

Annual Report 2009



CZECH SOCIAL SECURITY ADMINISTRATION



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Key data for 2009

Key data for 2009

Employees	8,906
Clients	8,172,069
of this employees	4,155,026
communicating employers	267,387
self-employed persons	955,659
pensioners*	2,790,391
citizens with voluntary pension insurance	3,606
Paid out pensions	3,477,926
Processed new pension applications	254,192
Earnings from social security insurance, including voluntary insurance and the contribution to the state employment policy	337,746 million CZK
Expenditure on pension insurance benefits	331,705 million CZK
Expenditure on sickness insurance benefits	26,033 million CZK
The success rate for collecting insurance contributions after removing unrecoverable receivables	98.4 %
Operations associated with the EU	208,789
Countries to which the CSSA pays out pensions	84
Personal pension insurance information sheets sent to clients	152,609
Assessments carried out by the CSSA Medical Assessment Service	307,038
Received e - Submissions	2,310,546
Electronically received submitted documents	7,108,646

* pensions paid out in the Czech Republic, i.e. excluding payments abroad



Introduction of the Minister of Labour and Social Affairs

The Czech Social Security Administration (CSSA) has completed yet another year - a year which was marked by the international economic crisis and the associated increases in unemployment. During this period, the CSSA had to react to the adoption of a package of cuts and to carry out a number of other changes. The financial measures leading to a different benefit structure involved sickness insurance, maternity benefits and the attendance allowance, and also social insurance. Apart from this, the CSSA also began to administer sickness insurance for companies with more than 25 employees from 1.1.2009. This required a number of personnel and organizational changes (for example, the sickness insurance area at the CSSA was successfully reinforced with 448 new employees) with the aim of eliminating as far as possible any negative impact on the citizens of the Czech Republic.

One of priorities of the CSSA was also and has always been to reduce the administrative load on self-employed persons. The reporting obligation was therefore simplified from 1.1.2009. And the rates for insurance contributions to social security and the contribution to the state employment policy, which applies to employers, were also reduced as part of the anti-crisis stimulus package launched by the Ministry of Labour and Social Affairs (the MoLSA). There were two reasons for the measure: the introduction of the employer's obligation to pay wages during the first 14 days of an employee's sick leave and the amendment to Act no. 589/1992 Coll. Apart from this, employers were able to apply a discount on the insurance contributions from 1.8.2009 to the end of 2009.

Introduction

Pensions also underwent a change in the legislation. The age limit for entering retirement has been raised as part of the pension reforms and the period of insurance necessary to establish an entitlement to an old age pension has been extended. A three-tiered invalidity system valid from January 2010 was also prepared in 2009. The MoLSA cooperated on the change in disability pensions with experts from the Czech Medical Association of Jan Evangelista Purkyne so that the changes in assessing invalidity corresponded to the advances in medicine. Another important topic was the valorisation of pensions which I endeavoured to push through. Unfortunately, I eventually had to give way to the cuts in the state budget.

A significant topic at the turn of 2009–2010 was the payment of insurance contributions for the 1st half of 2007: or more precisely, whether or not employers were obliged to pay insurance contributions to the state budget in the given period. Eventually, the Supreme Administrative Court ruled that this obligation had always existed. The matter would never have arisen, if the laws had not been adopted too quickly and chaotically. Unfortunately, this all led to a further administrative burden for the CSSA and I am pleased that it has been able to manage this.

It is clear that a number of fundamental changes took place in 2009. The MoLSA and the CSSA endeavoured to inform their clients of these changes using all available means. On behalf of them all, I would like to mention the new CSSA Call Centre, where the public can receive necessary information on sickness insurance. A number of new informative publications and fliers were also published. At the end of 2009, these included, for example, "The Unemployed Person's Handbook in 2010" which was published by the MoLSA and which followed on from the former successful and publicly popular CSSA publication entitled "The Future Pensioner's Handbook" and "The Social Insurance Self-Employed Person's Handbook".



The CSSA tried to come to terms with all the new things in 2009 in such a way that they affected the clients as little as possible and so that it continued to be the Czech Republic's largest financial administration organization making effective use of the modern information technology of the third millennium.

I would like to thank the CSSA management, led by JUDr. Božena Michálková, and all of the employees at the Headquarters and at District Social Security Administrations for all their efforts and their everyday meticulous work. I would like to wish the entire team at the Czech Social Security Administration an abundance of energy for the years to come.

JUDr. Petr Šimerka
The Minister of Labour and Social Affairs



Introduction of the Director General of the Czech Social Security Administration

The Czech Social Security Administration (CSSA) authority is looking back over the 19th year of its modern history. What was the year like, what did it bring and how did it differ from previous years? The year was marked by several fundamental legislative changes, whether planned or triggered by the development of the economic crisis. The CSSA, along with all of its employees, successfully introduced these changes and put them into effect. If I were to describe 2009 in a single word, then it was certainly an 'eventful' year.

One of the CSSA's priority tasks is collecting social security premiums. These include pension insurance premiums, sickness insurance premiums and the contributions to the state employment policy. The success of the collection in this economically difficult year was 98.40%. If I compare this percentage to the figure for previous years, it is a few tenths lower. The economic crisis, which suddenly hit a large part of the global economy, also affected the Czech Republic. Reactions soon occurred. Since 1.8.2009, the amendment to the Act on Social Security Premiums had enabled employers to pay reduced social security premiums and state employment policy contributions.

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The purpose of this was to reduce the costs of labour and thus contribute to the maintenance of employment as part of the anti-crisis economic measures carried out by the government. The premiums collected were also affected by the high unemployment rate and a decline in the number of business entities. In 2009, the CSSA collected more than CZK 300 billion in pension insurance premiums and over CZK 23 billion in sickness insurance premiums. It paid CZK 331 billion in pension insurance benefits and a total of CZK 26 billion in sickness insurance benefits.

As far as sickness insurance is concerned, the CSSA focused on implementing the all-new legislation governing the sickness insurance system, introduced with effect from 1.1.2009 by the new Act on Sickness Insurance. Specifically, this means that, since 2009, DSSA offices have taken care of sickness insurance not only for employees of what are known as small organizations with up to 25 employees and insured self-employed people, as in previous years, but also for all other employees, i.e. more than 4 million employees. DSSA offices paid sickness insurance benefits to employees in almost 2.5 million instances, with the total costs of sickness insurance benefits being CZK 26 billion in 2009.

With regard to pension insurance, one of the CSSA's priority tasks was to prepare for implementing Act no. 306/2008 Coll., which amended the Act on Pension Insurance. This Act significantly modifies the basic conditions governing entitlement to pension insurance benefits as well as the parameters for calculating them within stage I of the pension reform. The CSSA's focus on introducing the objection procedure institute was of no less importance. It consists of a two-level administrative procedure even for decisions on pension insurance benefits.

In the middle of the year, the medical assessment service (MAS) was transferred back from public employment offices to the CSSA, and merged with the MAS of the CSSA. The anticipated smooth progress of the MAS transformation was fulfilled. The change did not interrupt the continuity in assessing Czech people's health condition.

Many of the CSSA's activities were also related to implementing projects for which the CSSA gained monies from EU Funds. After all, the CSSA was one of the first state administration authorities to have prepared and submitted such projects. In 2009, the CSSA successfully implemented five twinning projects from the Transition Facility programme, the objective of which was to strengthen the



administrative capacities of the authority, consultation on interpreting and applying the provisions of new EU regulations in compliance with national legislation, training experts and recommending appropriate procedures in line with EU practice.

Each new period is as challenging as the previous one. If I were to present a brief summary of the tasks that lie ahead of the CSSA in the long term, these would include accelerating and improving the quality of services through client centres, eliminating unnecessary paperwork, switching from paper communication to electronic communication and consequently to data centralisation.

The results of the future work of the entire organization depend on the efforts of all CSSA employees. In conclusion, I would therefore like to thank all employees and co-workers for their existing everyday work, achieving the set objectives as well as having the necessary optimism.



JUDr. Božena Michálková
Director General of the Czech Social Security Administration



CSSA profile

The Czech Social Security Association (CSSA) is the largest state sector financial administration institution in the Czech Republic and it is unique with a total annual revenue and expenditure of almost 704 billion CZK.

It administers the affairs of more than 8 million, 172 thousand clients, of whom more than 2 million, 790 thousand are pensioners. The CSSA pays out more than 3 million, 477 thousand pensions.

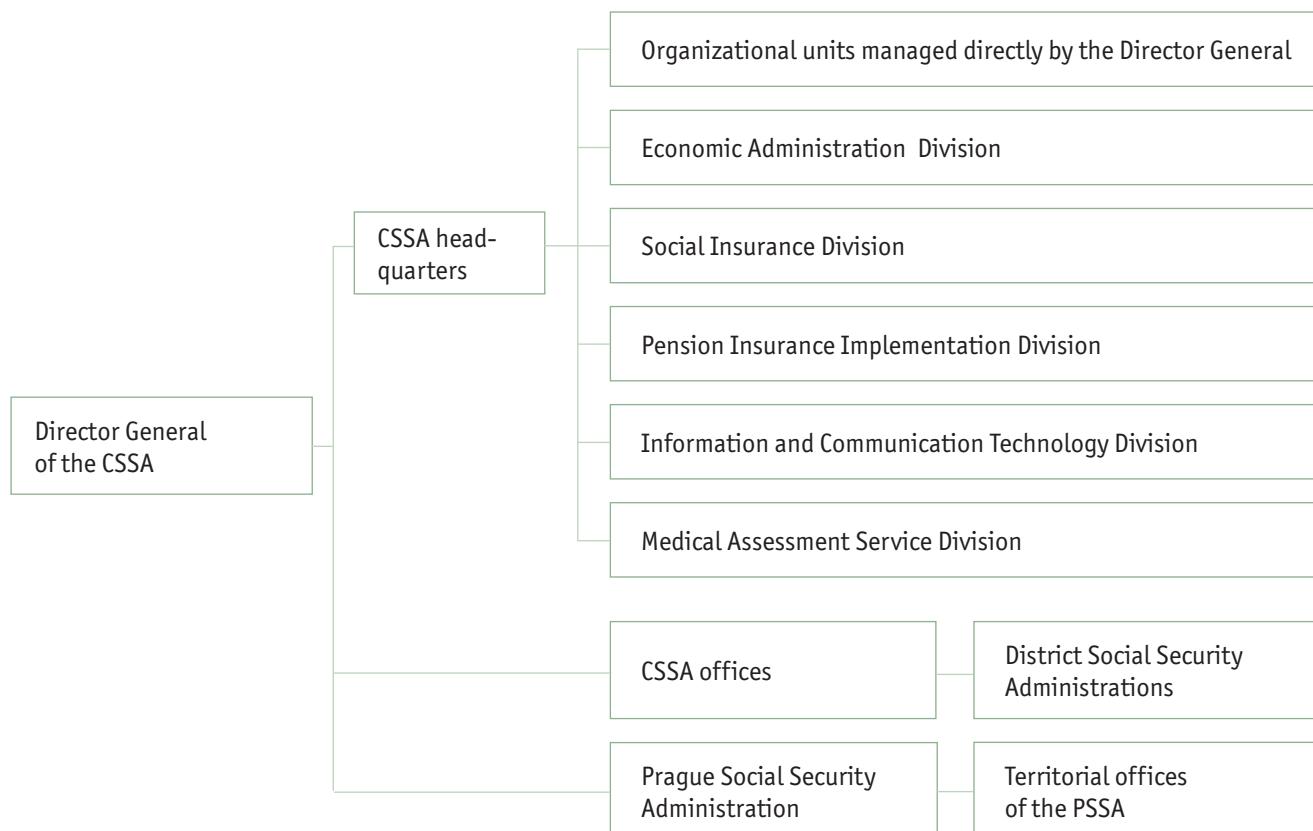
The CSSA is responsible for the payment of sickness benefits, maternity benefits, compensatory benefits in pregnancy/maternity and the attendance allowance for practically the entire working population of the Czech Republic and it does so either

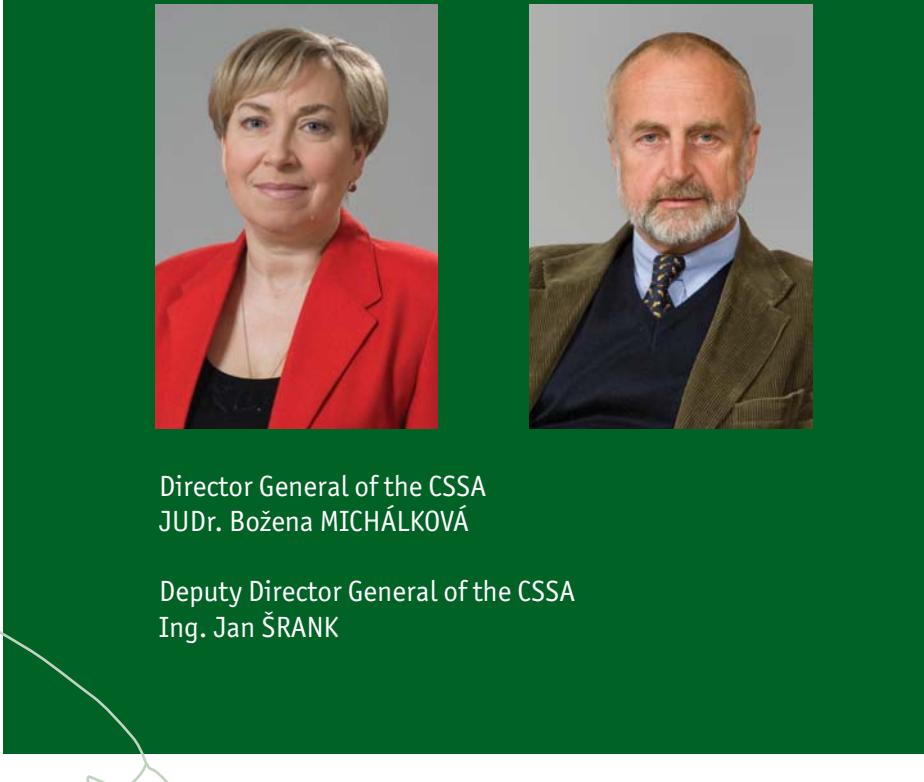
itself or via employers. The CSSA contributes more than one third of the revenues of the state budget by collecting social security insurance contributions and contributions to the state employment policy.

According to the EU coordinating directives, the CSSA is the liaison body and the competent institution for foreign institutions with regard to sickness and maternity benefits in cash, pensions and assessing the legal applicability.

The CSSA also includes the Medical Assessment Service (MSA) which assesses health and the ability to work of citizens for the purposes of sickness and pension insurance. It also inspects assessments of temporary incapacity to work from attending physicians.

The CSSA is subordinate to the Ministry of Labour and Social Affairs (the MoLSA) as an organizational body of the state. The head of the CSSA is the Director General, JUDr. Božena Michálková.





Director General of the CSSA
JUDr. Božena MICHÁLKOVÁ

Deputy Director General of the CSSA
Ing. Jan ŠRANK

Mission

"The Czech Social Security Administration is a modern agency and a social security administrator that functions effectively in a manner that corresponds to the modern technology of the information society of the third millennium and it is imbued with an exclusive orientation towards creating the maximum value for its clients and thus the highest possible fulfilment of its clients' expectations and the greatest possible degree of customer satisfaction"

The Organizational structure

The CSSA consists of the CSSA headquarters, the CSSA offices, the District Social Security Administrations (DSSA), the Prague Social Security Administration (PSSA) and the Municipal Social Security Administration in Brno (MSSA). The CSSA provides services to the public at a total of 97 offices.

CSSA Chief Executives

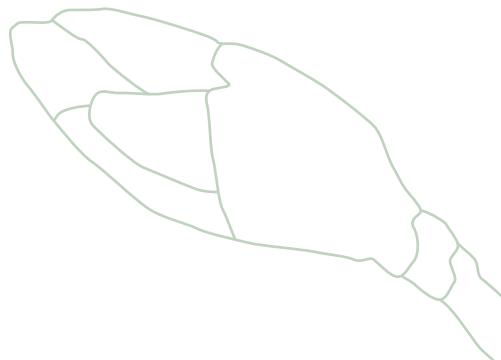
Ing. Martin KOTT, MBA
Chief Executive of the Economic Administration Division
(in the post from 13.1.2009)



JUDr. Eliška VOLFOVÁ
Chief Executive of the Pension Insurance Implementation Division

Ing. Vladimír FANTA
Chief Executive of the Information and Communication Technology Division

MUDr. Jiřina RAMIANOVÁ
Chief Executive of the Medical Assessment Service Division
(in the post from 1.4.2009)



Directors of the units managed directly by the CSSA Director General

Mgr. Pavel KROUTIL
Head of the CSSA Director General's Secretariat

Ing. Jiří DEMEŠ
Director of the Security Policy Section

Ing. Zdeněk JOSKA
Director of the Internal Audit, Inspection and Complaints Section

Ing. Jiří KUDLÍK
Director of the European Coordination and International Relations Section

Mgr. Kamil VAŘEKA
Director of the Communications Section and the CSSA Spokesman
(in the post from 14.4.2009)

PaedDr. Miluše HÁJKOVÁ
Director of the Human Resources Section

CSSA Regional Directors

CSSA Brno Offices

Director: PhDr. Miroslav VOTÝPKA



MSSA Brno

The Municipal Social Security Administration in Brno – Director: JUDr. Jan Stavinoha
The MSSA Brno II Office – Head: Hana Manhalterová
The MSSA Brno III Office – Head: JUDr. Ludmila Smejkalová

The South Moravian Region

DSSA Blansko – Director: JUDr. Libuše Svěráková
DSSA Brno-venkov – Director: JUDr. Dana Pištělková
DSSA Břeclav – Director: Ing. Zlatuše Máčelová
DSSA Hodonín – Director: Ing. Eva Milošová
DSSA Vyškov – Director: Mgr. Ivo Rotrekl
DSSA Znojmo – Director: JUDr. Radoslav Kraus

The Vysočina Region

DSSA Jihlava – Director: Bc. Lubomír Obůrka
DSSA Havlíčkův Brod – Director: Ing. Josef Zadina
DSSA Pelhřimov – Director: JUDr. Libuše Pavlíčková
DSSA Třebíč – Director: JUDr. Zdeněk Nováček
DSSA Žďár nad Sázavou – Director: Mgr. Miroslav Lučka

The Zlín Region

DSSA Zlín – Director: PhDr. Petr Špaček
DSSA Kroměříž – Director: Ing. Jaroslav Klusák (in the post from 1.8.2009)
Director: Bc. Eva Nováková (in the post to 31.7.2009)
DSSA Uherské Hradiště – Director: Bc. Ludmila Hrbcová
DSSA Vsetín – Director: JUDr. Rostislav Lubauer

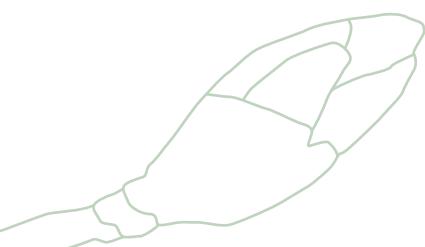


CSSA České Budějovice Offices

Director: doc. JUDr. Vilém KAHOUN, Ph.D.

The South Bohemian Region

DSSA České Budějovice – Director: JUDr. Miluše Stehlíková
DSSA Český Krumlov – Director: Ing. Marie Bedlivá
DSSA Jindřichův Hradec – Director: Mgr. Josef Čech
DSSA Písek – Director: JUDr. Jaroslava Pitulová
DSSA Prachatice – Director: PhDr. Zdeněk Albrecht
DSSA Strakonice – Director: Ing. Karel Chod
DSSA Tábor – Director: JUDr. Marcela Vašková



CSSA Hradec Králové Offices

Director: Mgr. Karel BAUER



The Hradec Králové Region

DSSA Hradec Králové – Director: JUDr. Iveta Cibriková

DSSA Jičín – Director: Ing. Jiří Bílek

DSSA Náchod – Director: Ing. Pavel Sobotka

DSSA Rychnov nad Kněžnou – Director: Ing. Dana Wirtová

DSSA Trutnov – Director: Ing. Daniela Prokešová

The Pardubice Region

DSSA Chrudim – Director: Ing. Blanka Urválková

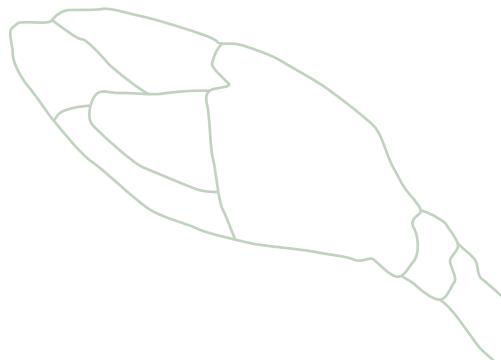
(in the post to 18.12.2009)

DSSA Pardubice – Director: Mgr. Václav Klička

DSSA Svitavy – Director: Ing. Jaroslava Müllerová

DSSA Ústí nad Orlicí – Director: JUDr. Olga Počtýnská

(in the post to 1.10.2009)



CSSA Ostrava Offices

Director: Ing. Jana MIKLASOVÁ (in the post from 1.4.2009)

Director: JUDr. Milan KEKA (in the post to 21.1.2009)

The Moravian-Silesian Region

DSSA Bruntál – Director: Ing. Věra Tesolinová

DSSA Frýdek-Místek – Director: Ing. Ludmila Babišová, Ph.D.

DSSA Karviná – Director: JUDr. Martin Nogol

DSSA Nový Jičín – Director: JUDr. Jaroslav Juřík

DSSA Opava – Director: Bc. Ing. Margarita Drastíková

DSSA Ostrava – Director: Ing. Michal Ztratil

The Olomouc Region

DSSA Jeseník – Director: Ing. Vítězslav Macek

DSSA Olomouc – Director: Ing. Alena Šmotková

DSSA Prostějov – Director: Mgr. Zita Popelářová

DSSA Přerov – Director: Jaroslav Pospíšil

DSSA Šumperk – Director: Ing. Ľubica Semerádová



CSSA Plzeň Offices

Director: PaedDr. Zdeněk TOR

The Plzeň Region

DSSA Plzeň-jih – Director: Milan Vykouplík
DSSA Domažlice – Director: Ing. Jindřich Kohout
DSSA Klatovy – Director: Ing. Jana Tomanová
DSSA Plzeň-město – Director: Ing. Antonín Vacík
DSSA Plzeň-sever – Director: PhDr. Jiří Hala
DSSA Rokycany – Director: Ing. Luboš Koubík
DSSA Tachov – Director: Ing. Lýdie Regecová

The Karlovy Vary Region

DSSA Karlovy Vary – Director: Ladislav Peňáz
DSSA Cheb – Director: Ing. Leopold Písek
DSSA Sokolov – Director: Bc. Janka Gajewská

CSSA Central Bohemian Offices

Director: Ing. Karel PERLÍK



The Central Bohemian Region

DSSA Benešov – Director: Ing. Petr Stanka
DSSA Beroun – Director: JUDr. Václav Klíma
DSSA Kladno – Director: Ing. Alena Prajzlerová
DSSA Kolín – Director: Ing. Ivana Tlučhořová
DSSA Kutná Hora – Director: Ing. Robert Velický
DSSA Mělník – Director: Ing. Marie Pechová
DSSA Mladá Boleslav – Director: Ing. Jana Fronková
DSSA Nymburk – Director: Mgr. Ivanka Součková
DSSA Praha-východ – Director: Mgr. Pavel Nikodým
DSSA Praha-západ – Director: Bc. Ilona Šrotýřová
DSSA Příbram – Director: Ing. Ladislav Růžička
DSSA Rakovník – Director: PhDr. Hana Kronichová



CSSA Ústí nad Labem Offices

Director: Ing. Zuzana KRUPIČKOVÁ

The Ústí nad Labem Region

DSSA Děčín – Director: Ing. Jiří Řezáč

DSSA Chomutov – Director: Mgr. Marek Bergman

DSSA Litoměřice – Director: Věra Kalousová

DSSA Louny – Director: Ing. Petr Burdych

DSSA Most – Director: Ing. Ivana Henžlová

DSSA Teplice – Director: JUDr. Jiří Budek

DSSA Ústí nad Labem – Director: Ing. Dana Hladěnová

The Liberec Region

DSSA Česká Lípa – Director: Ing. Dana Pospíšilová

DSSA Jablonec nad Nisou – Director: Ing. Martin Šámal

DSSA Liberec – Director: Ing. Oto Chuchlík

DSSA Semily – Director: Ing. Jaroslava Krausová

Prague Social Security Administration

Director: Ing. Jiří SVOBODA (in the post from 1.9.2009)

Director: JUDr. Tomáš HEJKAL (in the post to 1.6.2009)



Praha 1 Office – Head: RSDr. Gabriela Hrušíková

Praha 2 Office – Head: RNDr. Petr Paris

Praha 3 Office – Head: Ing. Miroslav Ferštek

Praha 4 Office – Head: Ing. Miroslav Novák

Praha 4-Jižní Město Office – Head: Mgr. Jarmila Bičaniková

Praha 5 Office – Head: Ing. Zuzana Vittvarová

Praha 5-Jihozápadní Město Office – Head: Ing. Vladimír Derfler

Praha 8 Office – Head: Ing. Vladimír Krejčí (in the post from 10.9.2009),

Head: Ing. Květoslava Cimlerová (in the post to 8.6.2009)

Praha 9 Bohušovická Office – Head: Ing. Jana Jiroušková

Praha 9 Sokolovská Office – Head: Mgr. Miroslav Doležal

Praha 10 Office – Head: Ing. Alena Vojtěchovská



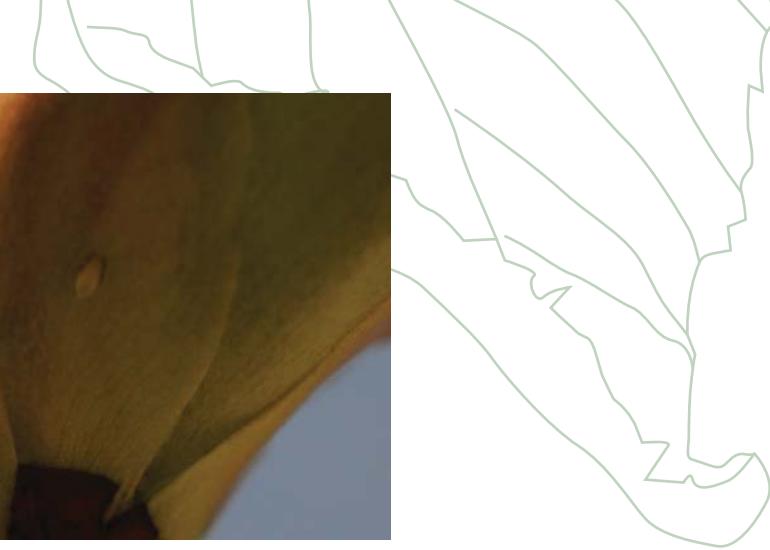


Employees

Number and age structure of employees

As of 31.12.2009, the CSSA employed a total of 8,906 people. Women were predominant, including the executive positions. They amounted to 88.33% of the workforce.

As in previous years, no large changes occurred in the age structure of the employees at the CSSA. In comparison with 2008, there was a slight increase in the numbers in the age categories of up to 20 and 21–30. This involved an approximately 1% increase in each case, while the fall in the share of employees in the 51–61 age category amounted to almost 2%. Whereas the trend in previous years was the opposite in these age categories, in 2009 it is possible to speak of a change for the better and of the beginning of the stabilisation of the share of employees in the category of up to 30 years of age. The strongest age category remains the 51–60 category (29.8%). The halt in the unfavourable developments of previous years also involved an unequivocal fall in the share of employees in the age group above 50, who will move into the post-productive age group in the next 10 years, from 37.4% as of 31.12.2008 to 35.7% as of 31.12.2009.



Qualification structure and education

The qualification structure remained almost unchanged compared to 2008. There was positive growth (by 1.2%) in the category of tertiary educated employees – the reason may be the relatively high number of employees who have increased their qualifications by studying university undergraduate and postgraduate courses. The long-term stable share of secondary school graduates (70.4%) continues to predominate. Given the systemisation of the CSSA and the structure of the activities undertaken, it is advisable that this trend is further maintained and strengthened.

The ongoing problem remains the high number of exceptions from education in accordance with section 3, subsection 3 of Government Decree no. 564/2006 Coll., especially in the case of secondary school graduates classified in those classes where a higher specialist education or tertiary education is required. There are more than 200 such exceptions at the headquarters and almost 400 at the CSSA offices. The four-year deadline for exceptional inclusion in a pay scale, for which the employee does not meet the education requirements, will expire in most cases on 31.12.2010.

Life-long learning has already been in operation at the CSSA for a number of years and it is considered to constitute the most important part of the personnel strategy. It is aimed at individual groups of employees in accordance with the employee education rules at civil service bodies and it mainly endeavours to ensure the development of the key competencies of individual groups.

The educational programs during the course of 2009 were in most cases provided using the organization's own lecturing team consisting of expert employees from the CSSA headquarters and the CSSA offices, the DSSA, the PSSA and the MSSA. They were focused on training employees in association with the legislative sickness insurance changes from 1.1.2009 and from 1.1.2010.

In connection with preparations for the changes associated with Act no. 300/2008 Coll. governing electronic operations and the authorised conversion of documents, a total of 290 employees were trained in the use of data mailboxes for working with the PDF format. This training was carried out using lecturers from among the employees at the CSSA headquarters.

New employees or employees who have been newly assigned to a given expert agenda acquire their basic theoretical knowledge through self-learning electronic teaching courses. Further training on pension insurance, sickness insurance, the self-employed person agenda, collecting insurance contributions and inspection was carried out through work sessions and methodology seminars. These training events take place at the teaching centres in Karlovy Vary, Kroměříž and Křešice.

The orientation of the contents of the courses and the lecturing activities are provided by the lecturers for the regional specialist agendas in cooperation with methodologists of the CSSA headquarters. The CSSA's active lecturing team consists of 172 erudite experts who are also involved in the systematic updating of the presentation and electronic courses during every legislative change.

During 2009, a total of 70 events were held at the training centre in Karlovy Vary and 2,823 CSSA employees were trained. This involved, for example, training on the parametric changes for employees in the decision-making areas involving pension insurance, training on new program applications for the medical assessment service, training employees from the accounts departments and intensive language training. Further expert training courses and meetings took place at the centres in Kroměříž and Křešice. A total of 89 events were held there with 1,382 employees participating.



A two-day telephone skills course was organised for the ten employees of the newly opened Call Centre for the sickness insurance area at the Zlín DSSA. A three-day training course on dealing with clients and handling stress was organised for 14 employees from the departments at the CSSA headquarters that are involved in providing pension insurance information.

An educational block in the Performance Management System, including workshops, was organised in accordance with the approved managerial education plan and this was attended by the chief executives, the directors of the CSSA offices, the DSSA, PSSA and MSSA directors and selected directors of the headquarters departments.

In June 2009, the managers of the CSSA offices underwent a two-day legal update block organised by lecturers from the Law Faculty of Charles University in Prague. The block focused on civil, commercial and employment law and the changes in these areas of law.

In order to reinforce managerial skills, a two-day Professional Leaders training course was held for ten executive directors of the PSSA.

In February 2009, 30 employees successfully completed the second round of the specialised course in European and international social security law for employees of the CSSA which was carried out in association with the Law Faculty of Palacký University in Olomouc. In October 2009, 30 employees commenced studies in the third round of this specialised course. The course amounts to 34 teaching hours and takes place in two three-day sessions focused on European and international social law, European employment law, international public law and European and international social security law.

The CSSA headquarters in association with the Law Faculty of Charles University prepared a two-day update course for the attendants of the fourth round of the specialised course from 2005/2006 in June 2009 which focused on the interpretation, news and changes in employment, commercial and civil law. The course was attended by 16 attendants.

In June 2009, a total of 29 employees completed the seventh round of a two-semester specialised course for CSSA employees focused on administrative, civil, commercial and criminal law at the Law Faculty of Charles University in Prague. The eighth round of this specialised course commenced for another 30 employees.

A total of 497 CSSA employees were trained at the State Administration Institute in 2009. Seven employees completed the course for the basic preparation of state sector lecturers. The SAI language centre was attended by 4 employees from the CSSA headquarters (a language conversation course in English). 109 CSSA employees subsequently completed the entrance education.

Qualifications were also improved via studies at state and private universities. In 2009, 90 CSSA employees commenced undergraduate and postgraduate studies. Fourteen employees commenced studies at specialist upper secondary schools and 6 employees commenced secondary school studies.





The professional preparation of employees also included further update training at external companies, especially focusing on amendments to the legal regulations in all of the areas of the CSSA's activities (the state's uniform accounting, the Public Contracts Act, data mailboxes, risk analyses, driver training and drawing down monies from the European Structural Funds). 121 training events were provided for 506 employees of the CSSA headquarters.

In 2009, access to electronic courses was provided for all CSSA employees (except employees carrying out only ancillary or manual work). The training system was stable throughout the entire period and the educational modules were constantly accessible to employees.

During the first half of 2009, workshops were held for executive employees included in the pilot project for implementing the performance management system and for preparing the evaluation interview. Measurable key performance indicators (KPI) were adopted as a new part of the evaluation criteria, which has led to modifications in the settings in the system for evaluating CSSA employees. Preparation of the processing of the electronic course, which enables a wide group of employees to gain thorough knowledge of the principles and methodology of the evaluation system, took place to support the uniform and correct realisation of the evaluation process.

Electronic education programs were a significant support during 2009, especially for employees who were preparing to carry out the objection proceedings agenda, the new sickness insurance Call Centre employees and new employees of the MAS responsible for processing delivered data messages via the CSSA data mailboxes according to Act 300/2008 Coll.

The primary task of the last quarter was to make sure all the electronic courses were up-to-date, especially in association with implementing the parametric changes in the pension insurance agenda from 1.1.2010, when the legislative modifications were included in all the courses for specialist agendas.

The automatic data transfer system between HR SAP and the electronic education control system (LLS) was modified because of the changes carried out in the CSSA's organizational structure.

Classification of employees by education and gender – status as of 31.12.2009

Achieved education	Men	Women	Total	Share in %
Primary	6	139	145	1.6
Apprenticed	112	447	559	6.3
Full specialist secondary	381	5,884	6,265	70.4
Specialist upper secondary	20	186	206	2.3
Tertiary	520	1,211	1,731	19.4
Total	1,039	7,867	8,906	100.0

Language skills

The language education of the CSSA employees was carried out in cooperation with the Caledonian School language school, with which a general agreement on language teaching was concluded for several languages following a tender. English teaching through regular group courses and individual lessons was arranged for selected CSSA headquarters employees, for whom language skills are essential. A total of 54 employees participated in the group and individual lessons. Two rounds of intensive language courses aimed at conversation covering the social security area were held at the CSSA language centres to maintain the levels of language skills of employees at the organizational units and specialist departments. The lessons took place in a total of 34 groups for 293 employees. An electronic Business English course is used as an ancillary form of language education to extend the language skills in the area of the so-called "office" English.

Employment and wages

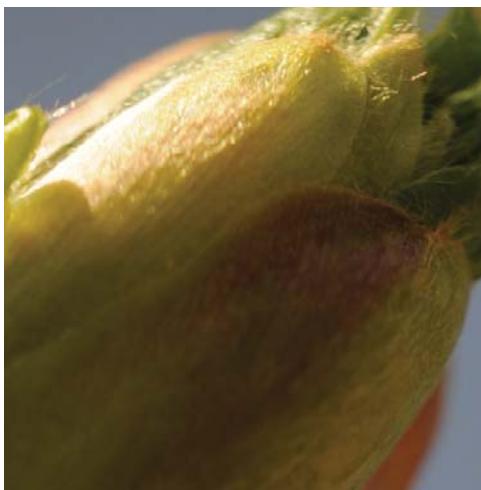
The percentage of employee fluctuation, the number of entries into and departures from employment and the ratio between them and the frequency of the method of terminating employment are important indicators that show the stability of the employee structure of an institution, as well as its openness and ability to change.

The fluctuation throughout the CSSA reached a total of 9.98% as of 31.12.2009, which is a 3.4% fall in comparison with the state at the end of 2008. The fall in the fluctuation percentage was caused by the economic situation and the increase in unemployment which made employees less willing to consider terminating their employment because of the reduced number of available jobs on the job market. The fall in the fluctuation is also significant because it was exceptionally high in 2008, which was caused by a reduction in CSSA functional positions as a result of a decision of the Minister of Labour and Social Affairs. Whereas in 2008, the number of departures from employment increased to 1,111 cases with a simultaneous fall in entries to employment to 795, in 2009 the number of departures fell to 889 cases and the number of entries rose to 1,607. This exceptionally high number of new entries was caused by the previously mentioned situation on the job market and the further efforts of the CSSA to minimise the number of vacant systematised jobs, which was managed successfully by the end of 2009.

The most frequent method by which employees terminated their employment was according to section 65 of Act no. 262/2006 Coll., the Labour Code (LC), i.e. at the expiry of the period for which the fixed term employment had been negotiated (294 cases). This was followed by the termination of employment by agreement according to section 49 of the LC (285 cases), which was always first in the preceding three years. Third and fourth place were occupied by the termination of employment during the trial period according to section 66 of the LC (127 cases) and by notices handed in by employees according to section 50 of the LC (125 cases).

In 2009, the CSSA again significantly exceeded the compulsory four-percent share of employed individuals with a handicap. It employed a total of 396.

The average wage increased in comparison to 2008 by 1,140 CZK and thus reached 24,044 CZK.





Main activities

Collecting social security insurance contributions

The collection of social security insurance contributions, which is one of the main tasks of the CSSA, includes pension, sickness and state insurance policy contributions. In 2009, the collection success rate was 98.40%.

In order to achieve an objective evaluation of the total success rate of social security contribution collection, it is appropriate to remove the written off, irrecoverable receivables from the total success rate. These data show that the value of the insurance contribution recovery rate was above 98% in 2004 and 2005, increased to 99.50% in 2006, was in excess of 100% in 2007 and fell to 99.79% in 2008. In 2009, the value of the insurance contribution recovery rate reached 98.40% after removing written-off irrecoverable receivables.

The development of earnings from contributions in total, the prescribed contributions in total and the contribution collection success rate since 2004 (in billions of CZK)

Year	2004	2005	2006	2007	2008	2009
Total earnings from insurance contributions	285.06	302.09	324.35	357.21	375.37	337.76
Total prescribed insurance contributions	283.28	302.41	321.35	353.50	374.80	343.26
Insurance contribution collection success rate (in %)	100.63	99.89	100.93	101.05	100.15	98.40

Explanations: The total insurance contribution earnings are taxable and non-taxable earnings from insurance contributions, including accessories, i.e. penalties and fines. They do not include any earnings from the other activities of the CSSA. The total prescribed insurance contributions are understood to mean the prescribed insurance contributions, including accessories.

The development of earnings from contributions in total, the prescribed contributions in total and the contribution collection success rate since 2004 after removing irrecoverable receivables (in billions of CZK)

Year	2004	2005	2006	2007	2008	2009
Write-offs	4.82	4.48	4.64	2.39	1.34	-0.01
Adjusted prescribed insurance contributions	288.10	306.89	325.99	355.89	376.14	343.25
Collection	285.06	302.09	324.35	357.21	375.37	337.76
Insurance contribution collection success rate (in %)	98.95	98.43	99.50	100.37	99.79	98.40



Inspecting employers

In 2009, the CSSA offices carried out a total of 136,556 inspections of employers with regard to fulfilling their obligations, on the basis of which they issued 4,617 payment assessments. Of the more than 67 million, 847 thousand CZK that employers had to additionally pay in insurance contributions, 56 million, 835 thousand CZK constituted outstanding insurance contributions, while the remaining 11 million, 12 thousand CZK was accounted for by penalties.

The CSSA inspectors imposed a total of 193 fines for 745 thousand CZK to the inspected employers for failing to fulfil their obligations, in particular, failing to provide cooperation during the inspection and failing to fulfil the reporting obligations. They ordered 3,098 corrective measures aimed at eliminating ascertained inadequacies, of this 1,965 for sickness insurance, 995 for pension insurance and 138 for insurance contributions.

The inspections of fulfilling obligations in the social security area were carried out in 2009 by a total of 524 CSSA inspectors from all 97 CSSA offices throughout the Czech Republic. A total of 117,791 inspections were planned and the CSSA inspectors undertook a further 18,765 over and above the plan. In practice, this means that the CSSA inspected almost 51% of all employers in 2009. The CSSA inspects all employers in regular two-year cycles in order to discover any potential problems in time and so that corrections can be implemented while it is still possible to do so.

Inspections of the fulfilment of social security obligations by employers in 2009

Region	Number of inspections	Number	Payment assessments			Fines	
			Amount (in thousands of CZK)			Number	Amount (in thousands of CZK)
			Outstanding insurance contributions	Penalties	Total insurance contributions + penalty		
Prague Social Security Administration	26,925	946	22,116	5,386	27,501	2	40.0
Central Bohemian	16,434	358	2,882	260	3,143	0	0.0
South Bohemian	8,535	218	1,450	80	1,530	7	18.0
Plzeň	7,788	247	3,423	512	3,935	24	95.0
Karlovy Vary	4,311	149	1,344	609	1,953	5	18.0
Ústí nad Labem	9,294	354	2,802	331	3,133	18	24.2
Liberec	4,062	132	1,471	1,048	2,519	9	8.6
Hradec Králové	6,732	340	2,636	149	2,785	1	3.0
Pardubice	5,456	239	2,957	214	3,171	7	13.0
Vysocina	5,552	176	1,071	185	1,256	2	10.5
South Moravian	8,504	295	1,636	146	1,782	21	19.1
Municipal Social Security Administration Brno	6,422	284	3,082	217	3,299	28	128.0
Olomouc	7,449	227	1,452	97	1,549	16	126.0
Moravia-Silesian	12,518	437	6,781	1,609	8,390	2	15.0
Zlín	6,574	215	1,732	169	1,901	51	227.0
Total	136,556	4,617	56,835	11,012	67,847	193	745.4

Source: Report on the Results of the CSSA Inspection Activities involving Employers for 2009

Receivables from social security insurance contributions

As of 31.12.2009, the CSSA recorded receivables for insurance contributions, including accessories (penalties and fines), of approximately 59 billion, 713 million CZK, whereas one year earlier, i.e. as of 31.12.2008, it was approximately 55 billion, 797 million CZK. This involves receivables from insurance contributions for social security, including penalties and fines, accumulated from 1993. The amount which payers owe in insurance contributions has therefore increased year-on-year by 7.02%, i.e. by approximately 3 billion, 916 million CZK.

The largest amount of receivables from insurance contributions for social security as of 31.12.2009 was accounted for by outstanding insurance contributions (51.99%) and it amounted to approximately 31 billion, 48 million CZK. Penalties amounted to 43.44% and in total this amounted to approximately 25 billion, 941 million CZK. Penalties reached 163 million CZK.

79.07% of the previously mentioned sum was accounted for by employers and 20.93% by self-employed persons. Compared to the previous year, receivables from employers increased by approximately 1.6 billion CZK and receivables recorded against self-employed persons grew by approximately 2.3 billion CZK. A total of 536,018 debtors contributed to the overall amount of receivables recorded in 2009: there were 109,743 more in 2008.

An analysis of the receivable portfolio shows that:

- › receivables from penalties accounted for 43.44% of the total receivables,
- › receivables from deregistered subjects accounted for 56.28% of all receivables,
- › receivables due from debtors over 30 million CZK accounted for 21.97% of the total receivables, there are 159 such debtors, in general this involves receivables unlikely to be recovered (bankruptcies and liquidation),
- › receivables from employers accounted for 79%.



The DSSA/PSSA/MSSA are responsible for the recovery of receivables. They make use of the administrative and judicial execution of decisions and also register their receivables in bankruptcy and settlement or insolvency proceedings. In 2009, all of the CSSA offices issued a total of 193,452 decisions: in 2008, the number was 218,255. In 2009, the CSSA recovered a total of 101,924 recoverable titles using administrative decisions, i.e. 43,292 less administrative decisions (29.81%) than in 2008. The CSSA also submitted 60,876 proposals for judicial rulings, i.e. 12,163 (16.65%) cases of judicial enforcement less than in 2008.

The CSSA has claimed its receivables in insolvency proceedings according to Act no. 182/2006 Coll., as amended, since 1.1.2008. In 2009, a total of 1,757 receivables valued at 1,490.5 million CZK were registered in insolvency proceedings: of this 188 were completed. The CSSA also registered 53 receivables of 95.2 million CZK in already announced bankruptcies according to the Bankruptcy and Settlement Act no. 328/1991 Coll.



CSSA receivables as of 31.12.2009 (in millions of CZK)

		Receivables					Share in %
		total	from insurance contributions	from penalties	from fines	from other	
Deregistered, payers	SEP	3,883.66	2,523.97	1,307.12	52.57	-	-
	E	29,720.69	13,380.87	16,262.17	77.65	-	-
	Total	33,604.35	15,904.84	17,569.29	130.22	-	56.28
Non-deregistered payers	SEP	8,242.82	6,525.71	1,695.23	21.88	-	-
	E	15,304.45	8,617.14	6,676.10	11.21	-	-
	Total	23,547.27	15,142.85	8,371.33	33.09	-	39.43
Subtotal		57,151.62	31,047.69	25,940.62	163.31	-	-
Instalment system	SEP	373.64	-	-	-	373.64	-
	E	2,187.77	-	-	-	2,187.77	-
	Total	2,561.41	-	-	-	2,561.41	4.29
Total	SEP	12,500.12	9,049.68	3,002.35	74.45	373.64	-
	E	47,212.91	21,998.01	22,938.27	88.86	2,187.77	-
	Total	59,713.03	31,047.69	25,940.62	163.31	2,561.41	100.00
Share in %		100.00	51.99	43.44	0.27	4.29	-

Explanations: SEP – self-employed persons, E - employers

Source: The CSSA Accounting Report for 2009

Pension insurance decisions and payments

The CSSA decides on the amounts of pension insurance payments with the exception of pension payments which fall under the jurisdiction of the Ministries of Internal Affairs, Defence and Justice. This involves old age pensions, full or partial disability pensions, widows' and widowers' pensions and orphans' benefits. Decisions on entitlements and the amounts of pension insurance benefits include decisions according to the domestic regulations, according to the coordination regulations and according to international treaties on the

realisation of social security and they are reached at the CSSA headquarters. At present, the coordination regulations are applied to 30 states of the EU and bilaterally with regard to 15 states. A total of 1,784,749 submissions involving pension insurance were submitted in 2009. Of this, 270,352 were applications for any of the pension insurance benefits. After taking into account the expenses of past and future periods (expenditure on the advance to the Czech Post Office at the turn of the budget year), pension insurance payouts in 2009 required expenditure of 331 billion, 705 million CZK. Of this, expenses for old age pensions amounted to 243 billion, 636 million CZK.

The CSSA made a total of 2,763,554 pension payments as of 31.12.2009. Of this, 1,575,285 pensions were paid using the Czech Post Office, 1,143,462 pension payments were direct credited to the client's account (i.e. 91,413 more than in December 2008) and 44,807 pension payments were sent to social care institutions. As of 31.12.2009, 46,925 pensions were subject to distraintment orders.

As of 31.12.2009, a total of 2,790,391 pensioners were receiving pension insurance payments: of this 1,089,430 were men and 1,700,961 were women. The CSSA paid 54,584 pensioners their pensions abroad and non-standard payments were made in the case of 1,923 pensioners. The average amount of the old age pension was 10,045 CZK, of which men received an average of 11,175 CZK and women received 9,133 CZK. The CSSA pays out pensions in two ways: in cash or by direct credit to the client's account.

Expenditure on pension insurance (in millions of the CZK)

Year	2004	2005	2006	2007	2008	2009
Amount	226,883	243,648	261,464	282,876	305,536	331,705

Note: The advance from December of the previous year has been added to the pensions and the advance from January of the following year has been deducted.

Number of pension insurance clients, pensioners and pensions

Year	2004	2005	2006	2007	2008	2009
Number of pension insurance clients	4,841,549	4,786,415	4,846,240	4,877 954	4,978,920	4,905 021
Number of pensioners	2,625,685	2,645 100	2,683,784	2,719,161	2,754,011	2,790,391
of this women	1,629,999	1,637,584	1,656,280	1,674,015	1,687,546	1,700,961
men	995,686	1,007,516	1,027,504	1,045,146	1,066,465	1,089,430
Number of paid out pensions	3,249,706	3,268,673	3,310,174	3,347,121	3,383,046	3,418,876
of this old age pensions	1,944,915	1,961,870	1,995,350	2,028,865	2,066,005	2,108,368
disability pensions*	563,376	570,055	580,055	586,686	588,745	585,944
survivor's pensions	741,415	736,748	734,769	731,570	728,296	724,564

* full and partial disability pension

Note: This involves pensions paid in the Czech Republic, i.e. without payments abroad.

Average amount of the old age pension

Year	2004	2005	2006	2007	2008	2009
Men	8,133	8,662	9,157	9,784	10,715	11,175
Women	6,600	7,030	7,431	7,938	8,784	9,133
Total	7,270	7,744	8,187	8,747	9,638	10,045

Note: This involves the amount of the old age pension without any other simultaneously paid types of benefits, for example widow's benefit

Pensions paid abroad

People who live abroad permanently have their pensions paid to their foreign addresses or to their personal account held at a financial institution in the Czech Republic or abroad. Pensions are paid out to foreign addresses 4x a year in March, June, September and December. These payments are always made retroactively for the given quarter. Direct payments to accounts held abroad are made in the currency of the given state or in another freely convertible currency. This is carried out as a direct credit via the Czech National Bank and the appropriate correspondent bank abroad and always takes place for the retroactive period and in the time intervals designated by the pension recipient. Payments to accounts in the Czech Republic are made in Czech crowns for the previous period and are made via the Czech National Bank. To have a pension distributed abroad a pensioner receiving his/her pension abroad must send to the CSSA the "Certificate of Living" form, duly completed and with an officially authenticated signature, once a year.

Payment of sickness benefits

In 2009, the DSSA/PSSA/MSSA provided sickness insurance for the employees of approximately 268.6 thousand employers and the number of employees amounted to approximately 4.1 million. The number of employers and employees changed during the course of the year and as such the average number for a single month in 2009 has been stated. The growth in comparison with 2008 was caused by the change in the legal regulations from 1.1.2009, whereby the DSSA/PSSA/MSSA provided sickness insurance for all employees in 2009, while they only did so for employees of small organizations in 2008. 141,389 self-employed person participated in voluntary sickness insurance in December 2009 out of a total of 955,659. The DSSA paid out sickness benefits to employees in 2,448,035 cases, which was 1,143,260 more than in 2008.

As of 31.12.2009, the CSSA paid a total of 57,127 pensions to 84 countries in the world. The most pensions abroad in 2009 were paid to Slovakia (15,408 pensioners), Poland (12,037) and Germany (10,096).

The ten countries which the CSSA paid the most pensions to in 2009

Country	Number of paid pensions
Slovakia	15,408
Poland	12,037
Germany	10,096
Switzerland	2 663
Canada	2,546
Austria	1,895
Bulgaria	1,737
Greece	1,718
The USA	1,560
Sweden	908

The overall expenditure on sickness benefits in 2009 was 26 billion, 33 million CZK. Sick pay accounted for the majority of the funds (18 billion, 215 million CZK), followed by maternity benefits (7 billion, 84 million CZK). The attendance allowance required expenditure of 729 million CZK, while compensatory benefits in pregnancy and maternity exceeded 5 million CZK.

The CSSA recorded a total of 1,526,014 completed cases of temporary sick leave in 2009, i.e. 697,900 less concluded cases of sick leave than in 2008 (2,223,914 cases of sick leave). The average case of sick leave lasted 48.43 days. This involved an increase of 8.93 days compared to 2008. People were ill for a total of 73,907,584 days, which is 13,943,454 less sick days than in 2008. Women were most frequently ill – 776,161 completed cases of sick leave. There were 749,853 cases for men. Women were also ill for the longest time – on average this involved 50.19 days, while the average for men was 46.61 days.

In 2009, people were most frequently ill (35.8%) with respiratory illnesses. In total, the CSSA recorded 546,824 cases of completed sick leave and 9,654,719 sick days because of this illness, while the average completed case of sick leave lasted 17.66 days.

Expenditure on sickness insurance (in millions of CZK)

Year	2004	2005	2006	2007	2008	2009
Sickness benefits	24,705	26,258	26,963	27,881	24,769	18,215
Attendance allowance	730	819	825	893	811	729
Maternity benefits	4,123	4,579	4,981	5,893	6,297	7,084
Compensatory benefit in pregnancy and maternity	5	4	4	4	4	5
Total	29,563	31,660	32,773	34,671	31,882	26,033

The expenditure on the individual items has been rounded up to millions of CZK – the total therefore does not always correspond to the sum of the numbers.

Number of citizens with sickness insurance – status as of 31.12.2009

Year	2004	2005	2006	2007	2008	2009
Total	4,358,766	4,298,049	4,358,984	4,372,191	4,445,811	4,296,415
of this self-employed	267,524	240,825	222,074	210,540	196,225	141,389

Number of paid days of sickness benefit (for employees)

Year	2004	2005	2006	2007	2008	2009
Sickness benefits	97,341,561	100,920,399	98,825,327	97,990,272	85,511,589	48,344,243
Attendance allowance	3,035,134	3,141,523	3,243,589	3,022,249	2,938,306	2,251,045

Note: the number of paid days does not correspond to the number of sick days, which include, amongst other things, individuals registered at Labour Offices, who do not receive sickness benefit.

Sick leave development

Year	2004	2005	2006	2007	2008	2009
Number of completed cases of sick leave	2,906,149	3,185,257	2,870,261	2,865,201	2,223,914	1,526,014
Number of sick days	105,955,526	107,095,134	104,747,532	100,589,119	87,851,038	73,907,584
Average duration of 1 case of sick leave	36.46	33.62	36.49	35.11	39.50	48.43
Sick leave concluded on the basis of a CSSA decision	1,539	2,981	2,497	3,268	2,872	1,053
Breaches of treatment conditions	11,211	11,066	9,521	10,312	6,851	4,108



Inspecting adherence to the treatment conditions for insured individuals on temporary sick leave

In 2009, the employees at all of the CSSA's offices carried out a total of 142,921 inspections of adherence to the treatment conditions for individuals on temporary sick leave. The most inspections were undertaken in Prague (21,136) and in the Moravian-Silesian Region (16,897). Based on these inspections, all of the CSSA offices issued a total of 2,836 sanctions for breaches of the treatment conditions. In practice, this means that 1.98% of the inspected individuals had their sick pay reduced or withdrawn. In 2009, CSSA employees also concluded 1,053 cases of temporary sick leave in cases where there were no medical grounds for the sick leave to continue.

Inspections of adherence to the treatment conditions as of 31.12.2009

Region	2009	
	Number of inspections	Number of sanctions
South Bohemian	10,895	101
South Moravian	11,498	161
Karlovy Vary	7,401	161
Hradec Králové	8,514	227
Liberec	3,074	66
Moravian-Silesian	16,897	391
the MSSA Brno	4,735	140
Olomouc	9,008	219
Pardubice	9,259	218
Plzeň	11,044	239
the PSSA	21,136	375
Central Bohemian	15,204	201
Ústí nad Labem	8,505	128
Vysočina	3,019	50
Zlín	2,732	159
Total	142,921	2,836

A total of 307,038 assessments were drawn up in 2009, of which 193,863 were for the CSSA (63.14% of the total number) and 113,175 were for other social security subjects (36.86% of the total number). The average number of assessments drawn up in 2009 per doctor was 864.5 assessments; compared to 2008, this involved an increase of 186.7 assessments (i.e. by 21.6%).

The Medical Assessment Service

The CSSA Medical Assessment Service (MAS) underwent an important transformation during 2009 which involved merging the Labour Office MAS with the CSSA MAS and transferring jurisdiction for assessing the health condition of citizens for the purposes of decision-making at the first level of administrative proceedings back to the CSSA from 1.7.2009. Therefore the CSSA MAS drew up a total of 99,177 assessments for benefits arising from pension and sickness insurance in the 1st half of 2009, 207,861 assessments were drawn up in the 2nd half of 2009 both for the CSSA and for other social security subjects.

In comparison with 2008, the share of disability ascertainment and inspection assessments increased in relation to the overall number of assessments. In absolute numbers, there was an increase in the number of disability ascertainment assessments from 70,865 to 78,076 (i.e. by 9.24%), but the number of inspection assessments decreased from 108,386 in 2008 to 106,414 cases (i.e. by 1.82%). In total, disability assessments account for 60.09% of all assessments. The lower percentage share of the other assessments is because they were only drawn up in the 2nd half of 2009. More comprehensive information on the share of the individual types of assessments will become available in 2010, when we will be able to compare the two halves of 2009 and 2010.

The CSSA MAS also drew up 8,942 assessments for extending the period of payment for sickness benefits after the expiry of the support period. Only 51 cases were heard as part of appeals proceedings in this agenda and the assessment of the first instance was confirmed in 47 cases.

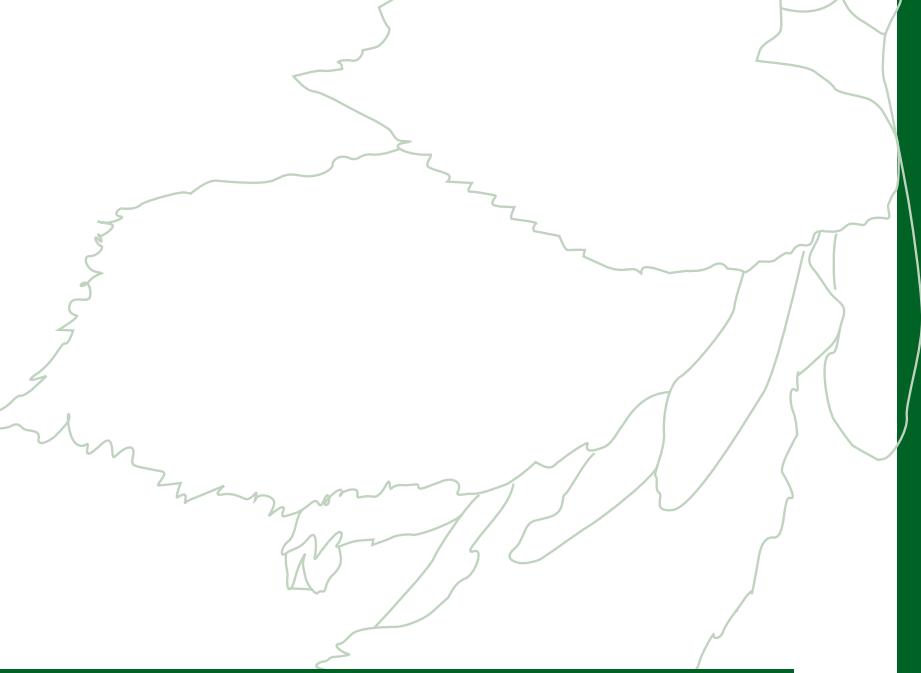
The activities of the CSSA MAS in the area of inspecting temporary sick leave were somewhat aggravated by the transition to the new program which unites all of the sickness insurance data - NEM. A fundamental change involved the transfer from isolated local databases to nationwide uniform records. The software situation was therefore reflected in the number of undertaken inspections which amounted to 703,273 in 2009, i.e. 407,134 less than in 2008. This involves the result of measures aimed at ensuring that inspections of cases of completed sick leave are expedient and effective. This is

also apparent from the fact that the number of assessments for terminating cases of sick leave based on a decision was higher in 2009 than in 2008 by 825: a total of 3,724 were prepared (in comparison with 2,899 in 2008). A total of 59 assessments were drawn up as part of appeals against cases of sick leave terminated by a decision (i.e. 1.6%), of which only one was upheld.

The CSSA MAS carried out 2,192 reviews of assessment files and 1,356 reviews of cases of inspections of sick leave assessments carried out by doctors at the CSSA MAS as part of its methodological and inspection activities. As with the planned inspections, it also carried out a further 1,036 reviews of assessment files for an expert appraisal for other CSSA departments based on submissions from citizens and institutions, for example the MoLSA, the ombudsman and so on.

The CSSA MAS was also responsible for assessment activities in the application of the EU social security law and bilateral treaties. It carried out a total of 7,545 acts in the interstate agenda in 2009, which was 760 less than in 2008.

The main prerequisite for carrying out the profession of a doctor in the CSSA MAS is the doctor's specialist qualifications in the assessment medicine field. A total of 29 doctors were certified in 2009.



Informing clients of their pension entitlements

Since 2006, the CSSA has provided clients with informative personal pension insurance sheets on request. These sheets contain a summary of the insurance periods, substitute insurance periods, excluded insurance periods and a summary of the assessment bases for the period from 1986 which the CSSA has in its records. The interest in this service has increased every year – in 2009, the sheet was prepared for 152,609 insured individuals. This high number proves that people want to have a regular oversight of their pension entitlements and also the option of inspecting whether their employers are fulfilling their legal obligations.

Compensation according to special regulations

Despite the fact that compensation is not associated with social security, which is the CSSA's main area of activities, the CSSA has also had this agenda under its jurisdiction for a number of years.

Settling applications according to Act no. 357/2005 Coll. and Government Decree no. 622/2004 Coll., as amended by amendment no. 405/2005 Coll. and no. 369/2007 Coll., continued in 2009. More than 61,000 applications to provide bonuses and special allowances have been settled since the given regulations came into effect. The CSSA regularly decides on any lodged applications and in the majority of cases grants the requested benefits.

The CSSA continued as well to settle applications for one-off monetary sums, namely according to Act no. 217/1994 Coll., Act no. 39/2000 Coll., Act no. 261/2001 Coll., Act no. 172/2002 Coll. and Act no. 357/2005 Coll., in which the proceedings have not yet been concluded because of their complicated nature and the complicated evidence situation. A total of 339 applications were decided during the year: investigations are ongoing in more than 600 cases, the course, extent and orientation of which has also been influenced to a certain extent by shifts in the judicature, which have occurred in the interim.



In 2009, the CSSA also began to decide on applications to provide one-off monetary amounts in accordance with Act no. 108/2009 Coll., the aim of which is to replace bonuses or special allowances provided to the pensions of some individuals who have not become entitled or have lost their entitlement to a pension from the Czech pension insurance scheme.

Applicants had made a total of 122,874 claims involving compensation by the end of 2009 and the CSSA paid out 7 billion, 450 million CZK within this context.

During the course of the year, the CSSA also became involved in assessing two proposals for compensation regulations, the implementation of which, however, the CSSA does not carry out: in one case because the Ministry of Interior has been assigned to carry out the given jurisdiction and in the other because the proposed Act did not pass through its fourth reading in the Chamber of Deputies.

Preparations for fundamental social insurance legislative changes

Pension insurance

One of the CSSA's important tasks was to prepare for the implementation of Act no. 306/2008 Coll. which changes Pension Insurance Act no. 155/1955 Coll., as amended. This Act fundamentally modifies the basic conditions for entitlement to pension insurance benefits and the parameters for calculating them. Initially, an interpretation of the new legal regulation had to be prepared, especially those provisions of the new legal regulation whose dictates are not unequivocal and could result in differing interpretations, in association with the MoLSA.

No less important was the preparation of the CSSA for the establishment of the institution of objections proceedings according to Act no. 479/2008 Coll., which has changed Act no. 582/1991 Coll. governing the organization and realisation of social security, as amended, Employment Act no. 435/2004 Coll., as amended, and some other Acts. As of 1.1.2010, two-level proceedings have also been introduced for administrative proceedings involving pension insurance benefits. This means that written objections can be submitted against the decisions of a social security body in pension insurance matters as a regular legal remedy within 30 days of the day when the participants in the proceedings were notified of the decision. As part of preparing for the launch of objection proceedings, the close cooperation of the appropriate departments at the CSSA and the CSSA territorial offices was needed with regard to the deadline set by law for issuing decisions on objections.

Sickness insurance and social security insurance

The priority task of the CSSA in 2009 was to commence the realisation of the completely new legislative modification of the sickness insurance system introduced with effect from 1.1.2009 by Sickness Insurance Act no. 187/2006 Coll., as amended. The CSSA also contributed to creating the new sickness insurance and insurance contributions legal regulations by suggestions and amendment procedures. The fundamental changes in 2009 particularly included the introduction of insurance discounts as part of anti-crisis measures, the amendment to the Sickness Insurance Act aimed at simplifying the obligations of physicians in attendance when deciding on cases of sick leave and the need for treatment, as well as savings measures in sickness insurance and insurance contributions in association with the draft Act on the State Budget of the Czech Republic for 2010.

The changes in the Insurance Contribution Act with the new draft System of Payments Act, suggestions for the so-called pro-family package involving the introduction of insurance discounts when employing difficult-to-employ individuals, paternity benefits and the question of assigning insurance contributions were also at the forefront of the CSSA's activities.

Management and methodological activities were mainly focused on implementing and stabilising the new sickness insurance system and successfully carrying out the new tasks associated with adopting insurance discounts. The CSSA dedicated both exceptional and regular attention to the procedures when processing sickness insurance benefits at the DSSA/PSSA/MSSA according to the new legal regulations effective in this area from 1.1.2009 and the introduction of the new central NEM application and its further development.

Intensive methodological and training activities were especially focused on new employees at the PSSA office on Prague 8 and on employees in the newly established department providing telephone information (the sickness insurance Call Centre).



Economic results

Revenue

The state budget set the total earnings for the CSSA in 2009 at 386 billion, 761 million CZK. The tax income for 2009 was set at 385 billion, 733 million CZK, of which insurance contributions for pension insurance amounted to 342 billion, 874 million CZK, while sickness insurance and the contribution to the state employment policy amounted to 42 billion, 859 million CZK.

The government designated the non-tax revenue for 2009 at 1 billion, 28 million CZK. Actually, the CSSA had non-tax income of 842 million CZK, i.e. 81.92% of the budget.

Expenditure

The 2009 budget for pension insurance benefits was set after adjustments at 331 billion, 595 million CZK. It actually amounted to 331 billion, 595 million CZK which represents 100.00% use of the budget. In 2009, the CSSA paid out old age pensions of 243 billion, 636 million CZK, full disability benefits of 44 billion, 380 million CZK and partial invalidity benefits of 16 billion, 609 million CZK. 21 billion, 576 million CZK was paid out in widows' benefits, 2 billion, 249 million CZK was paid out in widowers' benefits and 3 billion, 254 million CZK was paid out in orphans' benefits.

The 2009 budget for sickness insurance benefits and for other benefits (after adjustments) was set at 26 billion, 503 million CZK. It actually came to 26 billion, 37 million CZK, which is 98.24% of the budget. Of this, the majority went to sick pay (18 billion, 215 million CZK), the attendance allowance (729 million CZK), compensatory benefits in pregnancy and maternity (5 million CZK) and maternity benefits (7 billion, 84 million CZK).

The approved budget for the total operating costs (i.e. the costs for program financing, wage costs, including associated costs, and material costs) for 2009 was set at 6 billion, 16 million CZK. After budget adjustments, this reached 6 billion, 272 million CZK. The actual expenses amounted to 6 billion, 351 million CZK, including the connection of entitlements from unused expenses.

The actual earnings and the contribution to the state employment policy amounted to 337 billion, 125 million CZK, i.e. 87.4% of the budget was met. As part of this revenue, insurance contributions for pension insurance transferred to the pension account amounted to 300 billion, 731 million CZK, while insurance contributions for sickness insurance and the state employment policy amounted to 36 billion, 394 million CZK.



Insufficient securing of material expenses has permanently complicated the CSSA's budgetary situation and financing its operations. The CSSA has therefore applied an economic system with an internal specification of disposable material expenses for a number of years in such a way that it can preferentially secure the financing of fundamental tasks arising from the authority's mission. Expenses that depend on long-term goals and plans to carry them out are therefore repeatedly the subject of ongoing budgetary measures, in particular, reinforcing the information and communication technology (ICT), which is usually a highly complicated process.

Material costs, including independently regulated entries, were set at 2 billion, 241 million CZK, including wage compensation during illness of 9 million CZK. After the budgetary changes, the budget for material expenses was modified to 2 billion, 208 million CZK, including wage compensation during illness of 11 million CZK. The actual material costs amounted to 2 billion 333 million CZK, of which 11 million CZK went towards compensation for wages during illness. The amount of used funds higher than the modified budget for the material expenses was the result of permission to exceed the CSSA's binding indicator to include entitlements from unused expenses from 2008.

The indicators of material expenses in 2009 also included purchasing low value assets (including software), purchases of other services for ICT, operating the public data network and repairs and maintenance expenses. These expenses were realised in 2008 as part of the program financing – non-investment activities.



In 2009, the second year of the program for Developing and Renewing the CSSA's Material technical Base continued with a timeframe of 2008–2010. A program financing budget for 2009 of 782.5 million CZK was approved for the CSSA. At the beginning of 2009, the CSSA was allocated 589 million CZK, which corresponded to the amount of registered events on the day of the budget. During the year, a further 158 million CZK was gradually transferred to the CSSA budget in connection with registering new events, i.e. the entire amount released into program 113 210 amounted to 747 million CZK and as of 31.12.2009 a total of 982 million CZK, including the connection of funds of 235 million CZK from entitlements which were unused in 2008, was allocated for financing the reproduction of CSSA assets.

As of 31.12.2009, the use of funds from program 113 210 reached 733 million CZK, including drawing down unused funds from 2008 of 226 million CZK.

The total funds for 2009 amounted to 2 billion, 435 million CZK, of which funds for wages amounted to 2 billion, 387 million CZK and funds for other payments and for undertaken work was 48 million CZK. A total of 2 billion, 424 million CZK was drawn down.

The CSSA efficiency indicator expressed as a percentage share of the overall operating expenses for the realised tax revenues and benefit expenditure reached an actual value of 0.91% in 2009. According to the approved budget breakdown for 2009, this indicator should have been 0.81%.

Operating expenses

Line number	Specification	Actual 2009 (in millions of CZK)	Share in expenditure (in %)
1.	Personnel costs	3,286	51.7
	of this wages, other payments and severance pay	2,424	38.2
	insurance contributions	814	12.8
	Cultural and Social Fund	48	0.8
2.	Wage compensation during illness	11	0.2
3.	Purchase of materials	40	0.6
4.	Water, fuel and energy	134	2.1
5.	Postal services	560	8.8
6.	Services, repairs, maintenance and travel expenses	1,631	25.7
7.	Other non-capital expenditure	80	1.3
8.	Subtotal	5,742	90.4
9.	Capital investments	609	9.6
10.	Total operating expenses	6,351	100.0

Assets

As of 31.12.2009, the CSSA had fixed tangible assets of 8 billion, 116 million CZK and fixed intangible assets of 1 billion, 525 million CZK.

It used all of its assets exclusively to carry out its public administration role. If any of the assets were unneeded, the CSSA proceeded in accordance with Act no. 219/2000 Coll. governing the assets of the Czech Republic and the representation of them in legal relations and in accordance with implementing regulation no. 62/2001 Coll. As the CSSA has the legal standing of a state body, its assets are not written off.

There were a total of 37 easements on CSSA assets in 2009. The easements most frequently involved securing an owner's access to property (on foot, by car, the right of passage etc.).

In 2009, the CSSA concluded a total of 14 legal acts involving the transfer of real estate assets. In two cases, this involved the transfer of the authority to administer the Czech Republic's property between the CSSA and another state agency based on a record of the change at the given administration authority. In one case, the CSSA was the assigner, while in the other it was the receiving state agency. The CSSA also concluded two gift covenants with territorial autonomous units (cities) on behalf of the state: one was a purchase contract and the other an exchange contract. The CSSA concluded its other contracts on behalf of the state with private legal and physical entities (one contract on the unremunerated transfer of real estate, four purchase contracts and two exchange contracts).

Fixed tangible assets as of 31.12.2009

Account number	Name	CZK
031	Land	274,555,416.80
032	Artworks and items	1,329,016.00
021	Structures	4,639,530,808.00
022	Independent chattels	1,893,408 334.20
042	Acquisition of fixed tangible assets	136,624 478.00
028	Low value fixed tangible assets	1,110,904 013.77
977	Other low value fixed tangible assets	60,241 010.84
Total		8,116,593,077.61

Fixed intangible assets as of 31.12.2009

Account, number	Name	CZK
012	Intangible results of research and development	66,325,798.00
013	Software	948,571,417.85
041	Acquisition of fixed intangible assets	313,913,908.00
018	Low value fixed intangible assets	143,910,443.72
019	Other low value intangible assets	1,074,022.65
977	Other low value fixed intangible assets	51,836,198.20
Total		1,525,631,788.42



International relations

The CSSA resolved a total of 208,789 submissions in 2009 associated with social security in relation to the EU countries, the signatory states of the Agreement on the European Economic Area (the EEA) and Switzerland. In a year-on-year comparison, 2009 saw a six percent increase in these acts (in 2008, the CSSA resolved a total of 196,288 submissions associated with the EU agenda). Of this 75,210 submissions were applications, while 106,826 were queries. The CSSA employees therefore handled an average of 17,399 submissions each month, which is a monthly increase of 1,042 handled submissions compared to 2008 (16,357 submissions).

People were most interested in pension matters and they most frequently submitted applications in association with the designation of the applicability of the legal regulations.

The European Union

In accordance with Council Regulations (EEC) no. 1408/71 and no. 574/72 (the so-called coordination regulations), the CSSA is the competent authority for pensions, sickness and maternity benefits and cash benefits paid for work injuries and occupational illnesses (this only applies to sickness and pension insurance benefits in cash – sickness benefits and disability pensions) and for assessing the legal applicability.

These coordination regulations currently apply to 31 states (member states of the EU/EEA and Switzerland): the Czech Republic, Belgium, Bulgaria, Denmark, Estonia, Finland, France, Ireland, Italy, Cyprus, Lithuania, Latvia, Luxembourg, Hungary, Malta, Germany, Netherlands, Poland, Portugal, Austria, Romania, Greece, Slovakia, Slovenia, Spain, Sweden, Great Britain, Iceland, Lichtenstein, Norway and Switzerland.



International projects

As part of the "Client Portal for the CSSA", which was carried out in cooperation with the German pension insurance administration, an analysis was undertaken which demonstrated the need for a systematic solution of communication with participants in insurance and with other subjects, whose data is the subject of the proceedings as part of the ongoing processes in the CSSA, i.e. constructing a suitable communication interface which will provide, if possible automatically, answers regardless of the place from which the questioner wishes to be informed.

The project for "Strengthening of the CSSA capacity in the field of bankruptcy proceedings in international environment", for which the partner was the Swedish tax authority, reinforced the knowledge and procedures of the CSSA's employees during insolvency proceedings as part of the application of Council Regulation (EC) no. 1346/2000. Ninety employees of the CSSA and the DSSA responsible for insolvency proceedings and adopting the recommendations prepared by the Swedish tax administration, which should ensure a qualified procedure in bankruptcy proceedings, were trained.

Implementing the projects from the Transition Facility (TF) program, which followed on from the support provided by the Phare program and was open to the 10 member countries which entered the EU in May 2004, was completed in the Czech Republic in December 2009. The TF programs were created to strengthen the administrative capacities of the new member countries, to implement the community's legislation and supporting the dissemination of best practices among the members of the EU. In 2009, the CSSA successfully implemented five TF twinning projects.



The goal of the Czech-Finnish twinning project on "Strengthening of the CSSA capacity in the field of social security coordination, especially pensions and legislation applicable" was to improve the preparation for implementing the EU Council regulations on coordinating social security which will come into effect on 1.5.2010. Almost 100 experts from the CSSA, as well as from other institutions were trained within the program. This project also included modifying the existing e-learning modules involving the EU and particularly consultation on interpreting and applying the provisions of the new regulations. The CSSA trainers were tested during the course of the project.

The British Ministry of Labour and Pensions was the twinning partner in the project "Reinforcement of administrative capacity of the CSSA and other relevant Czech institutions in light of rulings of the European Court of Justice (ECJ)". This project was considered to be important for the Czech Republic because of the wide jurisdiction of the European Court of Justice and its ability to significantly shape the current and future form of EU law and internal state legal regulations. The main benefit was the acquisition of a number of important items of information and the option of consultation on the interpretational practice involving the rulings of the European Court of Justice.

The aim of the project "Strengthening data security in electronic data processing at the CSSA and data exchange between the Czech Republic and other EU Member States" carried out with the German pension insurance administration was to reinforce the organization's information security policy according to the recommendations of international standards and cooperation during protecting personal and sensitive information with other EU member states. The results of the project were mainly an analysis of the current state of the general security policy for information at the CSSA, training experts and recommendations for suitable procedures for improvements in accordance with EU practice.

As well as these projects, a two-year project on "Strengthening of the CSSA capacity in the field of application of EU social security law" was commenced in 2009 as part of the program on the Financial Mechanisms of the European Economic Area and Norway. The partner for this project is the Norwegian NAV insurance agency. The project focuses on exchanging information and communication technology experience, data security and

MAS in connection with the new coordination regulations and international electronic data exchange.

At the end of 2009, the CSSA also commenced two projects financed by EU Structural Funds for the 2007–2013 period and from the Human Resources and Employment Operating Program. This involves the processing of analyses for the "157 – the CSSA Electronic Mail Room and Forwarding Office in connection with the system of data mailboxes" project and the "Analysis Processing for the Electronic Doctor's Certificate, including electronic notification of changes in the course of sick leave" project.

Intensive preparations took place in 2009 on submitting applications for and carrying out a further five projects financed from EU structural funds with an expected value of more than 700 million CZK.

International treaties

A bilateral social security treaty between the Czech Republic and Japan came into effect. An administrative agreement, which came into effect simultaneously with the treaty of 1.6.2009, was negotiated in relation to implementing the treaty. The treaty regulates the pension insurance benefits and also designates the rules for designating the applicability of the legal regulations.

The social security treaty between the Czech Republic and the USA, signed in Prague on 7.9.2007, came into validity on 1.1.2009. It only applies to pensions. The Czech Republic is the first post-communist country that has regulated its social security relations with the USA by a treaty.

Negotiations with the Slovak Ministry of Labour, Social Affairs and the Family took place at the MoLSA in Prague on 20.5.2009 with the participation of representatives from the Slovak Social Security Administration and the CSSA. The subject of the negotiations included pension entitlements for employees of the former Czechoslovak State Railways. However both parties were admittedly unable to overcome their differing interpretations of the employer's registered office according to Article 20 of the Social Security Treaty concluded between the Czech Republic and the Slovak Republic, but both parties unequivocally agreed that they do not impinge Article 20 of the Treaty and that they consider it to be a decisive criterion for assessing pension entitlements.

The second round of expert negotiations on preparing the Social Security Treaty between Mongolia and the

Czech Republic took place on 18.–26.9.2009 in Ulaanbaatar with the participation of representatives of the CSSA. The aim was to negotiate a draft treaty prepared by the Czech side and the approval of the individual provisions. The draft treaty documentation was completed so that both sides could commence their internal approval procedures. The next step will be preparing and approving the administrative agreement and agreeing on the appropriate forms for the future implementation of the contract.

Cooperation with foreign institutions

In 2009, the CSSA organised or participated in a number of bilateral and multilateral international negotiations. The most important were the working discussions with experts from partner institutions of other member states and participation at the meetings of European bodies and institutions, especially as part of the Czech Presidency of the EU Council.

During the year, Czech-German consultation days on pensions, which have now been held for several years, were held twice. The 6th consultation days were held in Regensburg, while the 7th were held in Klatovy, in the Czech Republic. Employees of the CSSA and representatives of the German Deutsche Rentenversicherung pension insurance agency were the co-organisers of this event. These consultation days are for citizens who are working or have worked in the Czech Republic and in Germany and would like information about their pension insurance.

Consultation days were also held for the same reason for clients who have worked or are working in the Czech Republic or Austria. They were held for the first time in 2009 in Gmünd, Austria. The CSSA's partner was the Austrian Pensionsversicherungsanstalt pension insurance agency.

Representatives of the CSSA met with their Hungarian colleagues at a meeting of the liaison bodies on pension insurance. As well as pension matters, the program also included collecting receivables, preparing both institutions for the application of the new regulations and electronic data transfer. The Hungarian representatives were interested in the experiences of the CSSA from the Czech Republic's Presidency of the EU Council, because they are preparing for the same task.

The working meeting between the CSSA and the Slovak Social Security Administration involved information technology. Experts in this area from both institutions informed each other about the current state of development of the information systems at the CSSA and the Slovak Social Security Administration and on the progress of work associated with launching electronic communications between the states of the EU in the

social security area (EESI - Electronic Exchange of Social Security Information).

CSSA experts on collecting and legally securing receivables met with their colleagues from the Urssaf du Bas-Rhin institution in France. The meeting's agenda included providing information about the national systems for exchanging experiences of collecting receivables in the Czech Republic and in France and experiences of cooperating with other bodies and institutions.

The Director General of the CSSA also had the opportunity of welcoming the Chinese delegation, whose members were representatives of the National Council of the Social Security Fund of the Republic of China. The members of the Chinese delegations were especially interested in the pension insurance system in the Czech Republic, both from the point of view of its legal regulation and from its institutional provision.

Representatives of the CSSA participated in the work of the Administrative Commission on social security for migrant workers, its Technical Commission, the working groups of the Council for Social Affairs and a number of other ad hoc working groups. The meetings of these bodies in 2009 were mainly oriented to the new coordination regulations which come into effect on 1.5.2010. The work of the Technical Commission involved preparing for electronic data exchange as part of EESI. These activities included tripartite meetings of the presiding states on international electronic data exchange (with France, Sweden and Spain). A number of tasks arose from these meetings and the CSSA resolved them during the course of the year so that the institution was able to connect with the Europe-wide network within the set deadline. As part of the Czech Presidency of the EU Council, experts participated in preparing expert materials and statements for meetings, which were used by the Czech chairs of the Administrative and Technical Commissions.

Representatives of the CSSA participated in regular meetings of the ESIP (European Platform for Social Security) in Brussels and the ISSA (International Social Security Association), of which the CSSA is a member.



Information and communication technology



The further development of the CSSA integrated information system (IIS) took place in the area of information and communication technology (ICT) in 2009 in association with the fundamental CSSA materials: the Strategic Goals of the CSSA, the ICT Section Action Plan, the Concept for Creating the CSSA ICT Target Architecture, the CSSA Information Concept and the approved CSSA ICT Development Strategy to 2013. The processes of digitalising and centralising data, documents and applications continued with regard to the target (cancelling local affiliations and providing services to the client at any territorial unit of the CSSA), because these processes constitute a fundamental prerequisite for achieving the given target. Projects for significantly improving the communication network environment with a central data storage facility and a central server platform, including developing three operating environments for integrating, testing, training and operating applications were also prepared and implemented.

Development of the CSSA's Integrated Information System

Application (transformation) projects

The newly conceived CSSA IIS is oriented to automated support for carrying out CSSA's processes and providing services to clients using modern technology. The CSSA IIS has been created and is being further developed according to the individual areas of the main processes and the ancillary processes carried out within them. The prerequisites for the higher quality of services provided by the CSSA to all authorised subjects and also the prerequisites for the effectiveness of these services with a high degree of support or the substitution of these services using electronic tools (data centralisation, decentralisation of client service and the unification of the service processes) have been created in association with the new CSSA IIS concept. Recently, the CSSA has made integrating its systems with the existing public sector electronic channels of the Czech Republic and increasing the share of electronic communication with its clients a priority as part of making the public sector's services electronic.

This involves a flexible reaction to the planned eGovernment legislative changes and goals with regard to the data and connections to the basic registries and the data mailboxes.

The transformation of projects as part of the ISŘS program has reached the stage where these projects have passed from the development stage to the operations stage. These projects have acquired the character of developing the existing operated applications and they have been especially oriented to achieving stable operations and centralising data and client access. Data and applications and client access have been centralised in relation to the EU. As well as this, requirements for new applications have also appeared in association with resolving new areas of those processes that have not yet been centralised or supported by the CSSA IIS or which have arisen from new legislation.

The projects for developing the CSSA's IIS are divided into application (transformation) projects focused on developing individual areas of the CSSA's activities and infrastructure projects.

Infrastructure projects

The CSSA has continued with the construction of the CSSA IIS based on a long-term strategy. To this end, it has created a safe, three-layered architecture based on a Microsoft .Net development platform and the Java platform. In the pension insurance area, the development environment of the OSD BS2000 operating system is still used. It is being connected with the nationwide registers and a core central database is being built.

The current state of operations is still characterised by a number of different types of technology, technological devices, applications, data storage points and so on as they have been historically established. The transition to the new transformed system is taking place in several dimensions. The style of work, methodology, organization, technology, methods of communication, databases and applications are changing. Changes must take place in all these dimensions in a time correlation; otherwise the entire process would come to a halt.

Infrastructure projects include projects for developing the central data layer (data storage points), the centralised application layer (application servers and systems), the decentralised (local) CSSA IIS hubs, the presentation (user) layer and project network layers (communication infrastructure). The projects will ensure these areas are developed.



e - Submissions

In 2009, the CSSA also made active use of the transaction section of the Public Sector Portal (PSP) to collect data from clients and it coordinated with all the participating parties from an organizational, legislative, program and technical point of view. In association with the legislative changes, the CSSA commenced to adopt new and changed forms: modified pension insurance record forms (ELDP09), starting employment notification (ONZ), confirmation of studies and theoretical preparation (POS09) and, as every year, a modified summary of the earnings and expenses of self-employed persons for 2008 (OSVC_PRE). The electronic sorting of the older types of files from the Ministry of Trade and Industry of the Czech Republic continued: the uniform registration form (JRF) and the updated Register of Licensed Commercial Activities (RŽP). In July 2009, the "usrcert" (certificate updating) technological service was launched. Thanks to this service, a regis-

red submitter need not contact a social security administration employee when altering the submitter's qualified certificate, but can report the change using an e - Submission. In October 2009, the acceptance of a new type of e - Submission commenced: a summary of the amount of insurance contributions and paid benefits (PVPOJ).

The sub-system for receiving incoming e - Submissions (DIS) from employers and self-employed persons (SEP) received and processed 593,901 e - Submissions in 2009, which represents 5,377,947 forms. The most frequently used services are the ELDP service which has a 60% share of all submissions via the Public Service Portal and the ONZ service with a more than 50% share. It is now possible to receive daily updates of the Register of Licensed Commercial Activities and the uniform registration form for physical entities via the Public Service Portal. Thanks to this service, the dispatch of printed paper forms from Trade Licensing Offices to the territorial organizational units of the CSSA could be cancelled. As of the end of 2009, a total of 59,651 employers were registered with the CSSA for submitting e - Submissions. A further 1,573 self-employed persons were also registered for submitting e - Submissions.

The number of e - Submissions in 2009

	ELDP	ONZ	Summaries for SEP	Total
Number of received e - Submissions	291,670	2,014,165*	597	2,306,432
of this via the Public Sector Portal	289,661	303,643	597	593,901
on media	470	236	not accepted	706
made at DSSA (Filler)	1,539	14,111**	not acquired	15,650
Number of received e-forms	3,454,921	3,649,014	597	7,104,532

* includes also submissions that are made out of forms at DSSA

** registration forms (deregistration forms, changes, corrections: from digitally signed media, csv files and forms acquired via the 602XML Filler at the CSSA territorial offices)

Integrated operating program in the CSSA ICT area

The option of drawing on subsidies from the EU Structural Funds opened up for some projects after the accession of the Czech Republic to the EU. The national strategic reference framework adopted by the European Commission in July 2007 defines the fundamental strategies and the priority areas which will be financed in the Czech Republic from the Structural Funds in the 2007–2013 period.

The CSSA is an authorised recipient of support from the Integrated Operating Program (IOP) as part of priority axis 1 "Modernising the Public Sector" and intervention area 1.1 "Developing the Information Society in the Public Sector".

The CSSA has submitted applications for EU subsidies for some of its ICT projects as part of the IOP, which focuses on resolving the modernisation of the public sector and improving the quality and accessibility of public services. These projects are part of Government Decree no. 536 of 14.5.2008 and were included in the list of strategic projects for drawing down monies from the EU Structural Funds and in the strategy for an "Effective Public Sector and Friendly Public Services".



Public relations

One of the priorities of the CSSA is the high-quality and fast provision of services and information to clients. Clients can contact the Information Office at the CSSA headquarters, the client centres and the information offices at individual DSSAs and the Call Centres. They can also visit the Czech Social Security Administration website at <http://www.cssz.cz>. In addition, the CSSA works closely with the public and commercial media.

The client centres provide services to the public, while the information offices of the DSSA/PSSA/MSSA provide these services in places without client centres, as does the CSSA headquarters, which has been doing so every workday for a number of years.

The information office

The employees at the Information Office at the CSSA headquarters handled 95,507 client queries from 2.1. to 30.12.2009, of which 7,951 clients requested information on the implementation of EC social security or according to the international social security treaties. This means that an average of 394 clients contacted this office every day. The demand for further Information Office services grew. Copies of the entitlement documents containing information on insurance periods were provided to 12,844 clients. Confirmation on the amount of pensions was submitted to 4,660 applicants. 62,700,930 CZK was paid out as advances and pension payments in cash in 2,724 cases via the CSSA cash desk.

Call Centres

The employees at the CSSA Call Centre designated to provide information on pension insurance answered a total of 122,678 telephone calls in 2009. In practice, this means that the Call Centre handled an average of approximately 489 telephone calls every workday. Most requests were for information involving specific pension matters, while queries and requests about paying out pensions were also frequent. The Call Centre also provided clients with 3,397 confirmations on the amount and payment of pensions and secured the payment of 319 cash advances on pensions via the CSSA cash desk. Moreover, it forwarded 8,410 urgent client requests to the specialist departments to be dealt with.

The operation of a new CSSA Call Centre for sickness insurance commenced on 7.12.2009. Clients can resolve specific matters involving the processing of payments of sickness benefits, maternity benefits, attendance allowance and compensatory benefits in pregnancy and maternity or inform the CSSA about any changes which occur in association with the adoption of any new legal regulations in the sickness insurance of employees or self-employed persons.



Client centres

More than half of the total of 97 CSSA offices (DSSA/PSSA/MSSA) had client centres in 2009. Thanks to their modern calling systems, they constitute a guarantee of fast and smooth services for the public and they provide the necessary privacy and security and wheelchair access. In 2009, the CSSA opened a new client centre in Prague 3, in Olšanská Street.

The website

In addition to various informative materials, the Communication Section also uses the CSSA website to publish those documents that must be published according to the legal regulations. For example, the Administrative Procedure Code states that the CSSA must publish any written materials as a public announcement enabling remote access. During the period 1.1.2008–31.12.2009, the Communication Section thus published 15,370 documents on the official electronic bulletin board. This number corresponds to an average of 1,280 documents a month. In addition to documents published as a public announcement, the editorial staff for the electronic presentation also publishes and updates a large amount of other information. At the end of the year, the website was updated in connection with the legal regulations valid from 1.1.2010.

The website includes visitor statistics. The regular updating of the website and the generally increased access to the internet has had an influence on the number of visitors to the CSSA website. In 2009, a total of 1,439,750 people visited the CSSA website, i.e. 119,979 people monthly and an average of 3,954 people a day. The greatest average daily visitor numbers were in the 1st quarter of the year (more than 5,000). People were most interested in e - Submission, printed electronic forms and contact information for the DSSA/PSSA/MSSA on the CSSA website. The most visited pages were the pages with information on insurance contribution discounts.

At the end of 2009, the website was updated in association with the new legal regulations valid from 1.1.2010, especially those associated with the amendment of the Pension Insurance Act. The Life Situations section administered by the CSSA, which is located on the Public Service Portal, the editing team of which the CSSA works closely with and whose pages contain links to the CSSA website, was also regularly updated during the year.

The media

In 2009, the area administered by the CSSA or the CSSA itself was the source of a total of 3,092 media items. This number only includes the media (national dailies, state television, radio etc.) which the CSSA regularly monitors. The monitored media issued or filmed 1,463 items based on the CSSA's own activities (the publication of press releases, holding events and so on). This means that more than 47.3% of all the media items in 2009 were in reaction to the CSSA's own media activities. The remaining 1,629 items of information were published by the media as their own topics. However, the CSSA also regularly participated in them. This number includes items arising from 710 media queries, which the CSSA answered in 2009. For the sake of completeness, it must be added that the CSSA published a total of 73 press releases and held 3 press conferences or other events for the media in 2009.

Publishing activities

The CSSA regularly published the National Insurance Magazine in 2009. Its 40th edition was published with an average print run of 10,260 copies monthly. More than 140 articles involving social security and 112 consultations were published in the magazine. The National Insurance Magazine editing team cooperates with approximately 75 regular contributors.

In 2009, as in previous years, the CSSA published the CSSA Activity Report for 2008, the 2008 Pension Insurance Statistical Yearbook and the 2008 Annual Report.

The CSSA prepared the following one-off materials for the general public in 2009:

- the publication Pensions in the Czech Republic and in the Federal Republic of Germany with a print run of 10,000 copies – information on pension entitlements for migrating individuals,
- the publication Social Security in 2009 with a print run of 50,000 copies,
- the publication The Self-Employed Persons Handbook for the Social Security Area in 2009 with a print run of 50,000 copies,
- the publication The Future Pensioner's Handbook in 2009 with a print run of 110,000 copies,
- the leaflet Changes in the Organization and Jurisdiction of the CSSA MAS from 1st July 2009 with a print run of 100,000 copies – information on the changes in association with the prepared reorganization of the MAS in the Czech Republic from 1.7.2009,
- the leaflet Changes in Pension Insurance from 1st January 2010 with a print run of 100,000 copies – information on the parametric changes in pension insurance from 1.1.2010.

All of these information materials were available to the general public at all of the CSSA offices throughout the Czech Republic and in electronic form on the CSSA website.

Office hours

The CSSA and its territorial organizational units are open to the public on workdays:

The CSSA headquarters

(information on pension insurance)

Mondays and Wednesdays	8:00 am – 5:00 pm
Tuesdays and Thursdays	9:00 am – 2:30 pm
Fridays	9:00 am – 2:00 pm

The DSSA, PSSA and MSSA

All of the previously mentioned CSSA organizational units are open to the public on workdays, at least to the following extent:

Mondays and Wednesdays	8:00 am – 5:00 pm
Tuesdays and Thursdays	8:00 am – 2:00 pm
Fridays	8:00 am – 1:00 pm

The CSSA Call Centres

In addition to personal contact, clients can also contact the CSSA Call Centres which provide information on

- pension insurance: +420 257 062 860,
- sickness insurance: +420 840 406 040,

on weekdays with the following working hours:

Mondays and Wednesdays	8:00 am – 5:00 pm
Tuesdays and Thursdays	8:00 am – 2:30 pm
Fridays	8:00 am – 2:00 pm

Contact information

Website: www.cssz.cz

The CSSA headquarters

Address: Křížová 25, 225 08, Prague 5

Telephone exchange: +420 257 061 111

Fax: +420 257 063 360

E-mailroom: posta@cssz.cz



Information booklet

Not for sale on the book market

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