

COORDINATES AND CHALLENGES IN ASSESSING INVALIDITY IN ROMANIA

Corina OANCEA, Maria Magdalena CIUVICA, Despina GHERMAN
"Carol Davila" University of Medicine and Pharmacy Bucharest

EUMASS Congress 2014, Stockholm



Faculty Disclosure

Nothing to disclose

Background

- The invalidity benefit system in Romania is part of the contributory insurance scheme as it requires a minimum period of insurance contribution
- The invalidity pension is delivered at national level and it is meant to cover the risk of incapacity for work
- The eligibility for invalidity pension is based on medical assessment conducted by the social insurance physician

Guidelines

- Unique criteria at national level for clinical and functional diagnosis and work capacity assessment
- Standards are based on scientific evidence
- Are used as instruments for decision making, notably regarding the degree of invalidity
- Updated versions of the Guidelines are released periodically in accordance with the scientific progress
- The assessment procedures develop within the limits set by the current legislation and in accordance with policy rulings set by the Government

Legislation

1. Law 263/2010 regarding the public pension unified system, published in The Official Journal of Romania No. 852/20.12.2010
2. Government Decision no. 155/2011 for the approval of criteria and procedures for clinical and functional diagnosis and assessment of work capacity, basis for the classification in 1st, 2nd and 3rd degree of invalidity, published in The Official Journal of Romania No. 224bis/31.03.2011

Objectives

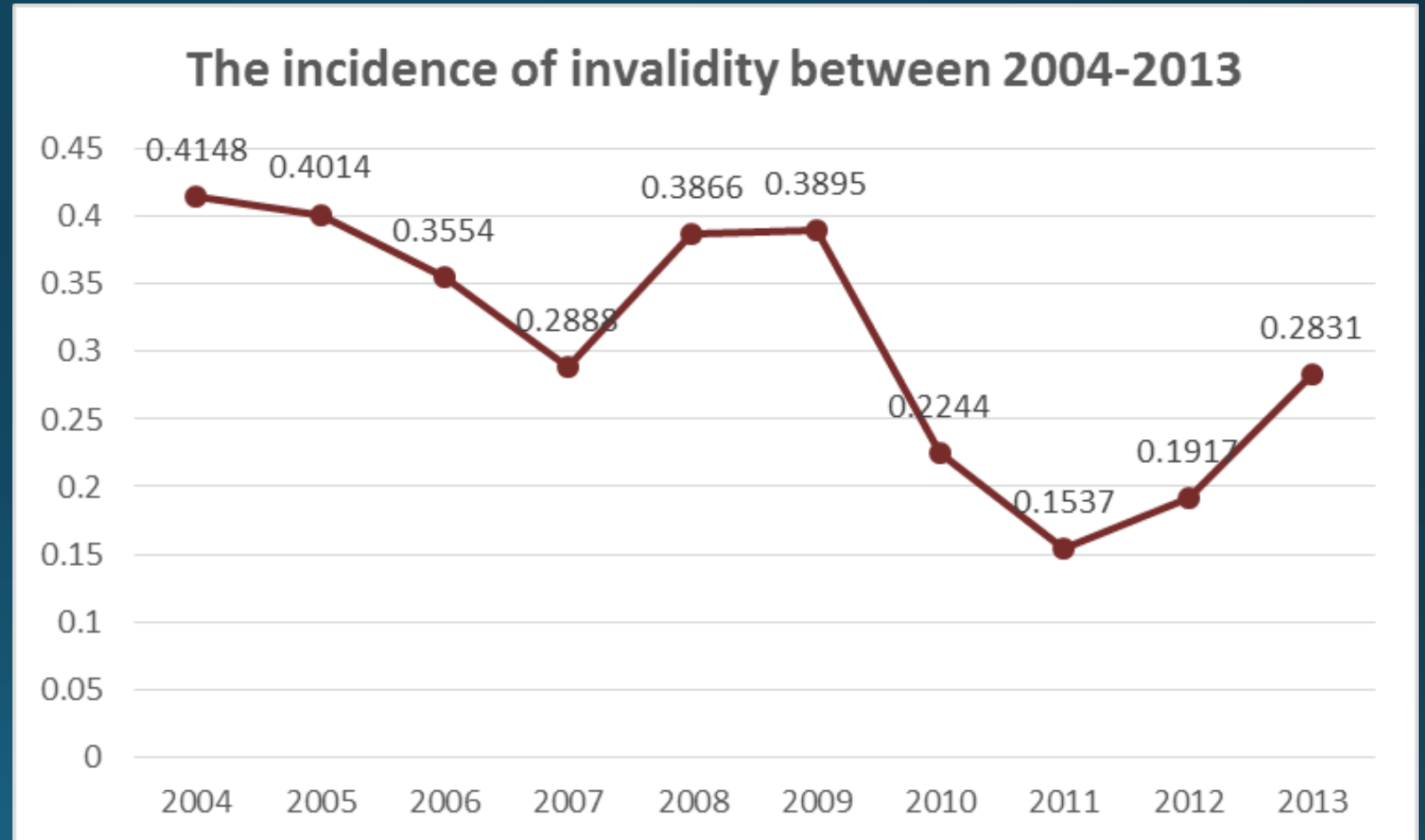
- To analyze the evolution of the invalidity during the last years and to discuss the possible determinant factors
- To present the disease-based distribution of the invalidity and to comment the findings

Method

- Ecological study design
- The information was collected from the registries of The National House of Pensions and The National Institute of Statistics
- The data were statistically analysed using Spearman rank correlation and Mann-Whitney U test
- To investigate the impact of the macro environmental factors – economic production and growth, unemployment, changes in Romanian invalidity policies, update of criteria for work capacity assessment

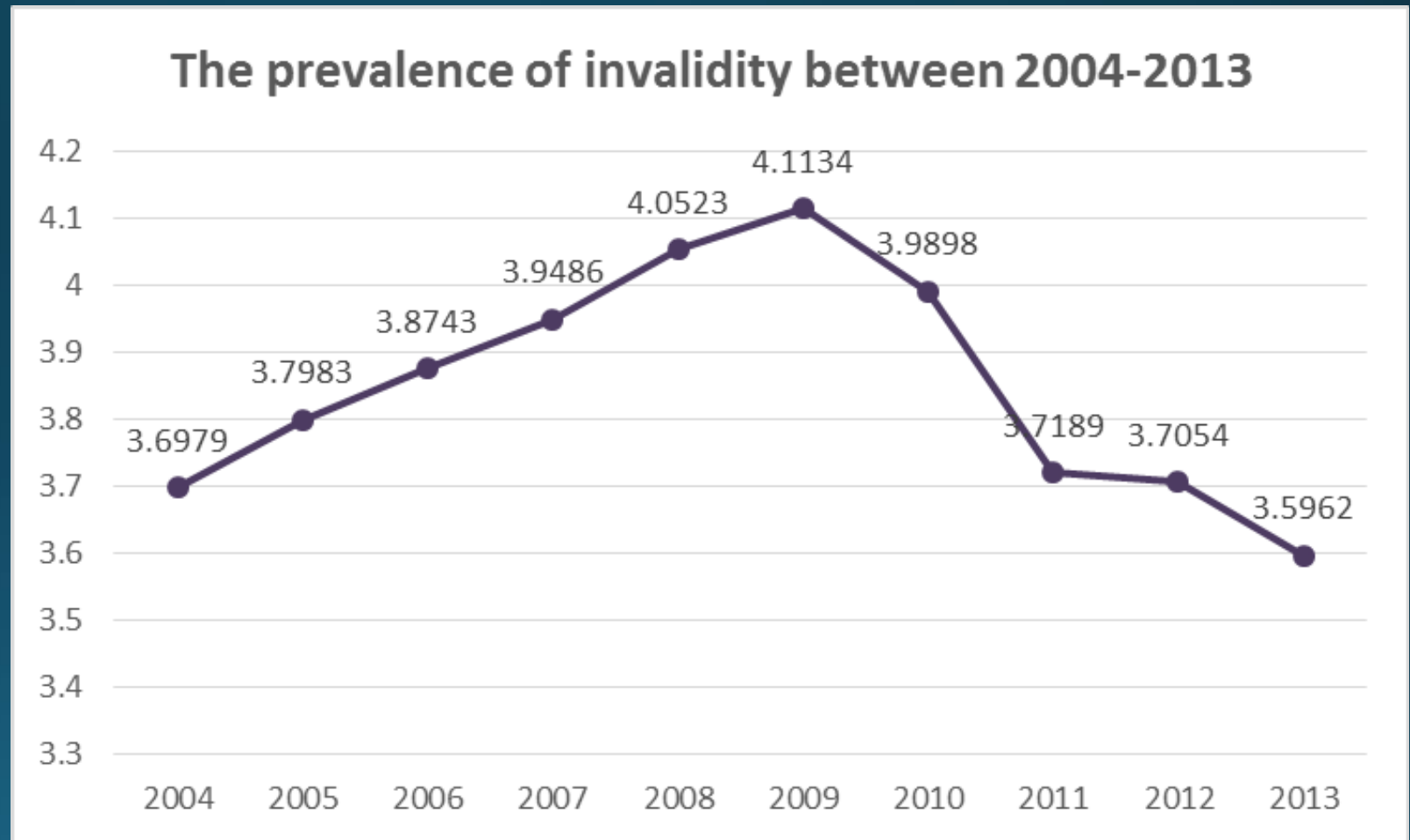
The incidence of invalidity

- The incidence of invalidity increased progressively after 1990
- Compared with 2006, in 2007 the number of new cases decreased by 19%
- Decrease of the number of beneficiaries after 2010, with a peak in 2011
- Increase of the number of recipients after 2012, with a peak in 2013



The prevalence of invalidity

- The total number of invalidity pensioners continued to grow after 1990
- Between 1986-2009 → more than 4 times growth of the recipients of invalidity
- Decreased number of beneficiaries after 2010



Epidemiological findings

- The upward trend of the both indicators after 1990 reflects the increased morbidity and mortality from chronic diseases in Romania
- There were several key moments when significant variations of the two indicators were registered:
 - Decrease peaks in the incidence of invalidity in 2007, 2010-2011 and increase since 2013
 - Downward trend in the prevalence of the invalidity starting 2010

The dynamics of the indicators after 1990

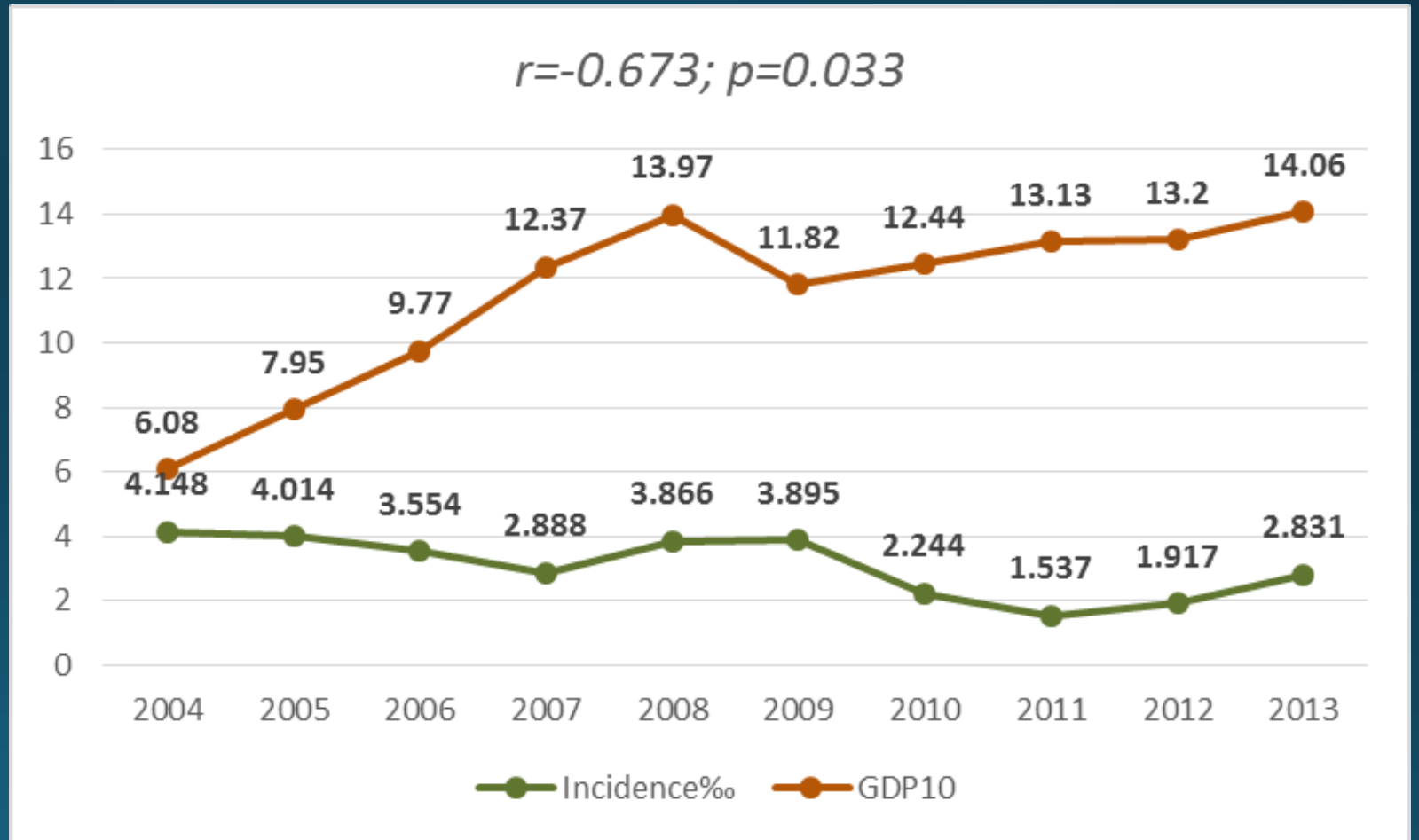
- Shift in Chronic Disease (CD) epidemiology → low- and middle-income countries increasingly suffering from high levels of public health problems related to CD
- Invalidity pension used as substitute for unemployment insurance- income replacement (as it happened in other countries, i.e. Netherlands and UK in the 80s or many ex-communist countries, e.g. Hungary)



- ✓ The collapse of the communist regime, with a planned economy and transition to market economy
- ✓ Closing of industrial giants with the loss of many jobs
- ✓ For a large number of insured persons, the social criteria had priority over the medical criteria in granting invalidity pension
- ✓ The economic status mattered more than impaired physical or mental capacity in granting invalidity pensions especially for older aged, discriminated on the labour market

The connection between invalidity incidence and GDP

- Changes of the number of newly approved recipients across economic cycles



2007

❑ **A smaller rate of claims for invalidity pensions** may explain the decrease of new cases

❑ **Romania's EU entry had some positive effects on employment:**

- The possibility to access non-reimbursable funds, making investments and consequently, creating jobs
- Has created the methodological frame and the facilities to attract foreign investors, which led to the creation of more new jobs and a discrete economical growth
- Workforce movement – some Romanian workers have used the right to work in another member state, at individual level enabling them to raise their skills, income and career; at the societal level, the pressure on the social security system decreased

The effect of legislative measures on invalidity incidence

- ❑ Law 119/2010 enacted The National Institute for Medical Assessment and Work Capacity Rehabilitation in Bucharest (INEMRCM – the Romanian abbreviation) to provide a thorough monitoring of the invalidity benefit system, focused mainly on the eligibility and entry conditions



A certain number of demands were rejected on medical basis, tightening entry conditions, which resulted in a **decreased number of new invalidity pension beneficiaries**

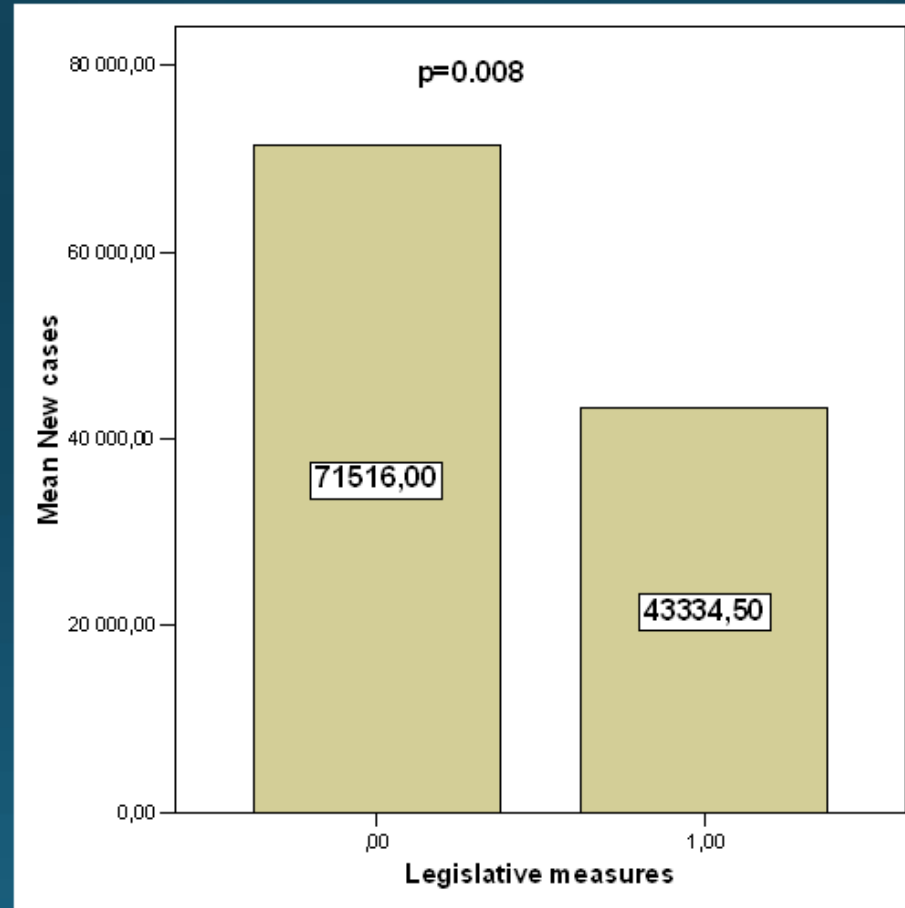
- ❑ Constitutional Court Decision no. 680/2012 provided the reduction of the minimum period of insurance contribution, the entry conditions became more permissive



The number of new invalidity pension recipients sharply increased

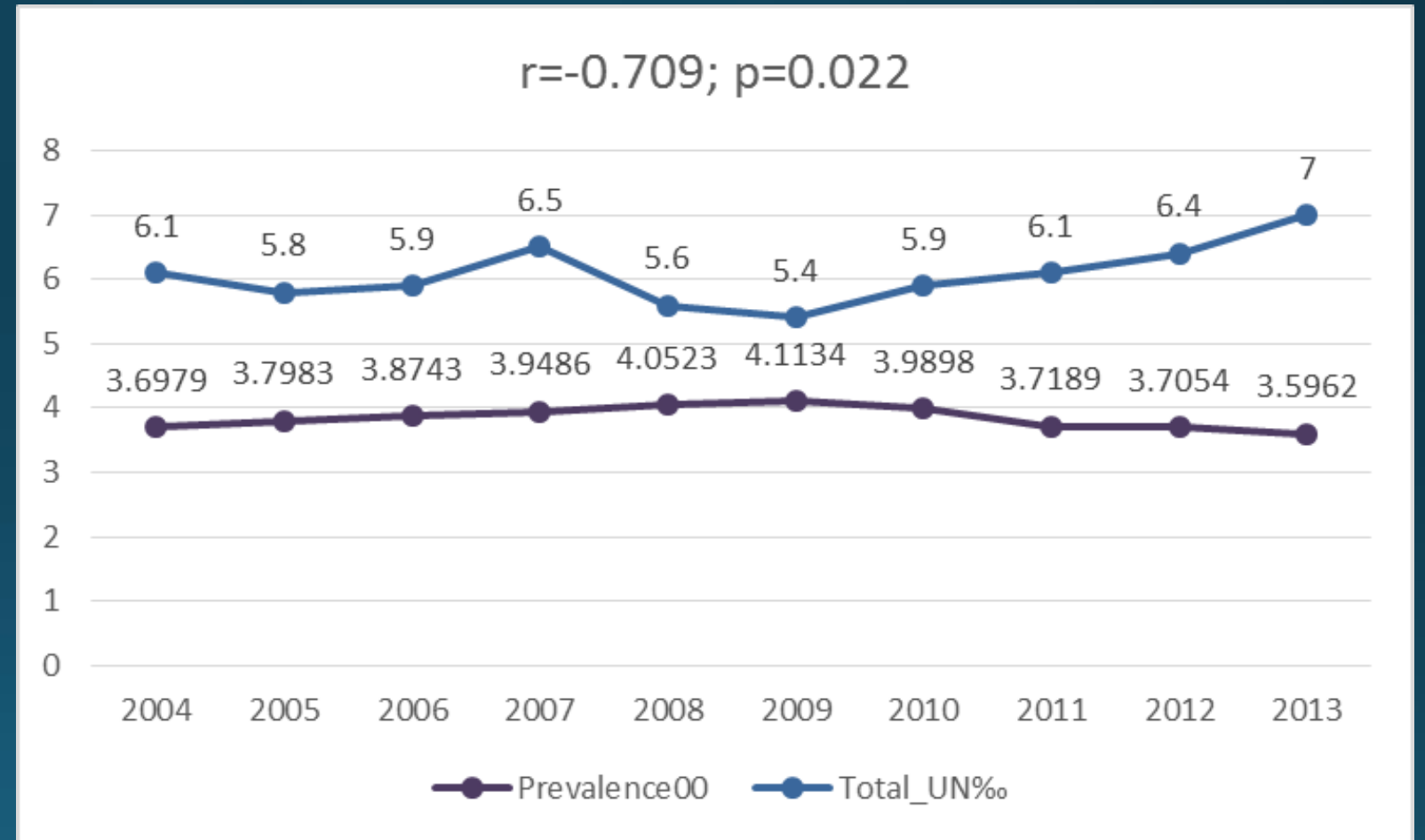
Mean of new cases depending on legislative measures

- Significant differences of the number of new recipients of invalidity pension following legislative measures



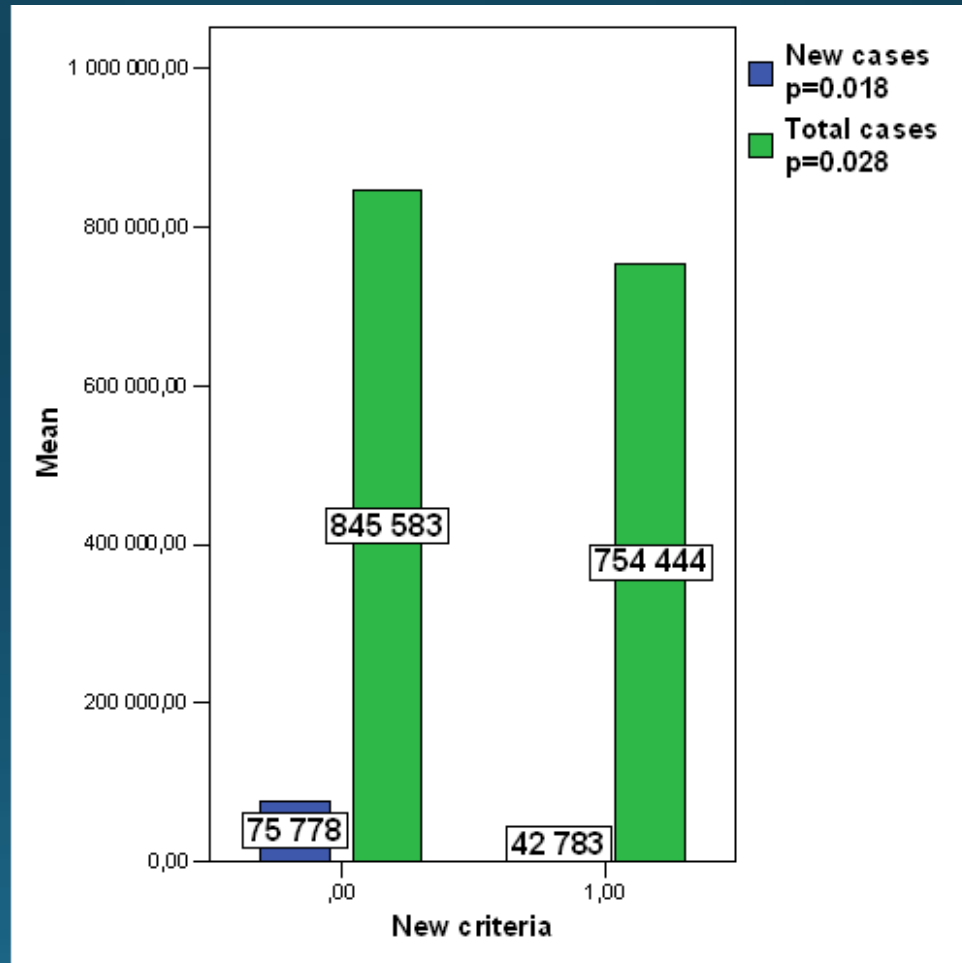
The link between invalidity prevalence and applicants out of work

- High percentage of applicants former jobless
- Pattern of increasing invalidity prevalence with decreasing socio-economic status

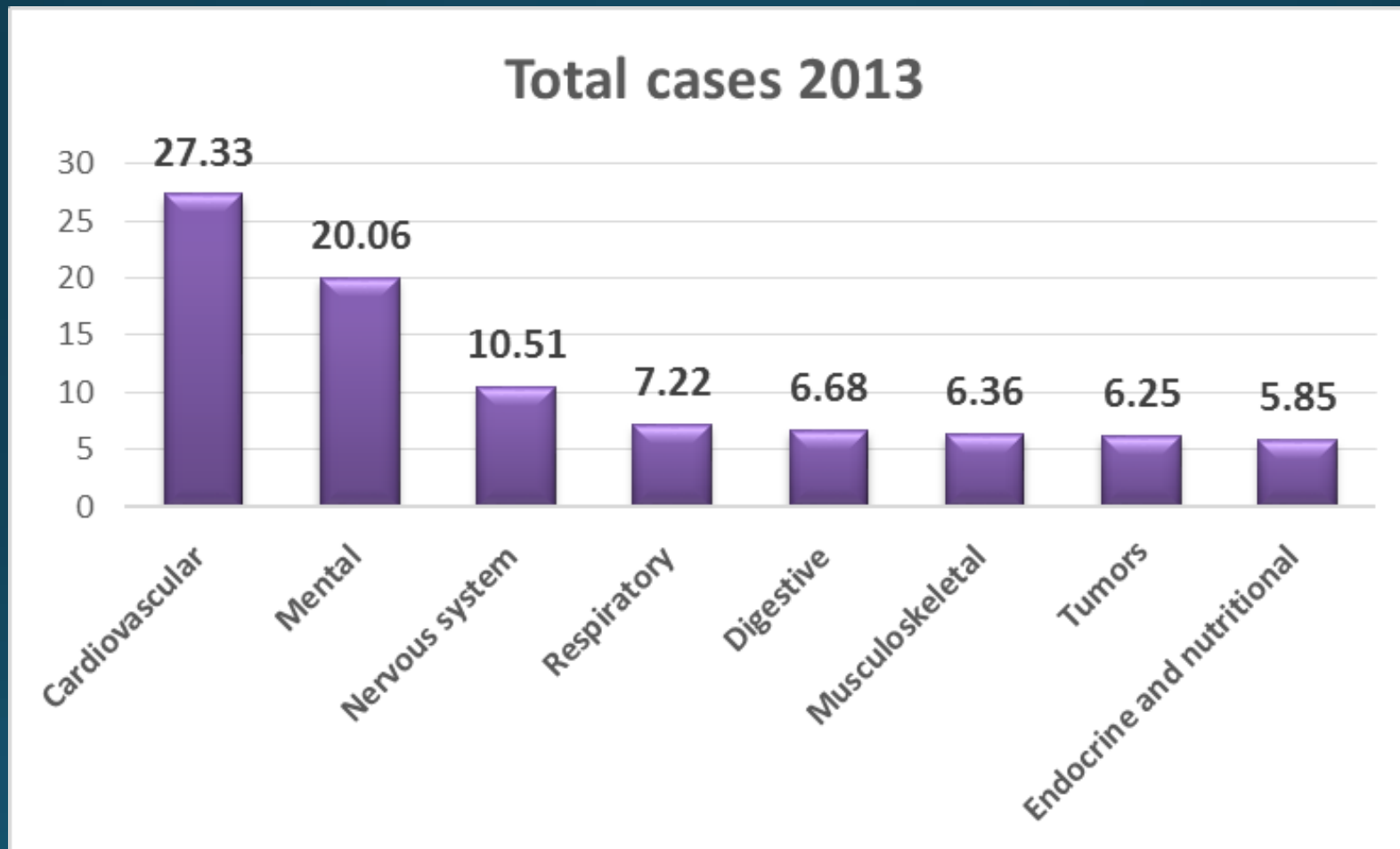


The effect on the number of beneficiaries of the updated criteria

- Significant decreased number of both total and new cases after applying the new criteria



Recipients of invalidity pension in 2013, by type of disease



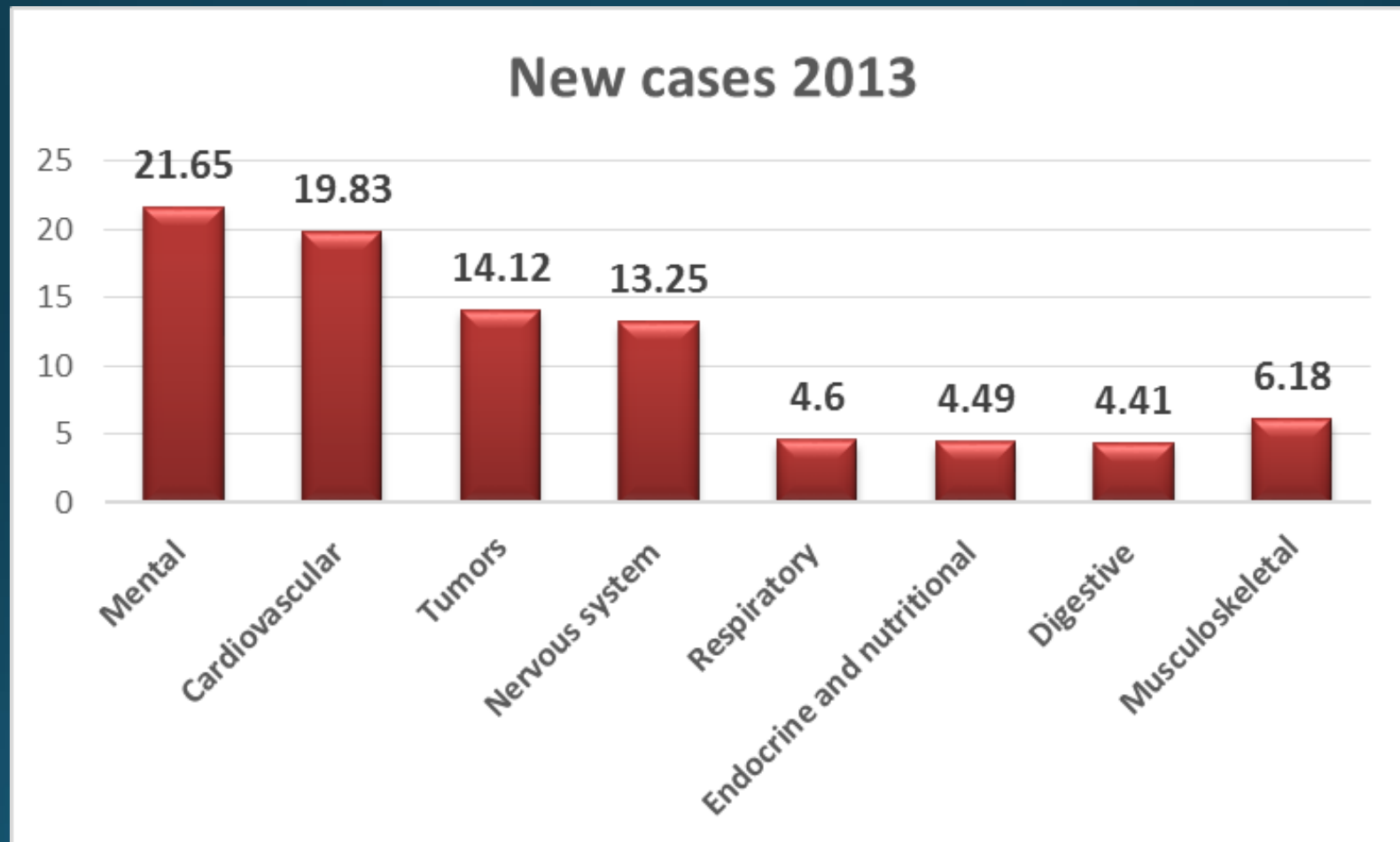
Comments

- While in the EU countries , musculoskeletal and mental diseases are the main causes of invalidity
- **In Romania, cardiovascular diseases are a major public health problem**
 - the leading cause of mortality and invalidity
 - responsible for 59% of deaths, while this percentage is 40% on average for the EU member states (*WHO reports*)
 - several factors were incriminated→lifestyle changes over the last years : the high-calorie diet, smoking, physical inactivity and daily stress – having great impact

Comments

- Epidemiological information was used to plan and evaluate strategies to prevent illness and disability and as a guide to the management of cardiovascular patients
- In 2007, The European Heart Health Charter was signed by the representatives of the Romanian governmental institutions
- This agreement reflects both a recognition of the impact of cardiovascular diseases on the general health of the population and a commitment to preventive actions in collaboration with physicians
- The expected effect of the extensive and rigorous prevention programs developed at present in Romania would be a reduction of the morbidity, mortality and invalidity rates, as has been achieved over the past decades in developed countries, e.g. USA, Western Europe

New cases of invalidity pensioners in 2013, by type of disease



Difficulties

- The collection of the quantitative data was rather difficult as currently invalidity pension information is scattered across different management systems

... could be overcome

- Building up an improved and operational reporting and monitoring system is one of the main objectives of the social security system reform in Romania
- A central registry with a national data base of invalidity pension recipients (individual medical certification, payments, etc.) is under development now

Conclusions

1. **Macro-organizational factors may explain the evolution of invalidity :**
 - economic activity
 - unemployed status
 - the updated medical criteria for invalidity pension certification
 - changes of the concept of work ability and functional capacity
 - legislation
2. **The dynamics of the indicators highlights a possible preventive potential** of economic resources, employment, better assessment of work capacity and tight monitoring of the phenomenon

Conclusions

3. The present study is a useful preliminary for larger further researches
4. Other factors that could impact the invalidity phenomenon are still to be identified and their correlation to be demonstrated
5. More research in the field helps better understanding of the issue and helps promoting work ability as an important social goal

THANK YOU FOR
YOUR ATTENTION

