where the person resides or stays. Reimbursable by the competent State.
- **long term care**

# Benefits in kind – **basic scenarios:**

**Temporary stay** outside the State of insurance:

- I. Necessary care – EHIC
- II. Scheduled treatment – requires authorisation

**Residence** outside the State of insurance

- Entitlement to all benefits in kind – equal access to healthcare with nationals of MS of residence
- Registration with the sickness insurance institution with form S1 from competent State
- Costs covered by competent State

# I. Necessary care during temporary stay (EHIC)

**Article 19 of Reg. 883/2004 and Article 25 of Reg. 987/2009**

**+explanatory note N**

- “...during temporary stay”
- right to “...benefits in kind which become necessary on medical grounds during their stay taking into account the nature of the benefits and the length of the stay”
- Benefits provided in accordance with the conditions and tariffs of legislation of the MS of stay
- Reimbursed between institutions/patients fee may apply



# European Health Insurance Card (EHIC)

**almost 200 million users  
throughout the European Union**



# EHIC

- Certifies entitlement of the person to receive the necessary health care in another Member State
- Is issued always by the **competent MS**
- Reimbursements between the institutions for the costs generated by the use of EHIC on the basis of actual costs (full cost/co-payment applicable)
  - **See: article 35 of Regulation 883/2004**
  - **Decision S4 para. 2-4**

# EHIC layout

- Decisions S1 and S2 of the Administrative Commission  
(in principle – eye readable format, see for MS on EC website)





# Who delivers the prior authorisation?

Article 20, 27 of Reg. 883 and 26 of Reg.987

- Competent institution but...
- if a person **resides outside the competent MS**
  - asks for prior authorisation via the institution of the MS of residence but final decision taken by competent MS (special rules for **urgent vitally necessary treatment**).

**Exception:** pensioners and the **members of the family of worker** while residing in a **MS receiving lump-sums** (listed in annex 3 to Regulation 987/2009) the **MS of residence** decides on prior authorisation



### III. Residence outside the competent Member State

#### Articles 17-18 Reg. 883 and Article 24 Reg. 987

- Possibility of transfer of the residence – obligation of registration (Article 24 of Reg. 987/2009)
  - **Portable Document S1**
- Equal rights in the MS of residence as the person insured there
- Different scope of rights when returning to competent MS:
  - Insured persons (article 17 of Reg. 883/2004)
  - Member of the family of the frontier worker (Article 18(2) of Reg. 883/2004, Annex III to Regulation 883/2004)
  - Pensioners (Annex IV to Regulation 883/2004)



## **MS responsible for the **healthcare of pensioner** (Articles 23-25 of Regulation 883/2004)**

- Pensioner receiving pension from only one MS
- Pensioner receiving two or more pensions, one of the in the MS of residence
- Pensioner receiving two or more pensions, and none of the from the MS of residence

# Decisions of the Administrative Commission

## **S1, S2**

- Concerning European Health Insurance Card

## **S3**

- Concerning the benefits covered by Articles 19(1) and 27(1) of Reg. 883/2004 and Article 25(A)(3) of Reg. 987/2009

## **S4**

- Concerning refund procedures for the implementation of Articles 35 and 41 of Regulation 883/2004

## **S5**

- On interpretation of the concept of 'benefit in kind

## **S6**

- 'concerning the registration in the Member State of residence under Article 24 of Regulation 987/2009

## **S7**

- Concerning the transition from Reg. 1408/71 and 574/72 to Reg. 883/2004 and 987/2009 and the application of reimbursement procedures

## **S8**

- Concerning the substantial benefits in kind

## Relationship with Directive 2011/24/EU on patients' rights in cross border healthcare

- gives alternative rights in access to cross-border healthcare to those existing under Regulations:
  - patients have choice to access healthcare abroad, including care provided by private providers, without additional formalities (but for some treatments such as hospital authorisation might still be required)

### Main difference:

- patients always need to pay upfront for the care received under the Directive and as a rule get reimbursed up to the amount they would be entitled to in their home country.

## Electronic Exchange of Social Security Information (EESSI)

- Legal basis: Article 4 (2) Reg. 987/2009
- EESSI is an **IT system** that will help **social security bodies** across the EU **exchange information** more rapidly and securely
- At the moment there is no EU-wide system and most exchanges are still paper-based (except bilateral electronic exchanges)

# How will it work?

- All communication between national bodies on cross-border social security files will take place using structured electronic documents.
- These documents will be routed through the EESSI (hosted centrally by the European Commission) to the correct destination in another EU country.
- Staff in social security bodies will be able to find the correct destination in another EU country using a directory of national bodies.

# What are the benefits?

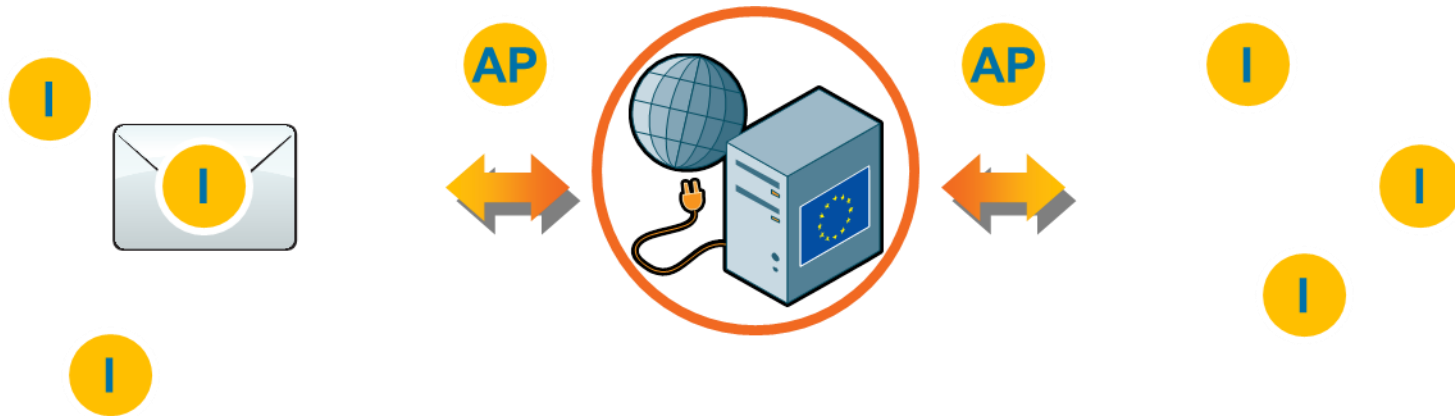
## For **citizens**:

- faster management of claims
- faster calculation and payment of benefits

## For public **administrations**:

- standardised flows of information
- better multilingual communication thanks to common structured documents
- optimised verification and collection of data

# EESSI






# State of play

- Structured electronic documents (SEDs)
- Central solution
- Date possibly achievable: mid-2016
- 2 years of transition period then for MS

# Paper SED - example

A001

The Administrative Commission  
For the maintenance  
of Social Security Systems



**Request for Application for Exception**  
*(in R)*

**Sending Institution:**  
Country: \_\_\_\_\_  
ID: \_\_\_\_\_  
Institution Name: \_\_\_\_\_

**Receiving Institution:**  
Country: \_\_\_\_\_  
ID: \_\_\_\_\_  
Institution Name: \_\_\_\_\_

**1. Person:**  
1.1 Family Name: \_\_\_\_\_  
1.2 Surname: \_\_\_\_\_  
1.3 Birth Date: \_\_\_\_\_  
1.4 Sex: \_\_\_\_\_  

☐ Female  
☐ Male  
☐ Unknown

1.5 Family Name at Birth: \_\_\_\_\_  
1.6 Surname at Birth: \_\_\_\_\_

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1.7 If you have the Personal Identification Number of the person, please fill in the following:  
 Identification of the person with Personal Identification Number  
 1.7.1 Country PIN Code: \_\_\_\_\_  
 1.7.2 Social Code: \_\_\_\_\_  

☐ unknown  
☐ person  
☐ unemployed person and accident at work  
☐ family benefits  
☐ applicable legislation

1.7.3 Institution: \_\_\_\_\_  
 1.7.4 Country: \_\_\_\_\_  
 1.7.5 ID: \_\_\_\_\_  
 1.7.6 Institution Name: \_\_\_\_\_

# Portable Documents

**A1**  Coordination of Social Security Systems

**Certificate concerning the Social Security legislation which applies to the holder**  
EU Regulations 883/04 and 987/09 (\*)

**INFORMATION FOR THE HOLDER**  
This certificate concerns the social security legislation which applies to you and confirms that you have no obligation to pay contributions in another State.  
Before you leave the State where you are insured to go to another State to work, make sure you have the documents which entitle you to receive the necessary benefits in kind (e.g. medical care, treatment in hospital, and other) in the State where you are working.  
If you are staying temporarily in the State where you are working, ask your health care institution for the European Health Insurance Card (EHIC). You must also show this card to your health care institution for the European Health Insurance Card (EHIC) if you are going to be staying in the State where you are working, ask your health care institution for the EHIC document and personally the insurance institution in the State of stay will also provide special benefits in the event of an accident at work or an occupational disease.

**PERSONAL DETAILS OF THE HOLDER**  
1.1 Personal Identification Number  
1.2 Surname  
1.3 Forename  
1.4 Surname at birth (\*)  
1.5 Date of birth  
1.6 Place of birth  
1.7 Nationality  
1.8 Address in the State of residence  
1.8.1 Street, N°  
1.8.2 Town  
1.8.3 Post code  
1.8.4 Country code  
1.9 Address in the State of stay  
1.9.1 Street, N°  
1.9.2 Town  
1.9.3 Post code  
1.9.4 Country code  
1.10 Sex ☐ Female ☐ Male

**2. MEMBER STATE LEGISLATION WHICH APPLIES**  
2.1 Member State  
2.2 Starting date  
2.3 The certificate applies for the duration of the activity  
2.4 The determination is provisional  
2.5 Regulations 1408/71 remains applicable on the basis of Article 87 (b) of Regulation 883/2004

**S1**  Coordination of Social Security Systems

**Registering for health care cover**  
EU Regulations 883/04 and 987/09 (\*)

**INFORMATION FOR THE HOLDER**  
This is your and your family members' certificate of entitlement to sickness, maternity, and equivalent paternity benefits in kind (i.e. health care, medical treatment etc.) in your State of residence. Family members are only covered if they fulfil the conditions laid down in the legislation of the State of residence.  
The certificate must be handed over as soon as possible to the health care institution in the place of residence. For a list of health care institutions, see <http://ec.europa.eu/social-social-security-directory/>

**1. PERSONAL DETAILS OF THE HOLDER**  
1.1 Personal Identification Number in the competent Member State  
1.2 Surname  
1.2.1 Former names (\*)  
1.3 Forename  
1.4 Date of birth  
1.5 Address in the State of residence  
1.5.1 Street, N°  
1.5.2 Town  
1.5.3 Post code  
1.5.4 Country code  
1.6 Sex ☐ Male ☐ Female  
1.7 Nationality  
1.8 Address in the State issuing the certificate  
1.8.1 Street, N°  
1.8.2 Town  
1.8.3 Post code  
1.8.4 Country code  
1.9 Insured person ☐ 1.9.1 Insured person  
1.9.2 Pensioner  
1.9.3 Pension claimant  
1.10 Family member of insured person ☐ 1.10.1 Family member of insured person  
1.10.2 Family member of pensioner

**2. LONG-TERM CARE BENEFIT IN CASH**  
2.1 The holder receives long-term care benefits in cash

**U1**  Coordination of Social Security Systems

**Periods to be taken into account for granting unemployment benefits**  
EU Regulations 883/04 and 987/09 (\*)

**INFORMATION FOR THE HOLDER**  
This certificate is for an unemployed person who claims unemployment benefits in a Member State and who was previously insured or worked in another Member State. Where appropriate, it is issued by the latter Member State, familiar State where the claim is made will take into account, to the extent necessary, the periods shown in this certificate.

**PERSONAL DETAILS OF THE HOLDER**  
Personal Identification Number  
Surname  
Forename  
Surname at birth (\*)  
Date of birth  
Place of birth  
Current address in the State issuing the certificate  
Street, N°  
Town  
1.6 Nationality  
1.8.1 Post code  
1.8.4 Country code

**HOLDER HAS COMPLETED THE FOLLOWING PERIODS**  
PERIODS OF INSURANCE AND PERIODS TREATED AS SUCH  
Insured employment  
Insured self-employment

**Footnotes:**  
(\*) Regulations (EC) No 883/2004, articles 11 through 16, and 987/2009, article 10.  
(\*\*) For Spain, Sweden and Portugal, the certificate must be handed over to, respectively, the local provincial offices of social security (Seguridad Social) (SS), the social insurance institutions and the social security institutions of the place of residence.  
(\*\*\*) Information given to the institution by the holder when this is not known by the institution.

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# Free Movement of workers - EU nationals

- Legal basis: **Article 45 TFUE**  
**Regulation (EU) No 492/2011**  
**case law of the EU Court of Justice**
- Directive 2004/38/EC on the right of EU citizens to move and reside freely in the territory of the Member States
- one of the founding principles of the common market, in place since 1968
- transitional provisions for new EU MS (up to 7 years)

# Who can benefit from this freedom?

- Jobseekers, i.e. EU nationals who move to another EU country to look for a job, under certain conditions
- EU nationals working in another EU country
- EU nationals who return to their country of origin after having worked abroad.
- Family members of the above.

# Rights under freedom of movement

- **look for a job** in another EU country
- **work** there without needing a work permit
- **reside** there for that purpose
- **stay** there even **after** employment has finished
- enjoy **equal treatment** with nationals in access to employment, working conditions and all other social and tax advantages

# Current facts

- EU labour markets face great challenges:  
*unemployment, skills shortages, ageing, crisis...*
- intra-EU labour mobility remains overall limited  
*End of 2013: 8 million economically active EU citizens residing in another EU country, making up only **3.3%** of the total active population (of 244 million).*
- Forthcoming Directive for the better enforcement of rights conferred by Article 45 TFEU and Regulation 492/2011:
  - *Will require Member States to designate "a structure, body or bodies" to support Union workers and members of their families.*
  - *Adoption of Directive foreseen March 2014 with implementation 2 years after adoption*

# Website on social security coordination



The screenshot shows the European Commission website for 'EMPLOYMENT, SOCIAL AFFAIRS & INCLUSION'. The page is titled 'EU Social Security Coordination' and features a navigation bar with 'POLICIES AND ACTIVITIES', 'NEWS AND MULTIMEDIA', and 'PUBLICATIONS AND DOCUMENTS'. A search bar is located on the right. The main content area is divided into several sections:

- Your social security rights when moving within Europe**: A list of links including 'What is coordination?', 'Which rules apply to you?', 'Where do these rules apply?', 'Claims and forms', 'Need help?', 'Your rights country by country', 'Frequently Asked Questions', 'What are your rights?', 'Sickness, maternity and paternity', 'European Health Insurance Card', 'Planned medical treatment', 'Pensions', 'Invalidity', 'Unemployment', 'Family benefits', and 'Accidents at work and occupational diseases'.
- Find a social security institution**: A section for the 'Electronic Exchange of Social Security information' (EESSI).
- Specialised information on social security coordination**: A list of links including 'EU legislation', 'Official documents', 'A-Z of coordination', 'Electronic Exchange of Social Security Information (EESSI)', 'Network of experts (trESS)', 'Social protection systems - MISSOC', and 'Funding'.
- Impact of mobile EU citizens on national social security systems**: A section featuring a photo of a man looking out a window and a text box dated 2013-10-14 stating: 'According to a study just published by the European Commission in most EU countries, EU citizens from other Member States use welfare benefits no more intensively than the host country's nationals. Mobile EU citizens are less likely to receive disability and'.

The website is displayed in a browser window with the address bar showing 'http://ec.europa.eu/social/main.jsp?langId=en&catId=849'. The bottom of the page shows a Windows taskbar with various icons and a system clock indicating 12:46 on 23/01/2014.



# Information sources

*DG EMPL website:*

<http://ec.europa.eu/social/>

- Links to legislation, official documents
- Practical guide on applicable legislation, Posting guide
- "Small Guide" on citizen's rights
- Explanatory notes, AC Decisions
- Videos:

<http://ec.europa.eu/social/main.jsp?catId=857&langId=en&furtherVideos=yes>

Your Europe website:

[http://europa.eu/youreurope/citizens/index\\_en.htm](http://europa.eu/youreurope/citizens/index_en.htm)

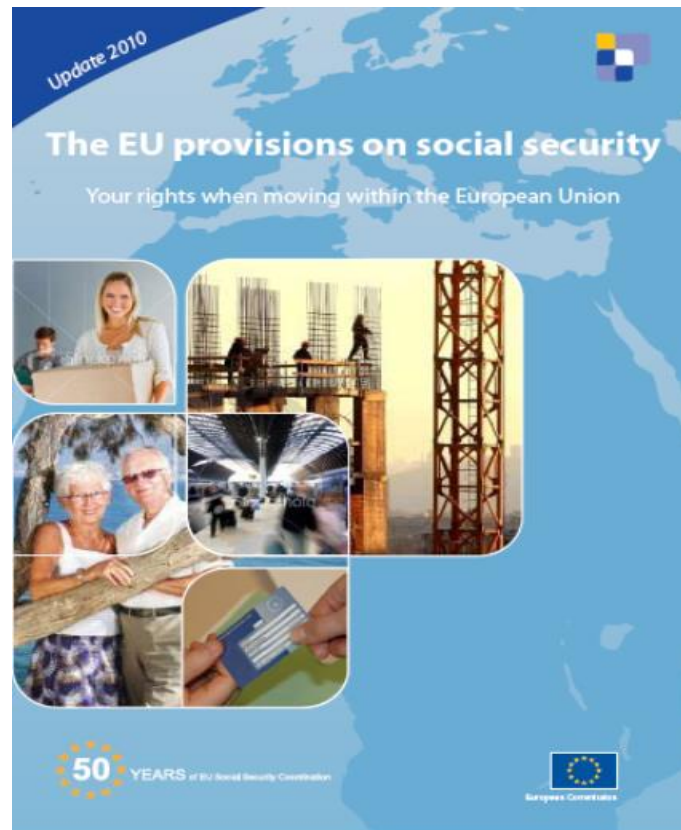
Mobility network website (FreSsco):

soon on DG EMPL website

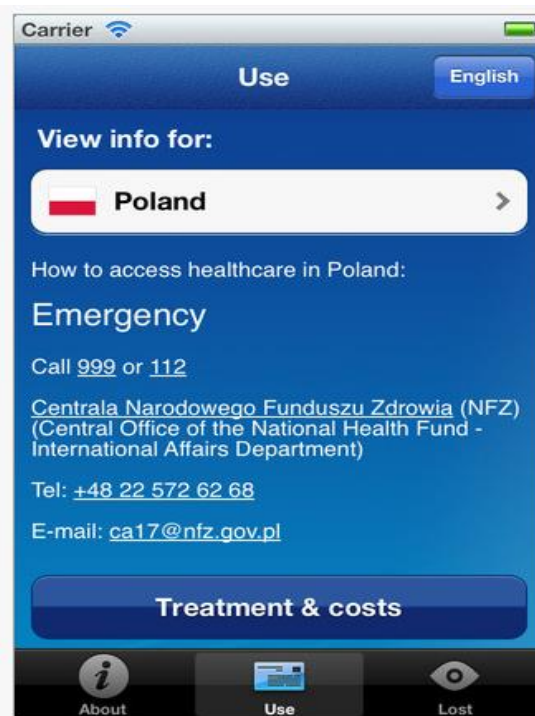
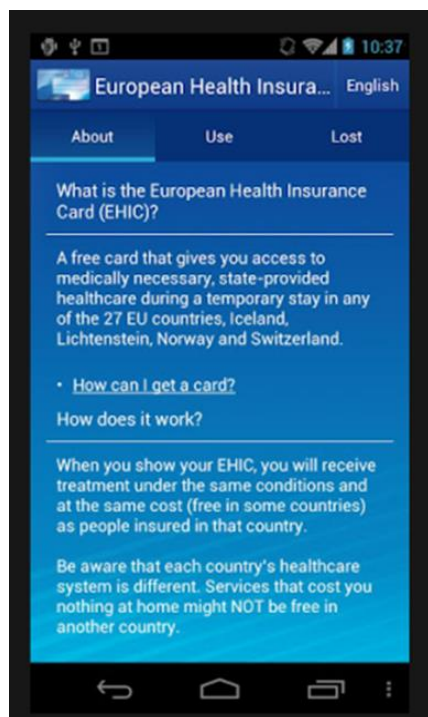
Former trESS network:

<http://www.tress-network.org>

# Guide on social security coordination



# EHIC App (Android and iPhone)



**Thank you for your attention!**