



2007

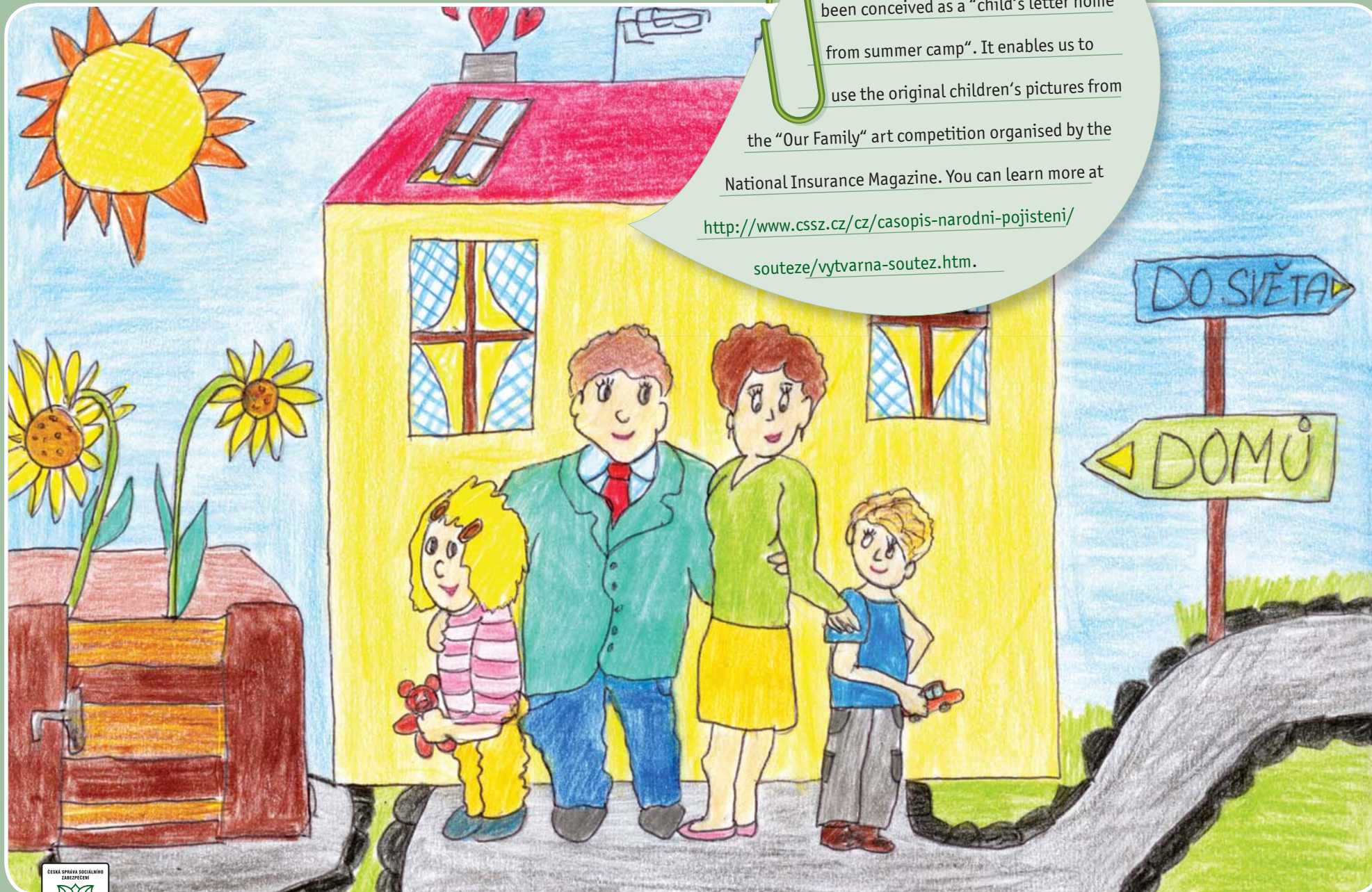
ANNUAL REPORT

Czech Social Security Administration



Editorial note:

The Annual Report 2007 has been conceived as a "child's letter home from summer camp". It enables us to use the original children's pictures from the "Our Family" art competition organised by the National Insurance Magazine. You can learn more at <http://www.cssz.cz/cz/casopis-narodni-pojisteni/souteze/vytvarna-soutez.htm>.



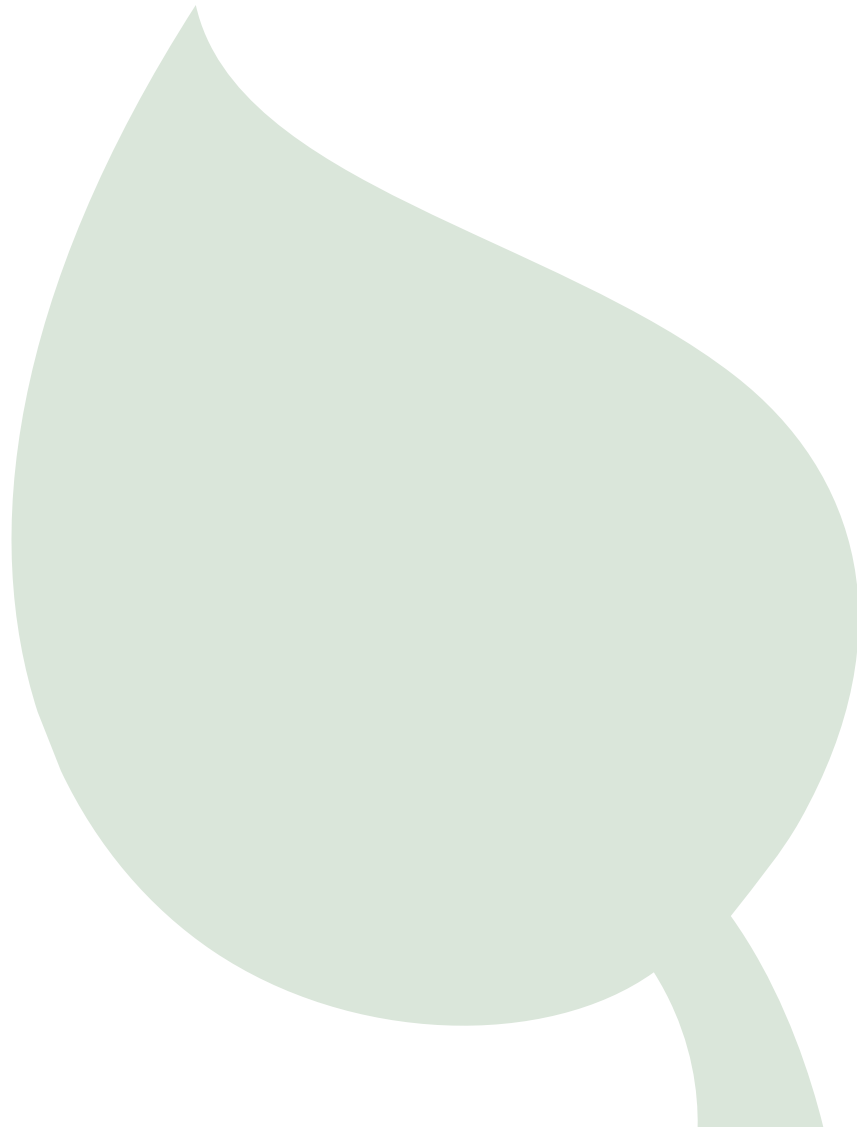
2007
ANNUAL REPORT
Czech Social Security Administration

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Sunshine all year





Dear Mum and Dad,
I am well. How are you? The
sun is shining outside like it shone at
home all year. It is nice here, so I am
writing to let you know...

The key data for 2007

Employees	8,479
Clients	7,863,684
of that employees of organisations	3,173,503
employees of small organisations (up to 25 employees)	1,113,199
self-employed individuals	917,984
pensioners	2,719,161
other clients	64,888
Pensions paid out	3,347,121
Settled applications for new pensions	246,943
Tax income from social security contributions, including voluntary contributions and payments to the state's employment policy	357,201,333,406 CZK
Expenditure on pension insurance benefits	282,599,084,284 CZK
Expenditure on sickness insurance benefits	34,670,904,249 CZK
The success rate for the collection of contributions after the removal of irrecoverable receivables	100.37 %
Operations associated with the EU	182,297
Countries to which the CSSA pays out pensions	65
Personal pension insurance information sheets sent to clients	132,479
Appraisals by the CSSA's Medical Assessment Service	227,350
Received e - Submissions	1,540,827
Received electronically submitted documents	7,645,441

The introduction of the Minister of Labour and Social Affairs



Despite the fact that a number of changes fundamentally affecting pension and sickness insurance came into effect in 2007, this year was a demanding one for the CSSA with regard to the realisation of all of the agendas which fall under its auspices.

As far as of the area of pension insurance is concerned, the CSSA participated in the preparation of the new labour regulations and the preparation of international social security treaties on top of its decision-making, methodological and inspection activities. In this respect, I would like to recognise the intensive cooperation of the CSSA with the Ministry of Labour and Social Affairs during the preparation of some of the measures which contain proposals for parametric changes to basic pension insurance prepared within the framework of Stage I of the pension reforms. At the same time, I am aware of the fact that these significant and extensive changes have also required and still require a great deal of effort with regard to ensuring their realisation within the CSSA.

In 2007, the CSSA had to implement the current changes in the legal regulations, as well as securing the annual valorisation of pensions. This mainly involved the Constitutional Court's ruling concerning the method of substantiating child care, the changes in the evaluation of the so-called excluded periods for the purposes of designating the personal assessment base and the measures arising from the adoption of the Public Budget Stabilisation Act. With regard to the specific characteristics of the proceedings pertaining to pension insurance, the CSSA has involved itself with the necessity of designating deviations from the general administrative proceedings and has been intensively involved in the preparations aimed at the introduction of complaint proceedings as a special remedial instrument against decisions in matters of pension insurance, in which the CSSA has reached a decision at the first level.

As far as the area of the assessment services is concerned, it is necessary to mention the fact that a draft bill, which endeavours to make use of the synergetic effects from the transfer of the medical assessment service of first instance back to the CSSA in order to manage the capacity demands placed on the medical assessment service, has been submitted to Parliament. At the same time, the tried and true elements (for example the system of contracted physicians) will continue to be used and the management of the Medical Assessment Service at the Ministry of Labour and Social Affairs will be reinforced. The CSSA also contributed significantly to the preparation of the draft of this bill.

The realisation of the sickness insurance was influenced in 2007 by the postponement of the effectiveness of Sickness Insurance Act No. 187/2006 Coll. The CSSA came to terms with the new situation very well in a short period of time. At the turn of 2006/2007, it had to wind down the work associated with the new Sickness Insurance Act and to renew the currently used system and incorporate the changes, which came into effect on 1st January 2007, into it. I welcomed the fact that the CSSA made use of both this and the postponement of the effectiveness of the new Sickness Insurance Act until 1st January 2009 in order to increase the supervision of the collection of social security contributions and contributions to the state's employment policy and in order to improve the records of insured individuals so as to create the conditions for the problem-free launch of the new legal regulations from 1st January 2009.

Last, but not least, 2007 was also significant for the CSSA due to fact that Dr. Božena Michálková was appointed as its Director General. She has successfully followed on in the activities of her predecessor Jiří Hoidekr MSc. She is only the second woman at the head of the CSSA and its legal predecessors. In conclusion, I want to express my conviction that the CSSA will continue to fulfil all of the tasks which are set before it at a very high level in the future.



Dr. Petr Nečas

Deputy Prime Minister and Minister of Labour and Social Affairs



The introduction of the Director General of the Czech Social Security Administration

Do you also smile when reading introductions? With expectations of a formal evaluation of the previous year, from which you will best recall some personal reflection of the author? At the same time, any such reflection does not have to be fundamental, but simply common and human. That is precisely the view of the life of the Czech Social Security Administration in 2007 which I would like to present to you.

I became the Director General of the CSSA in October 2007. However, I knew the Czech Social Security Administration very well and not only because I had been charged with its management since March of the same year. Social security is an exceptionally interesting area which greatly concerns you. Moreover, you know that you are serving people and my motto, which I have used when managing the CSSA is: *"People first"*. It was not only on the basis of that motto that in spring 2007 the CSSA set out four new mutually connected strategic aims for the period of 2007–2011. This mainly concerns the centralisation of data and the transition from paper communication to electronic forms. The short-term priority is the establishment of a register of payers and insured individuals. Our vision is also to serve any client at any branch of the CSSA. In the longer term, it will be possible to connect to an electronic individual insurance account on-line, to check it and to communicate with the CSSA from home.

The CSSA currently provides clients with statements from the individual insurance accounts upon request; in 2007 alone, there were almost 132,500. We want to expand this service in the future and to develop it. In 2007, we began the preparation of the definition and detailed development of a number of projects supporting *smart administration* and *e-government*. We hope to realise them with the help of the European Union's funds. The aim is, for example, to ensure safe social security data exchange between the European Union's member states, the establishment of a client portal and the continuation of the digitalisation or modernisation of CSSA management.

Even though I have mainly pointed to new items and strategic goals which have been made possible by the modern age and the system, the CSSA was by law the primary organisation providing social insurance. As such, we fulfilled our permanent priority task: we reached decisions on pensions, sickness insurance payments, social security contributions and contributions to the state's employment policy. The quality of these decisions is born out by the numbers. In 2007, we issued a total of 1,124,781 decisions in matters of sickness insurance, social security insurance, pension insurance and compensation. In the same period, 1,512 appeals and 3,690 lawsuits were brought against the imposition of these decisions. In the majority of the cases, the given appeals bodies and courts found the CSSA to be in the right.



It is apparent that new and demanding tasks await the Czech Social Security Administration in the upcoming period. In association with the personal recollection which I mentioned in the introduction, I would like to take this opportunity to recall my beginnings at the CSSA after graduating from university. When processing pension files, I imagined the members of my family curious at the how much their pensions would be. Some were satisfied, other less so. Just as is shown in the pictures from the "Our Family" art competition which accompany this Annual Report.

It is precisely the degree of client satisfaction which designates the value of our work. In order for this to be as high as possible, the CSSA and its workplaces must have a high quality team which has sufficient experience and drive. I am pleased that the Czech Social Security Administration had such people available in 2007. I would like to take this opportunity to thank our employees for their daily work and helpfulness. I hope this stays with them in the years to come.

A handwritten signature in green ink, appearing to read "Michálková B.", written in a cursive style.

Dr. Božena Michálková
Director General of the CSSA

Significant events in 2007

January

- A change in the assessment base for the purposes of the pension and sickness insurance of self-employed individuals.
- All pension applications were newly drawn up by the District Social Security Administrations (the Prague Social Security Administration in Prague and the Municipal Social Security Administration in Brno).
- The cancellation of the increase in the incapacity benefit and the introduction of a care allowance.
- The appointment of new Directors to the District Social Security Administration Havlíčkův Brod and the District Social Security Administration Jablonec nad Nisou.
- The publication of information on the development of the number of pensions and the amount of the old age pension for a ten-year period.
- The resolution of more than half of the applications for the recalculation of the widows' benefit.
- The cancellation of the local competence within the framework of the Prague Social Security Administration.
- The continuation of the exhibition of the best photographs from the "People around Us" open photography competition.
- The social security treaty signed between the Czech Republic and Macedonia came into effect.

February

- Information was published about the repeated several billion surplus in the so-called social insurance account, this time for 2006.
- The publication of information about the development of incapacity for work in the Czech Republic over the last ten years.
- A CSSA delegation attended the 5th European colloquium held by the German pension insurance provider in Berlin.

- A visit of the Minister of Labour and Social Affairs to the CSSA headquarters.

March

- The transfer of 55 systematised CSSA jobs to the Labour Exchange
- The Regional Social Security Administration for the Central Bohemian Region, the Prague-East DSSA and the Prague Social Security Administration's territorial office No. 79 moved to the building at Sokolovská 855/225, Prague 9.
- The publication of the results of the CSSA's inspection activities in 2006. Organisations had to additionally pay more than 81 billion CZK in social security insurance.
- A record number of hits at the CSSA website.

April

- The CSSA participated in the 10th Conference of the Internet in the State Sector and Local Authorities 2007.
- Territorial office No. 79 of the Prague Social Security Administration moved.
- The second Czech-German pension consultation days took place in Prague and in Carlsbad.
- Almost 70% of organisations with more than 25 employees communicated with the CSSA electronically.
- Self-employed individuals without a tax consultant submitted the Summary of Earnings and Expenses for 2006.

May

- The appointment of the new Director of the District Social Security Administration Chrudim.
- The Lithuanian Minister of Social Security and Labour visited the CSSA.
- People were ill for shorter periods. This arose from the published data concerning incapacity for work for the 1st quarter of 2007 in comparison with the same period in 2006.
- The numbers of inspections into the adherence to the treatment regimen and the penalties for any breaches thereof increased year-on-year.
- The drawing up of pension applications using the ZDD application at all the offices.
- The publication of the Report on the CSSA's Activities for 2006.

June

- The transfer of 110 systematised CSSA jobs to the Labour Exchange.
- The approval of the text of the social security treaty concluded between the Czech Republic and Japan in Tokyo.
- The Labour and Social Policy Committee of the National Assembly of the Republic of Bulgaria visited the CSSA.
- The commencement of the centralized payment of sickness insurance benefits for the employees of small organisations and for self-employed individuals.



July

- The commencement of the operations of the CSSA's personnel-payment agenda (HR SAP) only in the EIS system.
- The receipt of more than 18 million documents electronically.
- Self-employed individuals with a tax consultant submitted their Summary of Earnings and Expenses for 2006.
- The selection procedure for the Director General of the CSSA continued at the Ministry of Labour and Social Affairs.
- The preparation of the 17th EUMASS Congress.
- Regular growth in submissions associated with execution deductions from pensions.

August

- The permanently high success rate of the CSSA in collecting social security insurance contributions; in the 1st half of 2007, this reached 100%.
- The appointment of the new Director at the Příbram District Social Security Administration.
- Almost all of the applications for the recalculation of the widows' benefit were decided upon.
- The publication of the information on the number of hundred-year-old pensioners - there were 233.
- There were 85,000 more self-employed individuals, who actually made a living from their gainful employment, than in 2001.
- The publication of the Annual Report for 2006.

September

- The presentation of the current situation at the CSSA to the Minister of Labour and Social Affairs.
- 29 CSSA employees completed the fifth round of a specialised course at the Law Faculty at Charles University in Prague.
- The social security treaty between the Czech Republic and the USA was signed, including the administrative agreements.
- The representatives of the Korean Corporation for Worker Security visited the CSSA.
- The detached office of the Děčín District Social Security Administration in Rumburk moved.
- The appointment of the new Director of the CSSA Internal Audit, Inspection and Complaints Section.
- The participation of the CSSA at the World Social Security Forum in Moscow.
- The validity of the CSSA signature keys for e - Submissions ended.

October

- The new CSSA Director General was appointed. The position went to Dr. Božena Michálková.
- The submission of proposals for six projects within the framework of the EU "Sustainable Energy Use" programme.

- The third Czech-German pension consultation days were held in Munich.
- The appointment of the new Director of the Economics Section at the CSSA headquarters.
- The official opening of the new office of the District Social Security Administration Prachatice.

November

- The reconstruction of the client centres of the Regional Social Security Administration for the Central Bohemian Region, the DSSA Prague East and territorial office No. 79 of the Prague Social Security Administration.
- The commencement of the 1st round of the specialisation course for CSSA employees at the Law Faculty at Palacký University in Olomouc.
- The RSSA for the Liberec Region and the DSSA Liberec moved into a new building.
- The preparation of the re-merger of the medical assessment service.

December

- The submission of six project plans for drawing down funds from the European Union Structural Funds.
- The Czech-Korean social security treaty was signed.
- The opening ceremony for the exhibition of the children's drawings from the "Our Family" public art competition.
- The appointment of the new Director at the District Social Security Administration Benešov.
- The issuance of 132,479 personal information sheets for pension insurance.
- The reduction of the numbers of systematised jobs by 260.
- The construction of the self-employed client centre at the RSSA for the Pardubice Region and the DSSA Pardubice.
- The new CSSA website was launched.
- A special press conference on the changes in social security in 2008.

The Organisation Profile

The Czech Social Security Administration (CSSA) is the largest financial administration organisation within the Czech Republic's state sector and it is unique with a total annual income and expenditure of almost 682 billion CZK.

It administers the affairs of more than 7 million, 863 thousand clients, of whom more than 2 million, 719 thousand are pensioners. The CSSA pays out more than 3 million, 347 thousand pensions.¹

The CSSA secures (either itself or via employers) the payment of sickness benefits, maternity benefits, cost of living allowances in pregnancy and maternity and attendance allowances (support when caring for a family member) for practically the entire working population of the Czech Republic. The CSSA contributes more than 1/3 of the earnings to the Czech budget by collecting social security contributions and contributions to the state's employment policy.

According to the EU co-ordinating directives, the CSSA is the contact agency and competent institution for international institutions with regard to monetary benefits in sickness and maternity, pensions and the assessment of legal applicability.

The Czech Social Security Administration also includes the Medical Assessment Service which assesses the state of health and the ability to work of citizens for the purposes of sickness and pension insurance. It also carries out the inspection of assessments of temporary incapacity to work realised by physicians.

As an organisational component of the state, the Czech Social Security Administration is subordinate to the Ministry of Labour and Social Affairs of the Czech Republic. The head of the Czech Social Security Administration is the Director General. The management of the CSSA was assigned to the Deputy Director General Mgr. Luboš Vaněk from 2006 and then subsequently to the Chief Executive for the Social

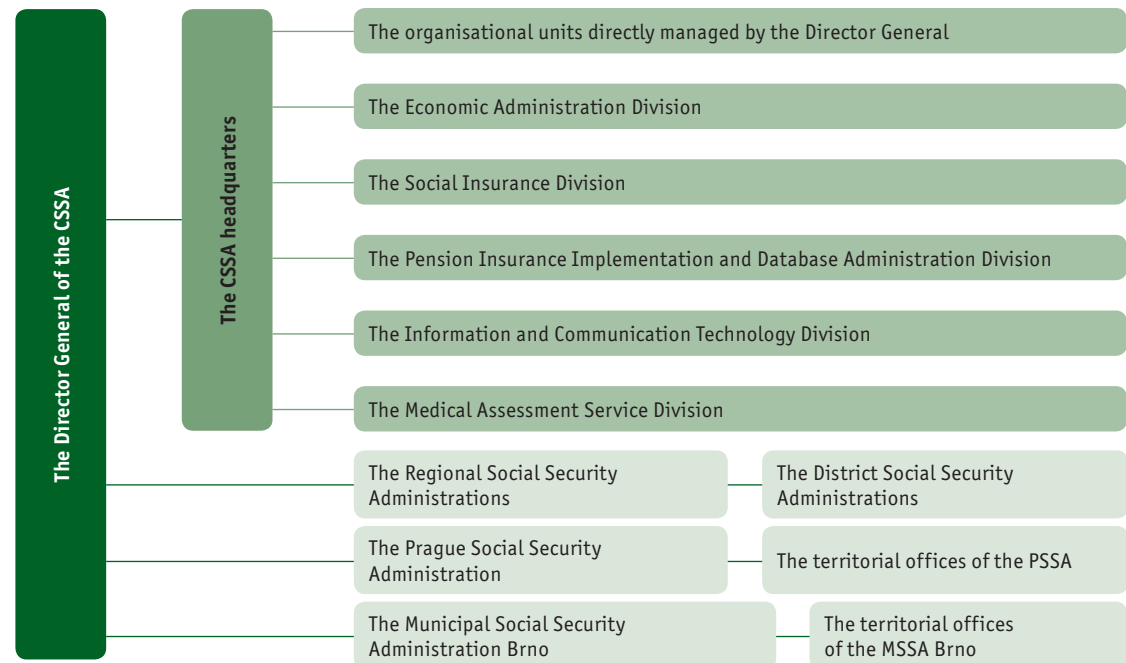
Insurance Division, Dr. Božena Michálková, from March 2007. She successfully participated in the selection proceedings for the post of Director General and the Minister of Labour and Social Affairs, Dr. Petr Nečas, appointed her the Director General of the CSSA on 11th October 2007.

¹ Data valid as of 31. 12. 2007

The mission

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

The organisational diagram





He knows almost everything



...We go into the forest a lot and we also play games. I didn't know some of them, but the leader taught us. There are quite a lot of leaders here. Every group has its own leader and then there is also the main leader. He has to know almost everything...



Dr. BOŽENA MICHÁLKOVÁ
THE DIRECTOR GENERAL OF THE CSSA

(in the post from 11th October 2007, charged with the management of the CSSA from 1st March to 10th October 2007)



Mgr. LUBOŠ VANĚK
THE DEPUTY DIRECTOR GENERAL OF THE CSSA

(in the post to 28th February 2007, also charged with the management of the CSSA to the same date)

The organisational structure

The organisational structure of the CSSA corresponds to the country's regional structure. The headquarters of the Czech Social Security Administration is based in Prague. It consists of five divisions with a total of 21 sections and one independent department and a further six organisational units which are managed directly by the Director General of the CSSA. As well as that, the Director General also manages a total of 13 regional offices – for the South Bohemian Region, the South Moravian Region, the Carlsbad Region, the Hradec Králové Region, the Liberec Region, the Moravian-Silesian Region, the Olomouc Region, the Pardubice Region, the Pilsen Region, the Central Bohemian Region, the Ústí Region, the Vysočina Region and the Zlín Region. The Director General of the CSSA also manages the Prague Social Security Administration (PSSA), which looks after Prague clients, and the Metropolitan Social Security Administration (MSSA) Brno which provides services to clients in Brno. Social security services are thus provided to the public by a total of 92 CSSA offices.

THE CSSA CHIEF EXECUTIVES



RADOSLAVA KODYMOVÁ MSc, Ph.D.
the Chief Executive for the Economic Administration Section



Dr. ELIŠKA VOLFOVÁ
the Chief Executive for the Pension
Insurance Implementation and Database
Administration Section



Dr. LJILJANA BOJIČOVÁ
the Chief Executive for the Medical Assessment
Service Section



Dr. BOŽENA MICHÁLKOVÁ
the Chief Executive for the Social Insurance Section
(in the post to 10th October 2007)



VLADIMÍR FANTA MSc
the Chief Executive for the Information
and Communication Technology Section

THE DIRECTORS/HEADS OF UNITS MANAGED DIRECTLY BY THE CSSA DIRECTOR GENERAL



HELENA HORYNOVÁ
the Head of the General Director's Secretariat



ZDENĚK JOSKA MSc
the Director of the Internal Audit, Inspection
and Complaints Section (in the post from
4th September 2007)



Mgr. ŠTĚPÁNKA FILIPOVÁ
the Director of the Communication Section
and the CSSA Spokeswomen



JIŘÍ DEMEŠ MSc
the Director of the Security Policy Section



JIŘÍ KUDLÍK MSc
the Director of the European Co-ordination
and International Relations Section



Dr. MILUŠE HÁJKOVÁ
the Director of the Human Resources Section

THE REGIONAL DIRECTORS



Dr. JAN STAVINOHA
the Director of the MSSA Brno

A total of three offices, including the headquarters:

The MSSA Brno headquarters – Director: Dr. Jan Stavinoha
MSSA Brno II - Head: Hana Manhalterová
MSSA Brno III - Head: Dr. Ludmila Smejkalová



associate professor Dr. VILÉM KAHOUN, Ph.D.
the Director of the South Bohemian Region RSSA

A total of seven offices, including the Regional Office:

DSSA České Budějovice
- Director: associate professor Dr. Vilém Kahoun, Ph.D.
DSSA Český Krumlov – Director: Marie Bedlivá MSc
DSSA Jindřichův Hradec – Director: Mgr. Josef Čech
DSSA Písek – Director: Dr. Jaroslava Pitulová
DSSA Prachatice – Director: Dr. Zdeněk Albrecht
DSSA Strakonice – Director: Karel Chod MSc
DSSA Tábor – Director: Dr. Marcela Vašková



Dr. MIROSLAV VOTÝPKA
the Director of the South Moravian Region RSSA

A total of six offices, including the Regional Office:

DSSA Brno-Country – Director: Dr. Miroslav Votýpka
DSSA Blansko – Director: Dr. Libuše Svěráková
DSSA Břeclav – Director: Zlatuše Máčelová MSc
DSSA Hodonín – Director: Eva Milošová MSc
DSSA Vyškov – Director: Mgr. Ivo Rotrekl
DSSA Znojmo – Director: Dr. Radoslav Kraus



LADISLAV PEŇÁZ
the Director of the Carlsbad Region RSSA

A total of three offices, including the Regional office:

DSSA Carlsbad – Director: Ladislav Peňáz

DSSA Cheb – Director: Leopold Písek MSc

DSSA Sokolov – Director: Bc. Janka Gajewská



Mgr. KAREL BAUER
the Director of the Hradec Králové Region RSSA

A total of five offices, including the Regional Office:

DSSA Hradec Králové – Director: Mgr. Karel Bauer

DSSA Jičín – Director: Jiří Bílek MSc

DSSA Náchod – Director: Pavel Sobotka MSc

DSSA Rychnov nad Kněžnou – Director: Dana Wirtová MSc

DSSA Trutnov – Director: Daniela Prokešová MSc



ZUZANA KRUPÍČKOVÁ MSc
the Director of the Liberec Region RSSA

A total of four offices, including the Regional office:

DSSA Liberec – Director: Zuzana Krupičková MSc

DSSA Jablonec nad Nisou – Director: Martin Šámal MSc

DSSA Semily – Director: Jaroslava Krausová MSc

DSSA Česká Lípa – Director: Dana Pospíšilová MSc



Dr. MILAN KEKA
the Director of the Moravian-Silesian Region RSSA

A total of six offices, including the Regional Office:

DSSA Ostrava-City – Director: Dr. Milan Keka
DSSA Bruntál – Director: Věra Tesolinová MSc
DSSA Frýdek-Místek – Director: Ludmila Babišová MSc
DSSA Karviná – Director: Dr. Martin Nogol
DSSA Nový Jičín – Director: Dr. Jaroslav Juřík
DSSA Opava – Director: Margarita Drastíková MSc



ALENA ŠMOTKOVÁ MSc
the Director of the Olomouc Region RSSA

A total of five offices, including the Regional Office:

DSSA Olomouc – Director: Alena Šmotková MSc
DSSA Jeseník – Director: Vítězslav Macek MSc
DSSA Prostějov – Director: Mgr. Žita Popelářová
DSSA Přerov – Director: Jaroslav Pospíšil
DSSA Šumperk – Director: Ľubica Semerádová MSc



Dr. LUDMILA KNOTKOVÁ
the Director of the Pardubice Region RSSA

A total of four offices, including the Regional office:

DSSA Pardubice – Director: Dr. Ludmila Knotková
DSSA Chrudim – Director: Blanka Krejcarová MSc
(in the post from 1st May 2007)
DSSA Svitavy – Director: Jaroslava Müllerová MSc
DSSA Ústí nad Orlicí – Director: Dr. Olga Počtýnská



Dr. ZDENĚK TOR
the Director of the Pilsen Region RSSA

A total of seven offices, including the Regional Office:

DSSA Pilsen-South – Director: Dr. Zdeněk Tor
DSSA Domažlice – Director: Jindřich Kohout MSc
DSSA Klatovy – Director: Jana Tomanová MSc
DSSA Pilsen-City – Director: Antonín Vacík MSc
DSSA Pilsen-North – Director: Dr. Jiří Hala
DSSA Rokycany – Director: Luboš Koubík MSc
DSSA Tachov – Director: Lydie Regecová MSc



Dr. TOMÁŠ HEJKAL
the Director of the Prague SSA

A total of thirteen offices, including the headquarters:

The PSSA headquarters – provides activities for Prague 8
– Director: Dr. Tomáš Hejkal
PSSA branch office No. 71 based in Prague 2 – Head: Dr. Petr Paris
PSSA branch office No. 72 based in Prague 1 – Head: Dr. Gabriela Hrušíková
PSSA branch office No. 73 based in Prague 3 – Head: Miroslav Novák MSc
PSSA branch office No. 74 based in Prague 4 – Head: Daniela Prančlová
PSSA branch office No. 75 based in Prague 4 - Modřany
– Head: Jaroslava Kostková (in the post since 1st November 2007)
PSSA branch office No. 76 based in Prague - South
– Head: Mgr. Jarmila Bičaníková
PSSA branch office No. 77 based in Prague 5 – Head: Zuzana Vittvarová MSc
PSSA branch office No. 78 based in Prague 5 - Southwest
– Head: Vladimír Derfler MSc
PSSA branch office No. 79 based in Prague 9 - Vysočany
– Head: Miroslav Feřtek MSc
PSSA branch office No. 81 based in Prague 3 – Head: Miluše Ponzerová MSc
PSSA branch office No. 82 based in Prague 9 – Head: Jana Jiroušková MSc
PSSA branch office No. 83 based in Prague 10 – Head: Květoslava Cimlerová MSc



KAREL PERLÍK MSc
the Director of the Central Bohemian Region RSSA

A total of twelve offices, including the Regional Office:

DSSA Prague-East – Director: Karel Perlík MSc
DSSA Benešov – Director: Petr Stanka MSc
(in the post since 3rd December 2007)
DSSA Beroun – Director: Dr. Václav Klíma
DSSA Kladno – Director: Alena Prajzlerová MSc
DSSA Kolín – Director: Ivana Tluchořová MSc
DSSA Kutná Hora – Director: Robert Velický MSc
DSSA Mělník – Director: Marie Pechová MSc
DSSA Mladá Boleslav – Director: Jana Fronková MSc
DSSA Nymburk – Director: Mgr. Ivanka Součková
DSSA Prague-West – Director: Ivana Panochová MSc
DSSA Příbram – Director: Ladislav Růžička MSc
(in the post since 1st August 2007)
DSSA Rakovník – Director: Dr. Hana Kronichová



ANNA MATULOVÁ MSc
the Director of the Ústí Region RSSA

A total of seven offices, including the Regional Office:

DSSA Ústí nad Labem – Director: Anna Matulová MSc
DSSA Děčín – Director: Jiří Řezáč MSc
DSSA Chomutov – Director: Mgr. Marek Bergman
DSSA Litoměřice – Director: Věra Kalousová
DSSA Louny – Director: Petr Burdych MSc
DSSA Most – Director: Ivana Henžlová MSc
DSSA Teplice – Director: Dr. Jiří Budek



Dr. DANIELA VONDROVÁ
the Director of the Vysočina Region RSSA

A total of five offices, including the Regional Office:

DSSA Jihlava – Director: Dr. Daniela Vondrová
DSSA Pelhřimov – Director: Dr. Libuše Pavlíčková
DSSA Havlíčkův Brod – Director: Josef Žadina MSc
DSSA Třebíč – Director: Dr. Zdeněk Nováček
DSSA Žďár nad Sázavou – Director: Mgr. Miroslav Lučka



IVAN RYBKA
the Director of the Zlín Region RSSA

A total of four offices, including the Regional office:

DSSA Zlín – Director: Ivan Rybka
DSSA Kroměříž – Director: Bc. Eva Nováková
DSSA Uherské Hradiště – Director: Bc. Ludmila Hrabcová
DSSA Vsetín – Director: Dr. Rostislav Lucbauer

The number and age structure of the employees

As of 31st December 2007, a total number of 8,479 people worked at the Czech Social Security Administration, of which 2,292 worked at the CSSA headquarters and 6,187 worked in the territorial units. Women were predominant, including in the executive positions.

More than 56% of CSSA employees were aged from 41 to 60 and almost 39% fell in the 21 to 40 age category. In 2007, the number of people in the 21 to 30 age group fell slightly. Whereas this group constituted 18.5% of all the employees at the CSSA in 2006, one year later the figure was only 16.9%. On the other hand, the number of employees in the age group from 51 to 60 rose from 30.1% in 2006 to 31.3% in 2007.

If we compare 2006 and 2007, the reduction in the number of physicians in the CSSA's Medical Assessment Service was associated with the reduced number of systematised jobs and the ongoing problem with filling vacancies. Whereas 361 physicians from the assessment service worked at the CSSA in 2006, in 2007 there were only 356. The age structure improved slightly; most physicians were in the age group of 50–59, which is optimal from the point of view of the level of the assessment activities.

The qualifications structure and education

The employees' qualification structure remained stable in comparison with 2006. Secondary school graduates predominated - 70.5% (51% at the headquarters, 78% at the regional social security administrations). The number of tertiary educated employees was almost the same as in the previous year - 32% at the CSSA headquarters and 12% at the regional social security administrations.

In 2007, a number of employees also had a so-called education exception which mainly concerned secondary school graduates in job classes requiring a specialist upper secondary or tertiary education. From 1st January 2007, the numbers of exceptions increased in association with the new government decree concerning the pay conditions for employees in the state sector and administration. This legal regulation shifted the border for permanent inclusion in an exception from 45 to 50 years of age.

A specialist university education is the prerequisite for the effective performance of the state sector. For this reason, in 2007 the CSSA worked to implement new accredited study programmes at universities focussed on social security law which would enable the employees to acquire bachelors' and subsequently masters' degrees.

In September 2007, a total of 29 employees completed the fifth round of a two-semester specialisation course aimed at administrative, civil, commercial, labour, criminal and financial law at the Law Faculty of Charles University in Prague. The sixth round of this course was opened for a further 30 employees.

The CSSA organised a two-day refresher course for twenty graduates of the 2nd round of the specialisation course, at which the lecturers were once again from the Law Faculty at Charles University. The work focussed on new items and changes in the area of labour, commercial and civil law. The first round of the "European and International Social Security Law" specialisation course commenced in November 2007 in cooperation with the Law Faculty of the Palacký University in Olomouc.

13 specialist courses took place at the CSSA's training centres and they were attended by 211 employees from the entire CSSA. 4 specialist courses were prepared for mothers with small children at the territorial offices and the Department for Decisions on Pension Allocations at the CSSA headquarters held a two-week course for 36 new employees. A total of 773 employees attended specialist courses at the State Administration Institute in 2007.

115 CSSA employees began new studies in 2007 - 107 people studied bachelor and masters' courses, four employees were in courses at specialist upper secondary schools and four employees supplemented their secondary education.

The Czech Social Security Administration employees according to education – as of 31st December 2007

Achieved education	Men	Women	Total	%
Primary	12	161	173	2.1
Apprenticed	126	488	614	7.2
Full specialist secondary	396	5,580	5,976	70.5
Specialist upper secondary	26	188	214	2.5
Tertiary	492	1,010	1,502	17.7
Total	1,052	7,427	8,479	100.0

Knowledge of languages

The CSSA continued in the linguistic education of its employees in the form of both group lessons and individual lessons for selected employees. As of 31st December 2007, 655 employees had attended the courses prepared in association with the Institute for Linguistic and Specialist Preparation at Charles University. In 2007, 33 of them passed the standardised KET, PET, FCE and ZD language exams. And a further 17 CSSA employees included in the Central Register of Employees for the National Programme Securing the Czech Republic's Presidency of the European Union began attending a French course from February 2007.

Employment and wages

Employee fluctuation is a significant indicator which points to the stability of an organisation's employee structure. This involves the number of entries and departures of employees and the ratio between them and the frequency of the methods used when terminating employment. The total fluctuation of CSSA employees was 10.8% as of 31st December 2007. This represents a 0.37% lower fluctuation than in 2006.

However, the relationship between the number of entries and departures of employees changed in 2007. Whereas entries exceeded departures in 2005 and 2006, this ratio was almost equal as of 31st December 2007 - 936 entries and 916 departures. The fall in entries was influenced by Czech Government Decree No. 436/2007 on the reduction of the number of jobs in the state sector. As an employer, the CSSA had to reckon with the cancellation of any free jobs as of 1st January 2008.

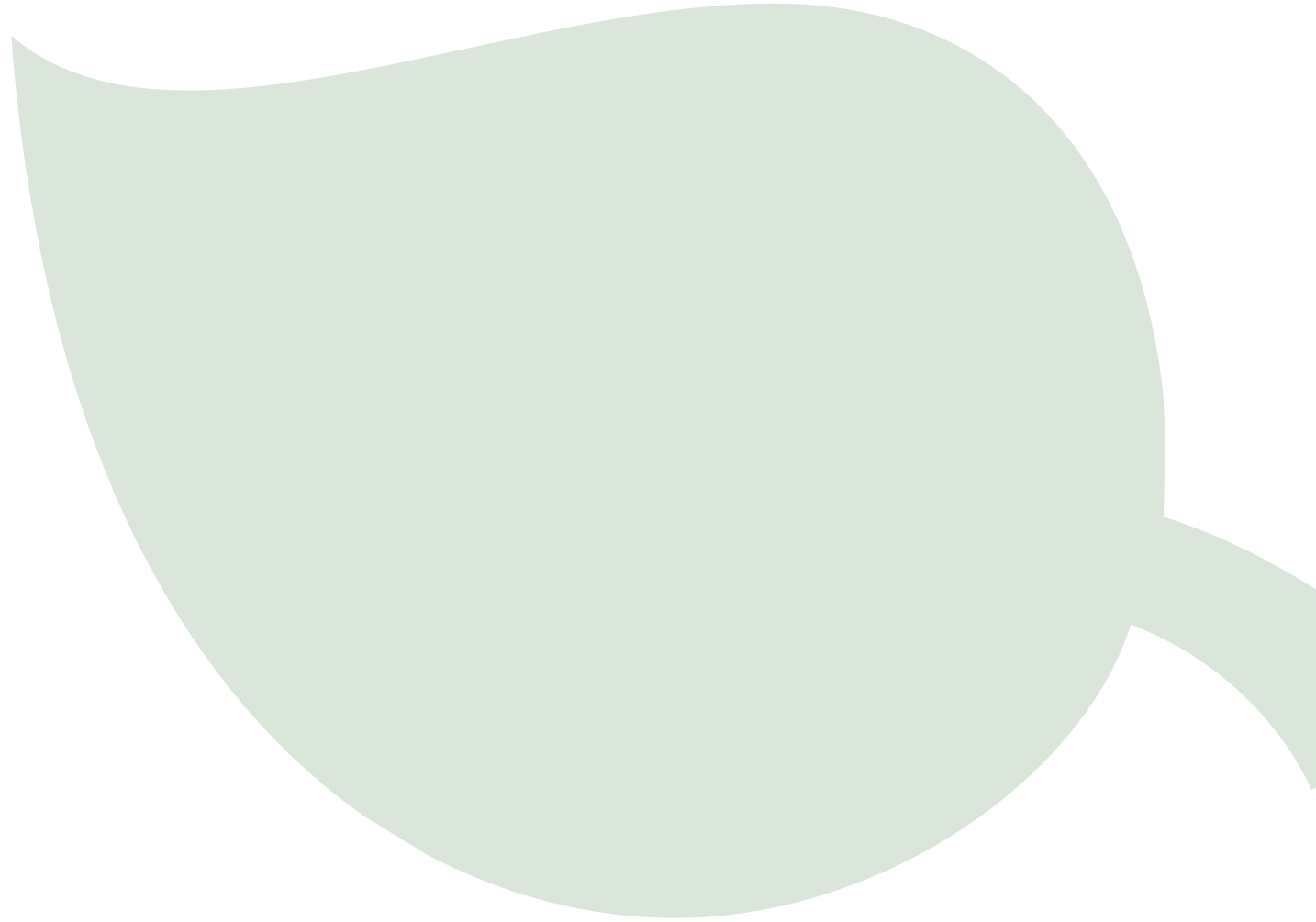
As of 1st June 2007, the CSSA also transferred 70 free systematised jobs to the Labour Exchange upon the basis of a decision of the Minister. This took place temporarily for one year, whereby they would return at the latest within 6 months of the new Sickness Insurance Act coming into effect. As of the same date, the CSSA also permanently transferred 40 free systematised physicians' positions from the Medical Assessment Service to the Labour Exchange.

The most frequent ways, in which employees terminated their employment in 2007, were by agreement (327 cases) and after the expiry of the period for which the given job had been negotiated (256 cases), as was also the case in the previous year.

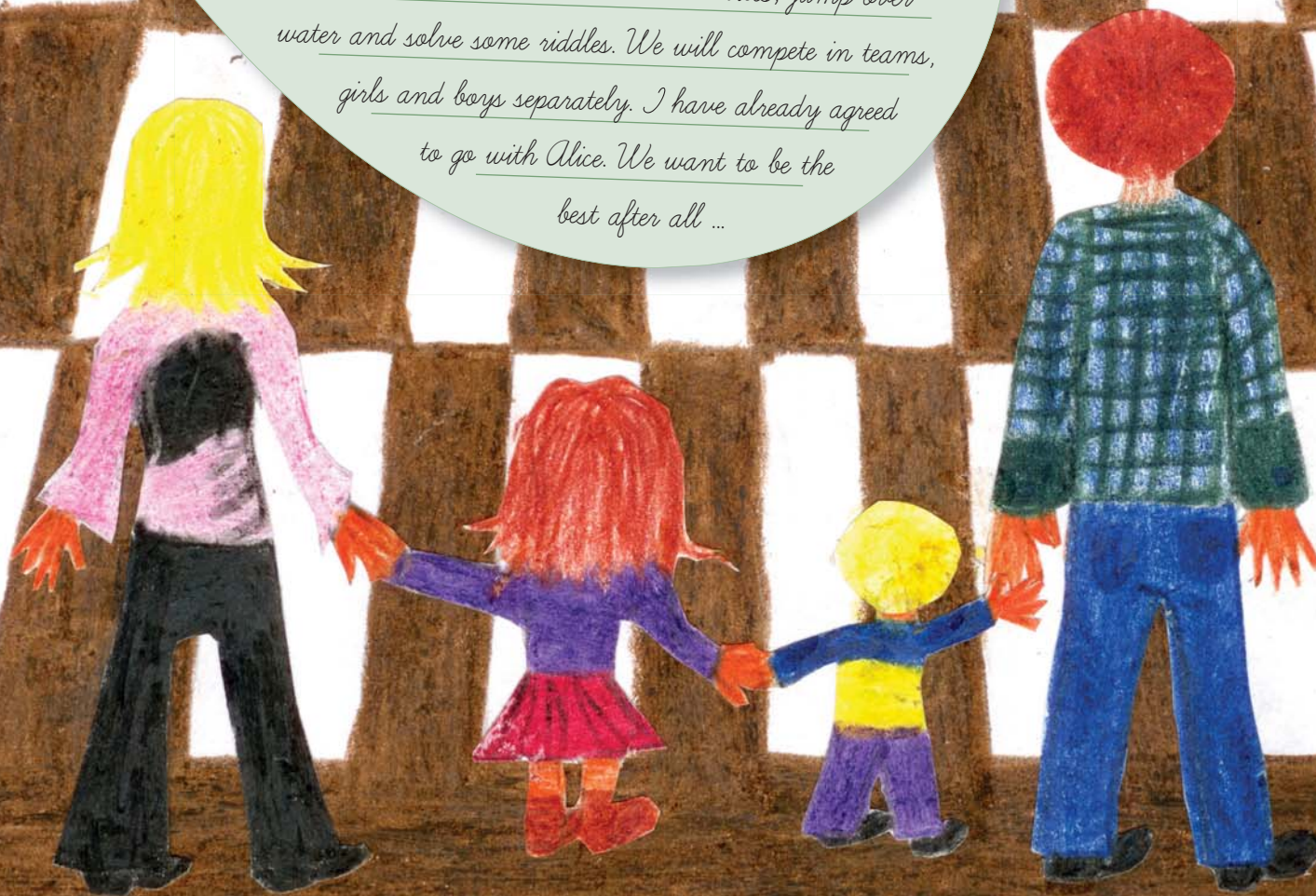
The CSSA once again exceeded the compulsory four-percent share of employees with disabilities; it employed a total of 389 such people.

In comparison with 2006, the average wage rose by 895 CZK and thus reached the amount of 22,196 CZK.

She wants to be the best



...Yesterday,
I won a skipping rope
competition. Just like we practised
at home, Mummy. Now we are going
to have a new game - a "survival
game". We have to run, climb trees, jump over
water and solve some riddles. We will compete in teams,
girls and boys separately. I have already agreed
to go with Alice. We want to be the
best after all ...



The development of the earnings from the contributions in total, the prescribed contributions in total and the contribution collection success rate since 2003

Year	2003	2004	2005	2006	2007
Total earnings from contributions (in billions of CZK)	264.21	285.06	302.09	324.35	357.21
Total prescribed contributions (in billions of CZK)	265.94	283.28	302.41	321.35	353.50
Contribution collection success rate (in %)	99.35	100.63	99.89	100.93	101.05

Comments: Total revenue consists of tax and other revenue from insurance contributions including accessories, i.e. penalties and fines. Revenue from other CSSA operations has not been included. The total prescribed contributions are understood to mean the prescribed insurance contributions including accessories.

The development of the earnings from the contributions in total, the prescribed contributions in total and the contribution collection success rate since 2003 after the removal of irrecoverable receivables

Year	2003	2004	2005	2006	2007
Write-offs (in billions of CZK)	3.33	4.82	4.48	4.64	2.39
Modified prescribed contributions (in billions of CZK)	269.26	288.10	306.89	325.99	355.89
Collection (in billions of CZK)	264.21	285.06	302.09	324.35	357.21
Contribution collection success rate (in %)	98.12	98.95	98.43	99.50	100.37

The collection of social security contributions

The collection of social security insurance, which is one of the main tasks of the CSSA, includes pension, sickness and state insurance policy contributions. In 2007, the collection success was 101.05%. This therefore involved a 0.12% improvement in comparison with 2006, when the success rate was 100.93%.

In order to achieve a more objective evaluation of the success in the area of social security contribution collection in the given year, it is appropriate to remove the written off, unrecoverable receivables. This data shows that the contribution collection success rate remained at 98% up to 2003, it increased to almost 99% in 2004, it reached 99.50% in 2006 and in 2007 it is now at 100.37%.

The inspection of organisations and small organisations

In 2007, all of the offices of the CSSA carried out a total of 167,229 inspections of the fulfilment of the legal obligations at organisations and small organisations, upon the basis of which they issued 5,702 payment assessments. Of the more than 108 million, 236 thousand CZK which organisations had to additionally pay with regard to insurance, 85 million, 240 thousand CZK consisted of outstanding insurance contributions and the remaining 22 million, 996 thousand CZK was accounted for by penalties.

The CSSA imposed a total of 1,066 fines at an amount of 3 million, 737 thousand CZK on organisations and small organisations due to a lack of co-operation on the part of the employers during the inspections and with regard to their reporting obligations. The inspectors ordered 11,492 corrective measures oriented towards the elimination of ascertained inadequacies, of which 8,582 involved sickness insurance and 2,910 involved pension insurance.

In 2007, the inspections of the fulfilment of the obligations in the area of social security were realised by a total of 799 CSSA employees from 92 offices all over the Czech Republic. A total of 141,320 inspections were planned and the CSSA inspectors carried out a further 25,909 inspections over and above the framework of the plan. In practise, this means that the CSSA inspected more than 63% of all organisations and small organisations in 2007. The CSSA inspects all organisations and small organisations in regular two-year cycles so as to ensure that it uncovers any eventual problems in time and can implement instant corrections, where possible.



The inspection of the fulfilment of the obligations in the area of social security in 2007

Region	Number of inspections	Payment assessments				Penalties	
		number	amount			number	amount in thousands of CZK
			outstanding insurance contributions in thousands of CZK	penalties in thousands of CZK	Total insurance contribution + penalties in thousands of CZK		
the Prague Social Security Administration (PSSA)	29,957	1,294	42,656	13,673	56,329	14	149.0
Central Bohemian	17,429	362	4,817	447	5,264	33	118.0
South Bohemian	9,640	328	3,215	289	3,504	37	76.0
Pilsen	8,490	332	1,438	151	1,589	22	60.5
Carlsbad	4,728	147	1,111	171	1,282	20	126.5
Ústí	11,207	418	2,991	1,521	4,512	106	279.3
Liberec	6,780	190	3,025	391	3,416	23	120.3
Hradec Králové	9,336	447	4,691	645	5,336	374	932.6
Pardubice	7,752	305	5,818	2,984	8,802	54	174.8
Vysočina	6,989	184	1,011	61	1,072	107	623.7
South Moravian	10,560	326	4,062	598	4,660	76	149.0
the Brno Municipal Social Security Administration (MSSA)	9,741	322	4,255	463	4,718	45	165.7
Olomouc	9,303	248	1,575	147	1,722	9	47.0
Moravian-Silesian	16,267	524	3,175	1,119	4,294	14	88.5
Zlín	9,050	275	1,400	336	1,736	132	627.0
Total	167,229	5,702	85,240	22,996	108,236	1,066	3,737.9

Source: The Report on the Results of the CSSA's Inspection Activities in Organisations and Small Organisations for 2007

Social security contribution receivables

The receivables of the CSSA as of 31st December 2007 (in millions of CZK)

		Receivables					Percentage share (%)
		Total	Insurance contributions	Penalties	Fines	Other	
De-registered payers	Self-employed individuals	2,858.12	1,735.22	1,072.68	50.22	-	
	Small organisations	24,549.09	10,622.67	13,851.85	74.57	-	
	Organisations	7,854.28	3,733.79	4,117.12	3.37	-	
	Total	35,261.49	16,091.68	19,041.65	128.16	-	61.34
Registered payers	Self-employed individuals	6,212.49	4,464.15	1,711.80	36.54	-	
	Small organisations	11,526.05	4,827.19	6,683.96	14.90	-	
	Organisations	3,615.08	2,058.07	1,555.67	1.34	-	
	Total	21,353.62	11,349.41	9,951.43	52.78	-	37.14
Subtotal		56,615.11	27,441.09	28,993.08	180.94	-	
Instalment system	Self-employed individuals	238.07	-	-	-	238.07	
	Small organisations	266.50	-	-	-	266.50	
	Organisations	368.69	-	-	-	368.69	
	Total	873.26	-	-	-	873.26	1.52
Total	Self-employed individuals	9,308.68	6,199.37	2,784.48	86.76	238.07	
	Small organisations	36,341.64	15,449.86	20,535.81	89.47	266.50	
	Organisations	11,838.05	5,791.86	5,672.79	4.71	368.69	
	Total	57,488.37	27,441.09	28,993.08	180.94	873.26	100.00
Percentage share (%)		100.00	47.74	50.43	0.31	1.52	

Comments: Small organisations (up to 25 employees), Organisations (over 25 employees)

Whereas the CSSA recorded insurance receivables, including accessories (penalties and fines) at the amount of ca 57 billion, 488 million CZK as of 31st December 2007, one year earlier, i.e. as of 31st December 2006, the amount was ca 59 billion, 721 million CZK. In both cases, this involved receivables for social security contributions, including penalties and fines, which have accumulated since 1993. The amount which payers owed in contributions therefore fell year-on-year by almost 3.7%, i.e. by ca 2 billion, 232 million CZK.

The lion's share (50.4%) of the receivables from social security contributions as of 31st December 2007 consisted of penalties; this involved 28 billion, 993 million CZK in total. Outstanding contributions accounted for ca 27 billion, 441 million CZK, while fines reached the amount of 181 million CZK.

The aforementioned amount was accounted for by small organisations (63.2%), organisations (20.6%) and self-employed individuals (16.2%). In comparison with the previous year, the receivables due from organisations and small organisations fell by ca 3 billion crowns. The receivables recorded for self-employed individuals rose by ca 844 million crowns in comparison with 2006. 415,502 debtors contributed to the overall amount of the receivables in 2007, which was 4,723 less than in 2006.

An analysis of the receivable portfolio shows that:

- receivables for penalties account for 50.4% of the overall receivables,
- receivables due from de-registered subjects account for 61.3% of all receivables,
- receivables of more than 30 million CZK due from debtors account for 26.1% of the total receivables; there are 175 such debtors and this essentially involves minimally recoverable receivables (bankruptcies and receivership),
- ca 63.2% of receivables are due from small organisations.

The recovery of the receivables is secured by the DSSA/PSSA/MSSA. They make use of administrative and court decisions and also claim the receivables in any bankruptcy or settlement proceedings. In 2007, all of the offices of the CSSA implemented a total of 204,586 decisions; in comparison, this figure was 201,635 in 2006. Last year, the CSSA recovered 133,477 receivables in the administrative enforcement of its decisions and it submitted a further 71,109 proposals for the judicial enforcement of its decisions. In 2006, there were 64,034 cases of judicial enforcement, which means 7,075 (i.e. 11.05%) more such cases. In 2007, no proposals for the declaration of bankruptcy on the assets of a debtor were submitted, as was also the case in 2006.

Pension decisions and payments

The CSSA pays all pensions, with the exception of those pensions which fall under the jurisdiction of the Ministries of Internal Affairs, Defence and Justice. This involves old age pensions, full or partial invalids' pensions, widows' and widowers' pensions and orphans' benefits.

After taking into account the expenditure in the past and future periods (expenditure on the advance to the Czech Post Office at the turn of the budget year), the pension insurance payments in 2007 amounted to a total of 282 billion, 876 million CZK. Of this, old age pensions amounted to a total of 203 billion, 933 million CZK.

As of 31st December 2007, there were 2,719,161 pensioners, of that 1,045,146 men and 1,674,015 women. The CSSA paid out a further 46,245 pensions abroad and 1,546 pensions were realised by means of non-typical payouts. In total, this involved 2,766,952 people, who received pension insurance

payments from the CSSA. The average amount of the old age pension was 8,747 CZK, of which men received 9,784 CZK and women received 7,938 CZK.

In 2007, the CSSA reached decisions on 246,943 new pension applications. The increased submission of pension applications especially continued in the first half of 2007 in association with the recalculation of widows' benefits according to Act No. 267/2006 Coll. From July 2006 to 31st December 2007, the CSSA also noted a total of 138,555 applications for the modification or renewal of the payment of widows' benefits, all of which it had processed by the end of 2007.

The CSSA pays out pensions in two ways: in cash or by direct credit to the client's account. In December 2007, the CSSA realised a total of 2,766,952 pension payments. Of that, it paid 1,676,722 pensions via the Czech Post Office, direct credited 967,317 pensions to clients' accounts and sent 45,664 pension payments to care homes. It is therefore clear that the number of people who had their pensions sent to their bank accounts once again increased - there were 82,951 more than in December 2006.

Expenditure on pension payments (in millions of CZK)

Year	2003	2004	2005	2006	2007
Amount	218,273	226,883	243,648	261,464	282,876

Note: The advance from December of the previous year has been included in the calculation of the pensions, while the advance for January of the following year has not been included.

The number of pension insurance clients, pensioners and pensions

Year	2003	2004	2005	2006	2007
The number of pension insurance clients	4,593,974	4,841,549	4,786,415	4,846,240	4,877,954
The number of pensioners	2,590,844	2,625,685	2,645,100	2,683,784	2,719,161
of that women	1,611,924	1,629,999	1,637,584	1,656,280	1,674,015
men	978,920	995,686	1,007,516	1,027,504	1,045,146
The number of paid out pensions	3,212,486	3,249,706	3,268,673	3,310,174	3,347,121
of that old age pensions	1,914,219	1,944,915	1,961,870	1,995,350	2,028,865
full and partial invalids' pension	553,985	563,376	570,055	580,055	586,686
survivors' pensions	744,282	741,415	736,748	734,769	731,570

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

The average amount of the old age pension

Year	2003	2004	2005	2006	2007
Men	7,902	8,133	8,662	9,157	9,784
Women	6,429	6,600	7,030	7,431	7,938
Total	7,075	7,270	7,744	8,187	8,747

Note: This involves the amount of the old age pensions without any other simultaneously paid types of pensions, for example widows' pensions.

The payment of pensions abroad

People permanently living abroad are paid pensions and sickness insurance either to a foreign address or to a personal account at a bank/saving's bank abroad or in the Czech Republic. Pensions are paid to addresses abroad 4x a year in March, June, September and December retroactively for each quarter and this was also the case in 2007. Payments to accounts abroad are direct credited in the currency of the given state or in a freely convertible currency via the Czech National Bank and the appropriate bank abroad - the payments are always made retroactively and at the intervals which the pension recipient designates. The payments to accounts in the Czech Republic are made in Czech crowns for the previous period and are made via the Czech National Bank. In 2007, the CSSA paid the most pensions abroad to Slovakia (13,101), Poland (11,244) and the Republic of Germany (7,124 pensioners). The Czech Social Security Administration pays all of its pension types abroad, i.e. old age, invalid and survivor's pensions.

The payment of sickness benefits

In 2007, the DSSA/PSSA/MSSA administered sickness insurance for 234,443 small organisations with 1,113,199 employees and 917,984 self-employed individuals, of whom 210,540 participated in the sickness insurance scheme. Sickness insurance payments were provided in a total of 1,512,791 cases, which was 43,205 cases less than in 2006. The payments amounted to 7,805, 717,674 CZK, which means an increase of 4.0% in comparison with 2006.

The total expenditure on sickness benefits in 2007, i.e. including the reimbursements paid to organisations of more than 25 employees, amounted to ca 34 billion, 671 million CZK. The most funds were outlaid on sick pay (ca 27 billion, 881 million CZK) followed by maternity benefits at ca 5 billion, 893 million CZK. Attendance allowances accounted for expenditure of ca 893 million CZK and differential allowances for pregnant and postnatal women accounted for ca 4 million CZK.

The ten countries, to which the CSSA paid the most pensions in 2007

Country	The number of paid out pensions
Slovakia	13,101
Poland	11,244
Germany	7,124
Switzerland	2,224
Canada	1,939
Bulgaria	1,729
the USA	1,448
Austria	1,443
Sweden	648
Australia	490

Whereas the Czech Social Security Administration recorded a total of 2,870,261 completed cases of sick leave in 2006, one year later there were 2,865,201. This means 5,060 less cases of completed sick leave year-on-year. The average sick leave in 2007 lasted 35.11 days. This is 1.39 days less than in 2006. People were ill for a total of 100,589,119 days which is 4,158,413 fewer days lost to illness than in 2006. Men were more frequently ill - 1,454,483 cases of completed sick leave. In the case of women, this involved 1,410,718 cases. However, women were ill for longer - on average, the period of illness was 36.79 days for women, but only 33.47 days for men. In 2007, people most frequently fell ill with respiratory illnesses (41%). The CSSA recorded a total of 1,176,384 completed cases of sick leave, 19,499,463 sick days and an average sick leave length of 16.58 days due to this type of illness.

Expenditure on sickness insurance (in millions of CZK)

Year	2003	2004	2005	2006	2007
Sickness	29,523	24,705	26,258	26,963	27,881
Attendance allowance	1,004	730	819	825	893
Maternity benefit	3,774	4,123	4,579	4,981	5,893
Differential Allowance for Pregnant and Postnatal Women	6	5	4	4	4
Total	34,307	29,563	31,660	32,773	34,671

Comments: attendance allowance = support while caring for a family member, maternity benefit = monetary assistance during maternity

Inspections of the adherence to treatment conditions

The employees at all of the CSSA's offices carried out a total of 277,114 inspections of the adherence to the treatment conditions during sick leave in 2007. Most inspections took place in Prague (34,679) and in the Moravia-Silesia Region (34,177). Upon the basis of the inspections, all of the CSSA's offices issued a total of 7,033 sanctions for breaches in the treatment conditions. In practise this meant that 2.5% of the inspected individuals had their sick pay either reduced or withdrawn. In 2007, CSSA employees further terminated 3,268 cases of sick leave where there was no medical reason for the sick leave to continue.

The number of clients covered by sickness insurance

Year	2003	2004	2005	2006	2007
Total	4,237,817	4,358,766	4,298,049	4,358,984	4,372,191
of that self-employed individuals	292,329	267,524	240,825	222,074	210,540

The number of days of paid sick leave

Year	2003	2004	2005	2006	2007
Sickness	112,726,425	97,341,561	100,920,399	98,825,327	97,990,272
Attendance allowance	3,747,177	3,035,134	3,141,523	3,243,589	3,022,249

Note: The number of paid sick days does not correspond to the total number of sick days which includes, amongst other things, individuals registered at the Labour Exchanges who do not receive sick pay.

The development of sick leave

Year	2003	2004	2005	2006	2007
The number of completed cases of sick leave	3,829,738	2,906,149	3,185,257	2,870,261	2,865,201
The number of sick days	121,047,763	105,955,526	107,095,134	104,747,532	100,589,119
The average duration of 1 case of sick leave	31.61	36.46	33.62	36.49	35.11
Sick leave terminated upon the basis of a decision of the CSSA	1,424	1,539	2,981	2,497	3,268
Breaches in treatment conditions	12,131	11,211	11,066	9,521	10,312

The Medical Assessment Service

In 2007, the Medical Assessment Service carried out assessment activities for the purpose of pension insurance and it fulfilled the tasks associated with the inspection of the attending physicians' assessments of temporary incapacity for work for the purposes of sickness insurance. As an expert department, it prepared assessments of the state of health and capacity for work of citizens, which then formed the basis for the issuance of the CSSA's decisions on the provision of pension and sickness insurance. The physicians in the 8 regional departments of the CSSA's Medical Assessment Service consisting of a total 83 offices evaluated the influence of the illness, injury or handicap of the citizens on their capacity to work for the appropriate District Social Security Associations. In 2007, the CSSA's Medical Assessment Service came to terms with a further reduction in the number of systematised physicians' jobs.

Last year, invalidity assessments constituted 80.97% of a total of 227,350 assessments undertaken by the CSSA's Medical Assessment Service. This large increase in the share of invalidity assessments was caused by the fact that the assessments for other social benefits and services were undertaken by the Medical Assessment Service at the Labour Exchange. The number of invalidity assessments also increased in absolute terms, while the number of medical inspections increased in particular by 20.41% to 110,848 cases in comparison with 2006. In 2007, the CSSA's Medical Assessment Service undertook a total of 73,236 medical examinations to ascertain invalidity, which amounted to 51 more such examinations than in 2006. In comparison with 2006, the share of full invalidity fell from 42.59% to 39.97%, while the share of partial invalidity increased from 42.99% to 43.99% and the share of unacknowledged invalidity also increased from 14.42% to 16.04%. The physicians at the Medical Assessment Service carried out 838 assessments in the category of child health assessments, of which 145 were assessed as having a long-term unfavourable state of health for the child in question and 693 assessments acknowledged special care.

At the beginning of 2007, the CSSA's Medical Assessment Service assessed a further 25,748 cases of incapacity, i.e. 11.32% of the total number of assessments, despite the fact that the payout of this benefit was cancelled as of 1st January 2007. This involved cases from 2006 or cases where citizens had requested retroactive assessments for the period prior to 1st January 2007.

Inspections of the adherence to treatment conditions as of 31st December 2007

Region	2007	
	Number of realised inspections	Number of reviews
South Bohemian	19,152	166
South Moravian	14,300	297
Carlsbad	12,345	262
Hradec Králové	11,662	293
Liberec	8,577	289
Moravian-Silesian	34,177	1,371
The MSSA Brno	6,534	389
Olomouc	25,934	635
Pardubice	18,281	459
Pilsen	17,491	507
The PSSA	34,679	628
Central Bohemian	29,852	656
Ústí	28,744	592
Vysočina	6,528	135
Zlín	8,858	354
Total	277,114	7,033

In 2007, the physicians from the Medical Assessment Service's offices undertook a total of 55,055 reviews (visits) to the doctors providing treatment, during which they carried out 1,240,688 inspections of the justification for the continuation of any incapacity for work, of which 141,066 cases were in the presence of the incapacitated citizen. On the basis of the results of the realised inspections, the assessing physicians gave the doctors providing treatment advice to terminate the incapacity to work in 70,272 cases (which was 6,333 cases more than in 2006) and prepared 3,441 assessments for the issuance of decisions terminating temporary incapacity to work by the DSSA/PSSA/MSSA, which represented a year-on-year increase of 872 assessments.

Upon the basis of a decision of the Minister of Labour and Social Affairs, the CSSA commenced the preparation of the re-merger of the Medical Assessment Service under the auspices of the CSSA at the end of 2007. In association with this, it drew up a concept for the unification of the Medical Assessment Service's software tools. It carried out a comparison of the programmes used by the Medical Assessment Services and selected the variant which it would further develop.

The Medical Assessment Service of the CSSA also performed assessment activities in the area of the EU's social security laws and bilateral treaties. In 2007, the CSSA's Medical Assessment Service realised a total of 7,912 operations in the interstate agenda.

Compensation according to the special regulations

Despite the fact that compensation is not associated with the social security which is at the heart of the CSSA's activities, the CSSA has also had this agenda in its jurisdiction for several years. The settlement of claims and compensation payments according to Act No. 357/2005 Coll. and Government Decree No. 622/2004 Coll., as amended by Act No. 405/2005 Coll. continued in 2007.

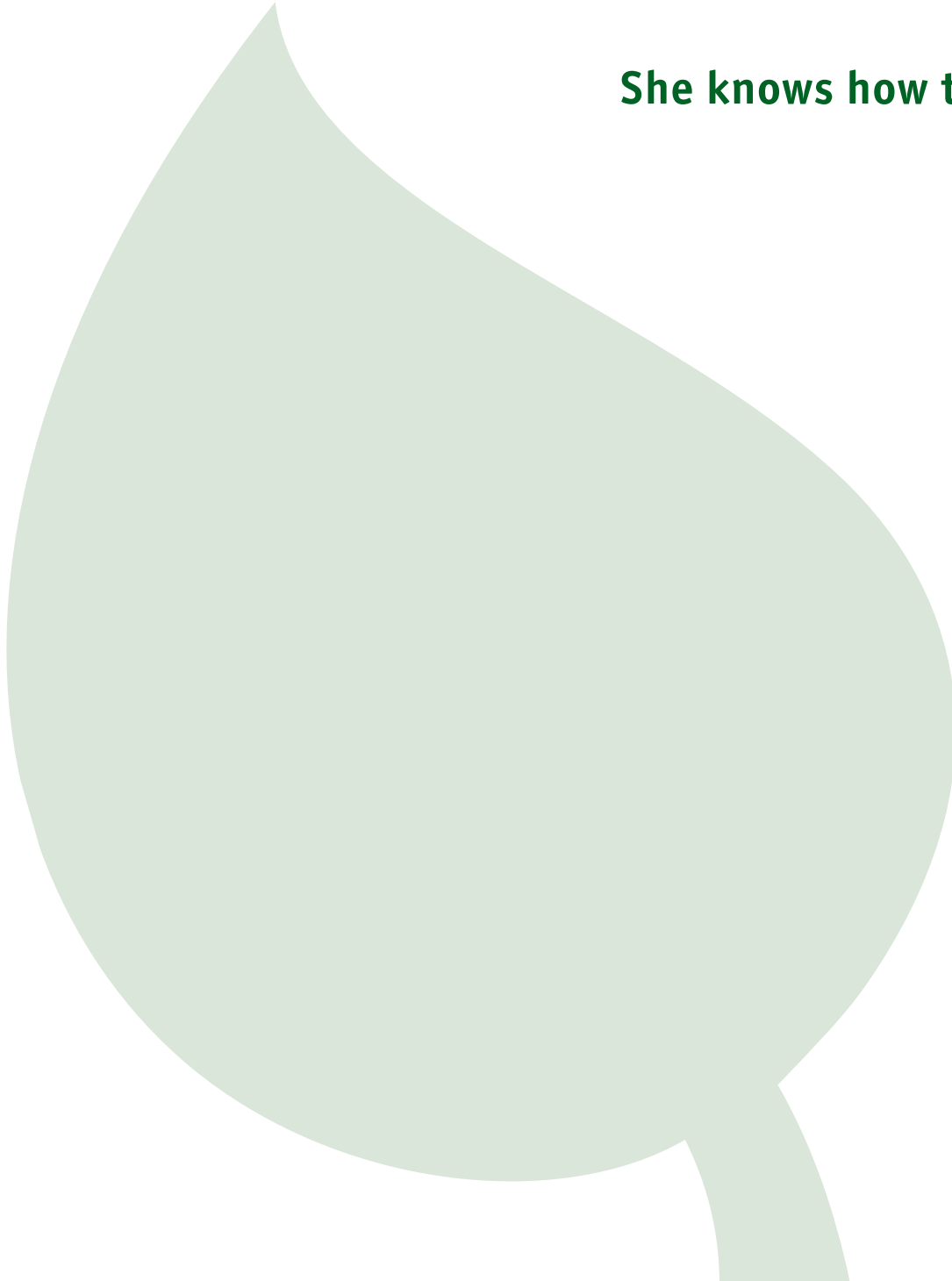
By the end of 2007, a total of 118,774 claims associated with compensation had been lodged and the CSSA had paid out a total of more than 5 billion, 616 million CZK in connection with them.

One of the types of compensation which the CSSA pays out involves additional pension payments made to people who were political prisoners from 1948–1989 or to their survivors (Government Decree No. 622/2004 Coll. as amended by amendment No. 405/2005 Coll.) in order to mitigate some of the wrongs inflicted by the Communist regime. By the end of 2007, a total of 9,428 applications for the provision of additional pension payments were received and the CSSA paid out 174 million, 722 thousand crowns of this compensation.

A total of 17,186 people applied for the compensation which participants in the resistance in World War I and II and persecuted individuals from the period of the Communist regime and their survivors are entitled to receive according to Act No. 357/2005 Coll.. A total of 30,396 applications for special additional pension payments according to this Act were lodged in 2007. In the same period, the CSSA paid out 779 million, 243 crowns to entitled individuals.

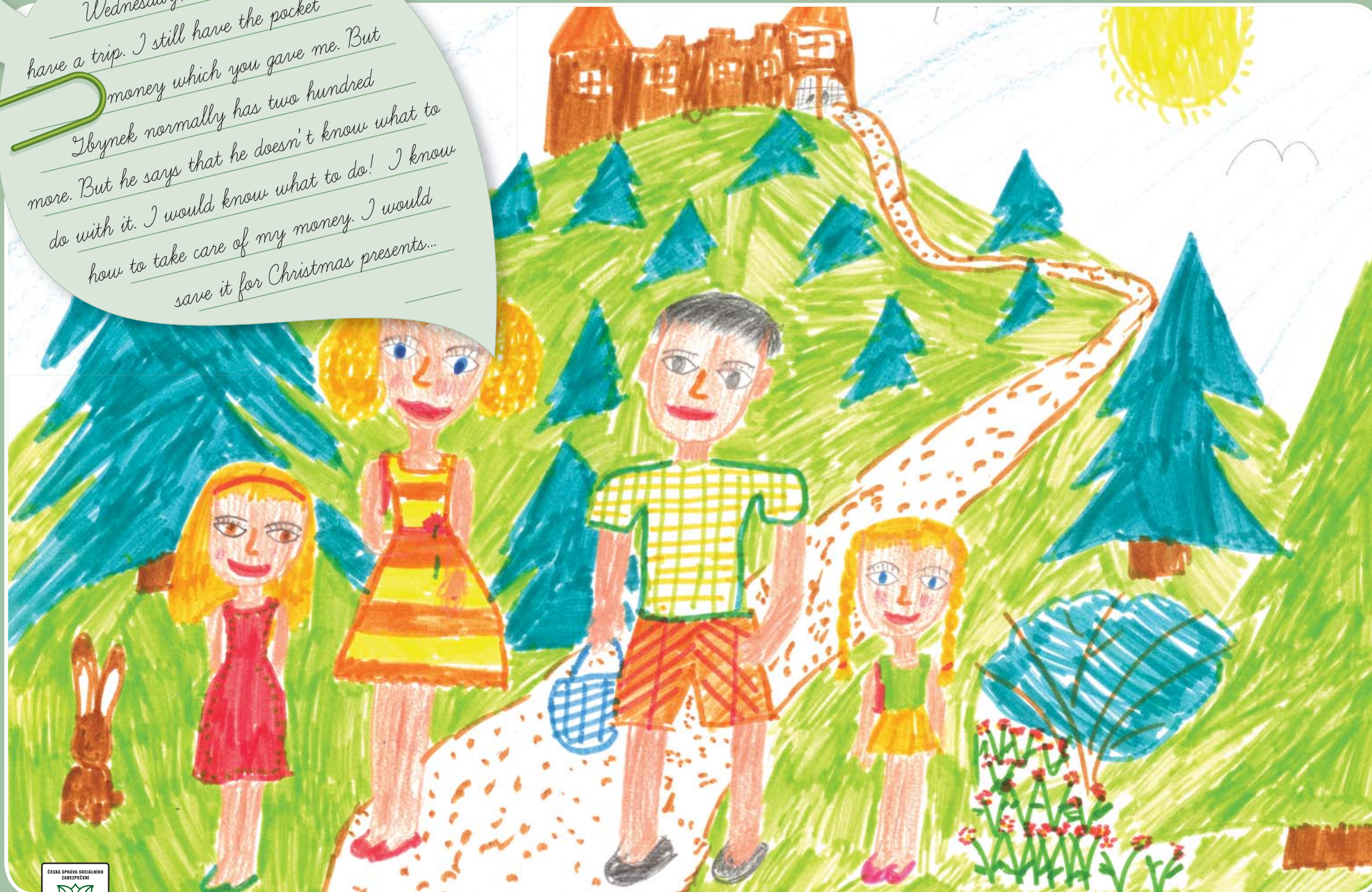
The CSSA continued to settle applications for the entitlements designated by the previous compensation regulations. In accordance with Act No. 217/1994 Coll., the CSSA paid out 400 thousand CZK in compensation to some victims of Nazi persecution. Act No. 39/2000 Coll. governing the provision of compensation to members of the Czechoslovak international and allied armies from 1939 to 1945 required payouts of 161 thousand CZK to be made in 2007. Act No. 261/2001 Coll. governing compensation to the participants of the national struggle for liberation, political prisoners and individuals sent to military work camps for racial or religious reasons required payouts at the amount of 1 million, 175 thousand CZK. In 2007, the CSSA did not pay out anything within the framework of the compensation according to Act No. 172/2002 Coll. governing compensation to individuals deported to the USSR or to the camps which the USSR established in other countries.

She knows how to take care of her money



...On

Wednesday, we will have a trip. I still have the pocket money which you gave me. But Ibynek normally has two hundred more. But he says that he doesn't know what to do with it. I would know what to do! I know how to take care of my money. I would save it for Christmas presents...



Expenditure

The budget for pension payments for 2007 was set at the amount of 282 billion, 609 million CZK after adjustments. In reality, the amount was 282 billion, 599 million CZK, which means that almost 100% of the budget was spent. In 2007, the CSSA paid out old age pensions at the amount of 203 billion, 933 million CZK, full invalids' pensions at the amount of 40 billion, 420 million CZK, partial invalids' pensions out at the amount of 13 billion, 254 million CZK, widows' pensions at the amount of 20 billion, 382 million CZK, widowers' pensions at the amount of 1 billion, 984 million CZK and orphans' benefits at the amount of 2 billion, 904 million CZK.

The budget for sickness insurance payments and other benefits for 2007 was set at the amount of 34 billion, 892 million CZK after adjustments. In reality, the amount was 34 billion, 755 million CZK, which means that almost 99.6% of the budget was spent. Of that, the largest amounts went to sick pay (27 billion, 881 million CZK), attendance allowances (893 million CZK), differential allowances for pregnant and postnatal women (4 million CZK) and maternity benefits (5 billion, 893 million CZK).

Operating expenses

Line num.	Specifications	Reality in 2007 (in millions of CZK)	Share of expenditure (in %)
1.	Personnel costs	3,069	50.06
	of that – wages, other payments and severance pay	2,239	36.52
	insurance contributions	785	12.81
	the creation of the Cultural and Social Fund	45	0.73
2.	Material purchasing	126	2.07
3.	The purchasing of water, fuel and energy	107	1.75
4.	Postal services	569	9.26
5.	Services, repairs, maintenance and travel expenses	1,412	23.03
6.	Other non-capital expenditure	108	1.76
7.	The transfer of non-investment funds to the reserve fund	160	2.61
8.	Subtotal	5,551	90.54
9.	Capital expenditure, including transfers to the reserve fund	580	9.46
10.	Total operating expenses	6,131	100.0

Revenue

In 2007, the revenue of the CSSA amounted to a total of 357 billion, 510 million CZK and its total expenditure was 324 billion, 465 million CZK. The government budget set the CSSA overall earnings (both tax and non-tax earnings) at the amount of 344 billion, 723 million CZK. The tax earnings were calculated at the amount of 343 billion, 946 million CZK. Of that, pension insurance contributions amounted to 285 billion, 378 million CZK, sickness insurance 42 billion, 261 million CZK and contributions to the state's employment policy 16 billion, 307 million CZK.

The actual revenue from insurance contributions and the contribution to the state's employment policy amounted to 356 billion, 227 million CZK, i.e. the budget was fulfilled by 103.6%. Of that, the CSSA collected 295 billion, 867 million CZK for pension insurance, 43 billion, 453 million for sickness insurance and 16 billion, 907 million CZK in contributions to the state's employment policy.

The government set the non-tax revenues for 2007 at the amount of 777 million CZK. In reality, the CSSA's non-tax revenue amounted to 1 billion, 283 million CZK, i.e. the budget was fulfilled by 165.1%. The greatest difference in fulfilment in comparison with the budget was represented by the sickness insurance contributions from self-employed individuals and the received transfer refunds.

The total operating expenses for 2007 (i.e. the expenditure on the programme financing, wage costs, including the associated expenditure and material costs) after adjustments were set at the amount of 6 billion, 25 million CZK. The actual expenses amounted to 6 billion, 131 million CZK. The exceeding of the budget led to the use of off-budget funds from the reserve fund.

When putting together the budget for a given year and during the regular elaboration and updating thereof, the CSSA submits its requirements to the fund administrator, the Ministry of Labour and Social Affairs. The CSSA's proposals emphasise the priority activities and the need to cover the expanded or new CSSA tasks. Last, but not least, the Administration's necessary development and modernisation, including the development and reproduction of its assigned property, are also reflected in the required funding. However, the funds allocated to the CSSA for the provision of its operations, i.e. the sum of the funds for wages and other payments for the realised work, including the associated expenses, the funds for the programme financing and the funds for its material costs, do not enable the necessary development, especially in the area of information and communication technology (ICT).

The debated pension reforms must be preceded by complex institutional reforms at the insurance provider, extensive investments in information and communication technology and the incorporation of outsourcing for modern ICT and know-how. An example is the digitalisation of the documents for pension insurance payouts. In 2007, the financing of the last stage to date (DIGI III) was conditional upon the application of complex and time demanding budget measures, if the approved budget breakdown did not contain these funds.

In 2007, the financing of the regular operations and development of the CSSA was complicated by the "blocking" of the reserve fund upon the basis of Government Decree No. 1090/2006 (or No. 1262/2006). The missing funds for the necessary ICT expenditure at the extent of more than 530 million CZK were admittedly added to the CSSA budget by means of budgetary measures undertaken by the Ministry of Labour and Social Affairs at the end of the year. This was, however, too late for these funds to be expediently and effectively used. The use of the reserve fund from the beginning of 2007 would have meant that the operations of the CSSA and the development of the necessary technology could have been secured fluently and continually, without repeated internal changes to the budget and the operative use of temporarily "free" funds. The funds which the CSSA truly has available not only do not enable the fulfilment of the plans for the strategic goals and the creation of the conditions for the securing of the new incoming agendas, but they also complicate the coverage of the requirements for the administration's basic operations under current conditions.

The indicator of the CSSA's efficiency expressed as a percentage share of the operating expenses to the realised tax revenue and tax expenditure amounted to 0.90% in 2003, 0.97% in 2004 and 2005 and it was the same at 0.99% in 2006 and 2007.

Assets

As of 31st December 2007, the Czech Social Security Administration had fixed tangible assets at a value of 7 billion, 960 million CZK and fixed intangible assets at a value of 973 million, 422 thousand CZK. All of the assets were used exclusively for the realisation of the CSSA's public administration work. If any of the CSSA's assets were not necessary, the Administration proceeded in accordance with Act No. 219/2000 Coll. governing the property of the Czech Republic and the representation thereof in legal relations and in accordance with implementing regulation No. 62/2001 Coll.. The assets are not written off in accordance with the law.

In 2007, there were a total of 34 easements pertaining to the assets of the Czech Social Security Administration. The easements most frequently concerned the securing of an owner's access to his or her property (on foot, by car, right of passage and so on). The CSSA concluded 8 legal acts involving the transfer of real estate. In six cases, this involved a transfer of the authority to administer the assets of the Czech Republic between the CSSA and other state agencies upon the basis of the registration of the given change of authority. The CSSA also concluded a contract governing a future purchase contract with a higher semiautonomous territorial unit and a contract on the unremunerated transfer of ownership with a private legal entity, both of which it concluded on behalf of the state.

Fixed tangible assets as of 31st December 2007

	Account number	Name	CZK
1.	031	Properties	224,093,827.80
2.	032	Artwork and collections	1,219,016.00
3.	021	Structures	4,305,997,259.00
4.	022	Independent chattels	1,837,543,538.60
5.	042	The acquisition of long-term tangible assets	448,912,225.00
6.	028	Low value long-term tangible assets	1,103,748,954.33
7.	OR	Other low value long-term tangible assets	38,364,749 .24
Total			7,959,879,569.97

Comment: OR - operating records

Fixed intangible assets as of 31st December 2007

	Account number	Name	CZK
1.	012	Intangible results of research and development	49,037,562.00
2.	013	Software	426,772,727.40
3.	041	The acquisition of long-term intangible assets	294,627,773.00
4.	018	Low value long-term intangible assets	179,638,778.28
5.	019	Other long-term intangible assets	2,006,725.65
6.	OR	Other low value long-term intangible assets	21,338,607.37
Total			973,422,173.70

Comment: OR - operating records

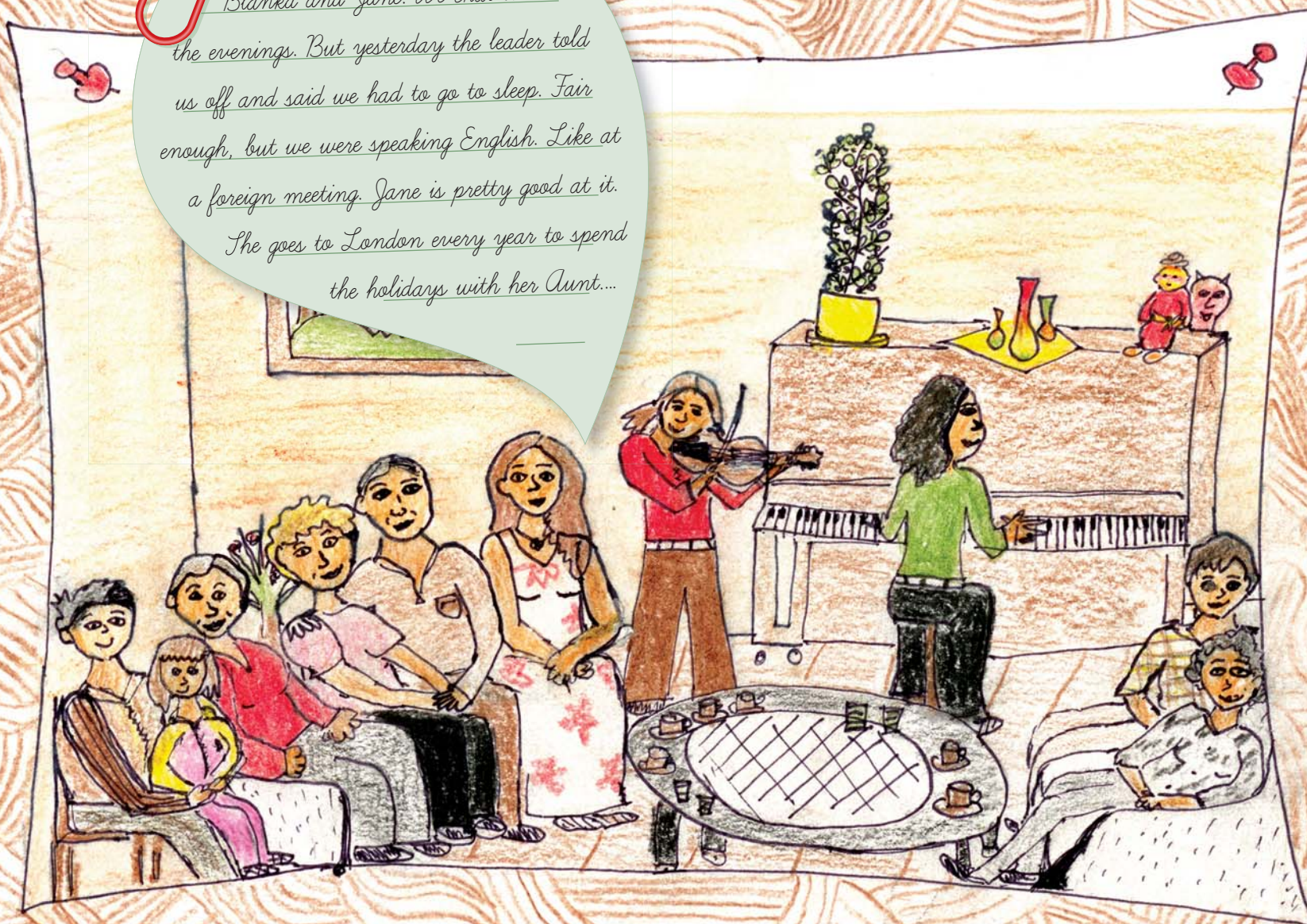
Transfers of real estate ownership

Entry, contract number	Type	Date	The transferring party	The recipient	The type of real estate
232/PH 7/06	The entry of the change in the management of the assets	2. 1. 2007	The CSSA	The Ministry of Labour and Social Affairs	Prague – Karlovo náměstí: building No. 1359, property plot No. 1257
232/PH 8/06	The entry of the change in the management of the assets	2. 1. 2007	The CSSA	The Ministry of Labour and Social Affairs	Prague – Podskalská: building No. 1290, property plot No. 1288
232/PH 9/06	The entry of the change in the management of the assets	2. 1. 2007	The Ministry of Labour and Social Affairs	The CSSA	Prague – Sokolovská: building No. 855 property plot No. 202/2 property plot No. 203/2 property plot No. 206 property plot No. 207 property plot No. 208 property plot No. 209/1
232/PH 11/06	The entry of the change in the management of the assets	22. 1. 2007	The Office of Government Representation in Property Affairs	The CSSA	Zlín: building No. 3792, property plot No. 4439
232/PH 12/06	The entry of the change in the management of the assets	29. 1. 2007	The Office of Government Representation in Property Affairs	The CSSA	Ústí nad Orlicí: building No. 43 property plot No. 1646 property plot No. 1647 property plot No. 1648 property plot No. 1608/4 property plot No. 1608/5 property plot No. 1608/6
232/PH 2/07	The entry of the change in the management of the assets	13. 9. 2007	The Land Registry for the Pilsen Region	The CSSA	Klatovy: building No. 528 property plot No. 253/1 property plot No. 2325/1 property plot No. 235/7 property plot No. 3715/5
232/SB 1/07	The contract governing the future purchase contract	2. 10. 2007	Vysočina	The CR – the CSSA	Jihlava: property plot No. 3939/4 property plot No. 3942/5 property plot No. 3942/9 property plot No. 3942/10 property plot No. 3942/12 property plot No. 3942/13 property plot No. 3943
232/BP 1/07	The contract governing the unremunerated transfer of ownership	27. 11. 2007	The CR – the CSSA	The Czech Red Cross – the Ústí nad Orlicí Regional Branch of the Czech Red Cross	Ústí nad Orlicí: building No. 840, unnumbered building – garage property plot No. 896 property plot No. 2625

She deals internationally



...I am
in a hut with Alice,
Blanka and Jane. We chat in
the evenings. But yesterday the leader told
us off and said we had to go to sleep. Fair
enough, but we were speaking English. Like at
a foreign meeting. Jane is pretty good at it.
She goes to London every year to spend
the holidays with her Aunt....



In 2007, those most interested in social security in association with the European Union were CSSA clients from the Central Bohemian Region (on average more than 1,166 operations per month), from Brno (878 operations per month) and from Prague (813 operations). Queries (98,712) exceeded applications (66,798).

The statistics concerning the operations related to the EU from 1st January to 31st December 2007

	Total cases	DLA	CSMB	Pensions	E-forms confirmed by the CSSA, excluding DLA, CSMB and pensions
January	15,705	4,703	1,840	5,078	1,950
February	14,923	4,349	1,930	5,488	1,548
March	15,537	5,067	2,037	5,356	1,470
April	15,359	5,390	1,963	5,253	1,291
May	15,976	5,388	1,800	5,566	1,565
June	14,938	5,039	1,732	5,518	1,277
July	15,177	5,553	1,843	5,103	1,262
August	15,116	5,088	1,899	5,203	1,424
September	14,178	4,696	1,844	5,180	1,182
October	17,140	6,010	2,321	5,697	1,434
November	15,808	5,337	2,137	5,583	1,267
December	12,225	4,007	1,891	4,373	927
Total	182,297	60,622	23,317	63,423	16,787

Comments:

DLA – determination of legal applicability, CSMB – cash sickness and maternity benefits.

Total cases means the sum of the cases from the individual areas (the determination of legal applicability, cash sickness and maternity benefits, insurance contributions, pensions) and other unspecified cases.

E-forms are printed forms, with which the institutions of the member states provide necessary information and certify data or which are used for applications for benefit entitlements.

The European Union

In accordance with Council Regulations (EEC) 1408/71 and 574/72 (the so-called co-ordinating regulations), the CSSA is the competent organisation for pensions, sickness and maternity benefits and cash benefits paid out in the case of occupational injuries and illnesses (this only applies to sickness and pension insurance benefits in cash – sickness benefit and disability benefit) and it assesses their legal applicability. It applies the co-ordinating regulations with regard to 30 states in Europe.

In 2007, it resolved a total of 182,297 submissions associated with social security in the European Union, i.e. in relation to the states of the EU/EEC and Switzerland. On average, the employees of the CSSA thus resolved 15,191 submissions per month, which represents a 7% increase in comparison with 2006. The most submissions in 2007 (63,423) concerned pensions. This constituted a 5% increase year-on-year. In 2007, people were further interested in the determination of legal applicability and the CSSA resolved 60,622 submissions concerning this area. As far as sickness and maternity cash benefits are concerned, the CSSA realised a total of 23,317 operations. This represents an increase of 11.7% (2,734 operations) in comparison with 2006.

International agreements

In 2007, the CSSA participated in the preparation of the new international social security agreements which the Czech Republic has concluded with other countries.

A new bilateral social security treaty between the Czech Republic and the Republic of Macedonia (No. 2/2007 Coll. of International Treaties) came into effect from 1st January 2007 and it replaced the Social Security Convention concluded between the Czechoslovak Republic and the Federal People's Republic of Yugoslavia.

In March 2007, the 3rd round of the negotiations on the conclusion of a social security treaty with Japan were held at the Ministry of Labour and Social Affairs. The treaty text was completed at expert negotiations in Tokyo in June 2007.

In April 2007, the representatives of the CSSA attended the first round of negotiations on the preparation of an international treaty with Australia. The Czech and Australian delegations informed each other of their respective social security systems and agreed to the basic contents and principles of the bilateral treaty.

In May 2007, expert negotiations took place with Korea on the preparation of the administrative agreements for the implementation of the Czech-Korean social security treaty. The treaty was signed on 14th December 2007 and it will probably come into effect in 2008. This involves the very first treaty document regulating legal applicability and pension insurance in our mutual relations.

At the beginning of September 2007, a new social security treaty, including the administrative agreement, was also signed with the USA. The documents regulate the area of

pension insurance and the assessment of legal applicability. The ratification process is ongoing in the Czech Republic and the USA and the treaty is expected to come into effect in 2009.

International projects

In October 2007, the CSSA submitted six applications to the regional offices of the State Environment Fund (SEF) of the Czech Republic within the framework of the utilisation of the EU Structural Funds (SF) (for the 2007–2013 period). This involved priority projects for the sustainable use of energy resources. All of the applications were approved by the SEF and included for further assessment. In December 2007, the CSSA submitted a further six project plans from the Integrated Operating Programme (IOP) and the Operating Programme for Human Resources and Employment (OPHRE) via the Ministry for Labour and Social Affairs: 1. The modernisation of the human resource management and development at the CSSA, 2. Procedural support for pension reform, 3. Technological support for pension reform, 4. The client portal, 5. An electronic receiving and forwarding office at the CSSA and 6. The construction of Access Points - Czech access points into the European architecture for the exchange of standardised reports in the area of social security for migrating individuals.

The realisation of the "Audit of the Functionality and Security of the Social Insurance Information System" with a total budget of 695 thousand EUR continued in 2007 within the framework of the Transition Facility project. The CSSA's partner was the German Pension Insurance Administration for Westphalia (the DRV) and the aim of the project was to increase the security and protection of CSSA client data. The twinning section was completed in July 2007 when the final report was approved.

The realisation of the next part of the project - Technical Assistance (Part I and II) - followed on from the final report. The aim was the supply of the means and tools for the needs of the Internal Audit, Inspection and Complaints Department and the realisation of the IT security audit.

The CSSA submitted the twinning contract proposal for a further Transition Facility project involving the "Strengthening of CSSA Capacity in the Area of the Collection of Insurance in an International Environment", which the CSSA will realise jointly with its German partner, to the European Commission delegation for approval in December 2007. The costs for this twinning project have been calculated at 200 thousand EUR.

In 2007, a partner (a Finnish institution) was also chosen for a further twinning project from the area of social security co-ordination. This involved the preparation of the CSSA for the application of the new co-ordinating directives and was supposed to be realised in 2008, but the European Commission rejected it shortly before its commencement.



International conferences and meetings

A number of bilateral meetings with partners from other EU member countries took place in 2007 within the context of the membership of the Czech Republic in the European Union and the role of the CSSA. CSSA specialists also participated at the meetings of the bodies of the Administrative Committee for the Social Security of Migrating Individuals within the framework of the EU and the Working Group for Social Questions in Brussels, which discussed the proposal for the new co-ordinating directive. CSSA specialists represented the Czech Republic at the meetings of the Technical Committee focussed on international data exchange. The CSSA also had representatives at the level of the working bodies established by the Administrative Committee for International Data Exchange in association with the preparation for the application of the new co-ordinating directives. These ad hoc working groups for the areas of legal applicability, pensions, institutions and identity management started work in the first quarter of 2007.

The representatives of the CSSA were also actively involved in the preparation of the Czech Republic for the Presidency of the EU at the level of the resort bodies.

In February 2007, a CSSA delegation attended the 5th European colloquium of the German pension provider in Berlin under the title "Better Communication between European Pension Providers: The new Directive 883/2004 and its implementing provisions".

In March, a meeting of the Czech and Bulgarian contact agencies took place in Sofia in relation to the entry of Bulgaria into the EU. Its subject was the agreement of the procedures for the application of the co-ordinating directives with this new member state.

In April, a meeting of the contact agencies of the Czech Republic and Slovakia took place. Its participants exchanged opinions, including opinions about the prepared Presidency of both states in the EU Council. In the same month, the second international pension consultation days took place in Carlsbad and in Prague. The CSSA prepared these days together with the German pension provider, Deutsche Rentenversicherung (DRV). The aim was to inform citizens who have acquired insurance periods in the territory of the Czech Republic and the Federal Republic of Germany about the conditions for pension claims in both countries, how to proceed when settling a pension application, what documents are necessary for this and further information. Part of the event also included a seminar for employers.

In April, the Czech and Polish contact agencies negotiated in Prague with regard to the questions associated with health assessments, administrative procedures and the interpretation of the co-ordinating directives.

In May, a meeting with the representatives of the Slovak Social Insurance Institution took place at the CSSA headquarters. The topic was European social security law - pensions, benefits in cash during illness and maternity, legal applicability, legal provision and the recovery of receivables.

In May, a delegation of the Ministry of Labour from the Kingdom of Thailand, which was interested in the organisation of social security in the Czech Republic and the activities of the CSSA, visited the CSSA. In the same month, a meeting of the Czech and German contact agencies for the area of pensions took place in Bochum with the aim of specifying and elaborating the procedures for the providers of pension insurance of both states.

In June 2007, a delegation from the Committee for Labour and Social Policy of the National Assembly of the Republic of Bulgaria visited the CSSA. The Bulgarian politicians were interested in the prepared Sickness Insurance Act in the Czech Republic.

In July, a meeting of the Czech and Hungarian contact agencies for pensions and legal applicability took place in Hungary, during which information was especially exchanged about the systems used in both states and the procedures during cooperation.

In September, Chinese and Korean delegations visited the CSSA. The Korean delegation discussed the prepared social security treaty and administrative agreements between both states. The Chinese specialists were interested in the realisation of the administration of social security in the Czech Republic, in the inspection systems and in the CSSA's procedures during the resolution of specific problems. A meeting of the Czech and Rumanian contact agencies took place in Bucharest and the procedures were agreed for the implementation and interpretation of the co-ordinating directives in association with the accession of Rumania to the EU.

In October 2007, the CSSA and the German pension insurance provider (the DRV) held the third Czech-German consultation days concerning pension insurance, this time in Munich. Representatives of the Labour and Social Security Authority from Shanghai had meetings at the CSSA headquarters. Meetings of the Czech and Austrian contact agencies also took place in Prague, within the framework of which interpretational and administrative/technical questions concerning pensions and the assessment of legal applicability were resolved.

A Moldavian delegation visited the CSSA in November. The working meeting took place within the framework of the technical assistance which the Minister of Finance of the Czech Republic provides during the convergence of Moldavian legislation with European Community law. The CSSA was also visited by the representatives of Bulgarian institutions, so that they could acquaint themselves with the CSSA's information system for the administration of the free movement of individuals in the area of the assessment of legal applicability. A meeting of the Czech and Austrian contact agencies which especially concerned pensions and the assessment of the legal applicability also took place in Prague. The cooperation during electronic pension data exchange and the data from European forms (E-forms) was the main subject of a meeting of the representatives of the CSSA and the German providers of insurance in Prague in the same month.

In December, an expert meeting took place with the German contact agency in Bonn. The topic was cooperation during the recovery of receivables.

The CSSA is a member of two international organisations – the ISSA (the International Social Security Association) and EUMASS (the European Association for Doctors with Involvement in Disability Assessment Medicine and Healthcare Cost Control) and it also contributes to the activities of ESIP (the European Social Insurance Platform). The preparation of the meeting of the 12th EUMASS Congress, which will take place on 5th to 7th June 2008 in Prague, also began in 2007.



She is moving on

We
also spoke about
computers. The girls play
computer games too. Blanka has
the same game at home as me. She
has already reached an advanced level.
Like you, Dad. When I come home,
will you show me how to beat that
animal? So that I can finally
move on?



By 31st December 2007, the CSSA had received a total of 12,430,396 P/O, 8,797,565 ELDP and 962 Summaries of the Earnings and Expenses of Self-Employed Individuals electronically (from when the CSSA had first enabled e - Submissions). Organisations or self-employed individuals thus successfully sent the CSSA a total of 21,228,913 forms electronically via the state sector portal or on a CD-ROM or diskette.

As of the end of 2007, a total of 46,027 organisations (of which 20,788 employed more than 25 employees) had registered with the CSSA for the e - Submission of forms. At the end of 2007, there were 29,893 such organisations and they employed a total of 3,173,533 employees. This means that as of 31st December 2007 almost 70% of organisations with more than 25 employees used e - Submissions for CSSA forms. 25,239 small organisations (up to 25 employees) and 1,184 self-employed individuals also submitted forms electronically.

Personal pension insurance information sheets

The project of individual accounts for insured persons (IAIP) was fully functional in 2007. As well as the provision of personal pension insurance information sheets (PPIS) to clients, the CSSA added information about military service, data from Labour Exchanges and information on the receipt of an invalids' benefit to the IAIP.

The PPIS involves a statement of the period of insurance from the individual's electronic account recorded at the CSSA. Thanks to these statements, people can be regularly informed as to the period of insurance which the CSSA has recorded in their case and check if their employer has fulfilled its legal obligations and has sent the necessary documents, especially the Pension Insurance Records, to the CSSA. As well as information on the period of insurance and the compensatory insurance periods, the personal pension insurance information sheets also include a summary of the assessment basis and any suspension periods from 1986. Each client can request a PPIS to be sent once a year. The CSSA provides this free of charge. The CSSA provided PPIS to 132,479 clients as of 31st December 2007.

e - Submissions

The CSSA has enabled the electronic submission (e - Submission) of documents since 2005. At that time, it launched the e - Submission of Pension Insurance Records as the first state sector organisation in co-operation with the Ministry of Information Technology and later it also introduced the e - Submission of the Registration/De-registration of Employees for Sickness Insurance via the Public Services Port (P/O).

Since 2006, the CSSA has expanded its services to include the e - Submission of the *Summaries of Earnings and Expenses for Self-Employed Individuals*. In 2006, the system for the receipt of e - Submission (the so-called DIS system - the interface via which the CSSA receives submissions from PVS) was stabilised. The e - Submission system was used by the clients and the employees of the CSSA at an extent, for which it was not designed and it was necessary to significantly strengthen it in such a way so that it guaranteed reliable functions and the fluent processing of all e - Submissions at CSSA office. After the successful implementation of Version 3 of the DIS system in January 2007, the fluency of the processing of the individual submissions significantly increased. During 2007, the logic tests were regularly modified according to the requirements of the specialist departments. The replacement of the encoding certificate was accompanied by an information campaign for the users and suppliers of wage systems about the termination of the CSSA's system of signature keys. Their validity will gradually end from September 2007, which has also manifested itself in the increasing share of qualified certificates for registered authorised employees. Version 4 of the DIS was launched at the end of 2007.

Transformation and infrastructure projects

Work continued on a number of projects at the CSSA in association with the CSSA's Management and Administration Information System (MAIS) programme.

In 2007, for example, this involved the "Building of the Core Records - the Register of Insured Individuals" transformation project. This included two sub-projects - the Core Records and Insurance Relations. Apart from other things, the old variants of the Core Records were replaced with a new one = KE2. This meets the new requirements, secures the information requirements for other projects, secures the consistency of data and enables harmonisation with new projects. The CSSA brought the new Core Records 2 application into operation as of 30th September 2007. The work on the Insurance Relations sub-project continued by means of the extension of the application's functions and the modification thereof in accordance with the changes in legislation. In 2007, the CSSA launched the part of the Insurance Relations Project focussed on the insurance relations of employees.

The Execution and Bankruptcy project was given priority in 2007 with regard to the enormous increase in the number of submissions associated with execution deductions. The result will be an application for a decision on execution deductions (and the amount thereof) deducted from a debtor's pension and paid to the authorised party, i.e. a subject outside the CSSA. Work took place intensively on the project at the CSSA in 2007 so that the application could be partially launched in 2008 and fully functional in the 1st half of 2009.

A further application which forms part of the CSSA's economic information system (EIS) enabled the central payout of sickness insurance benefits for the employees of small

organisations and for self-employed individuals from June 2007. The calculation of the sickness insurance payouts continues to be realised at the appropriate territorial offices, but the actual payout has been centralised from the CSSA headquarters. In future, the CSSA also wants to resolve the payout of pensions and all other benefits/deductions paid by the CSSA within the framework of this project.

In 2007, the CSSA further developed the Document Management System (DMS). This is an application which enables the administration and storage of electronic documents and the management of their circulation. At the end of 2007, the DMS already contained 180 million electronic documents.

The infrastructure projects in 2007 were focussed on building the operating environment - the integration, training/testing and production environments. Work also continued on improving the network infrastructure and the data storage facility. At the same time, work also continued on the modification of unsuitable technology and the innovation of the network components.

The CSSA also strengthened the data access security. Amongst other things, it introduced chip cards for all its employees in 2007. The employees used these cards to log into the network and for access to applications. The operated central user account administration system and the access authorisations, the so-call AAA portal, were also associated with the cards in 2007. In future, this should also involve the secure access of clients to their data (the individual accounts of the insured parties) via a web interface. The CSSA will request the funds for building the client portal within the framework of the "European" projects mentioned above.

Further projects realised in 2007 were also associated with the European Union. For example, the preparation of electronic data exchange within the framework of the EU/EEA, the intensive preparation of which the CSSA commenced in 2007. Electronic data exchange should replace paper communication between the institutions of the EU member states.

In 2007, the CSSA also worked on the Electronic Exchange of Social Security Information (EESSI) project. This project should result in an electronic system for information exchange in the area of the social security of migrating individuals. In other words, this involves the establishment of a Central Message Relay (CMR) administered by the European Commission, via which all the standardised reports sent between the institutions of 27 member states will pass. A further project - the Protection of Transferred Data - is directly associated with this in order to ensure that the transfer is only used for the given purpose and at the essential extent and so that the data is protected against abuse.

She will tell more





I have
already
written a long
letter. But it's nice
writing here in the sun. And the
mushrooms which we found yesterday
smell nice. The cook is cooking them for our
lunch. They are calling us for lunch
now. So I will tell you
more when I get back.

The client centres (or the information centres at the DSSA/PSSA/MSSA and the CSSA headquarters, if there is no client centre) have provided services to the public every workday for a number of years. In 2007, they did so at least to the following extent: Monday and Wednesday from 8:00 am to 5:00 pm, Tuesday and Thursday from 8:00 am to 2:00 pm and Friday from 8:00 am to 1:00 pm.

The Information Office

From 1st January to 31st December 2007, the employees at the Information Office at the headquarters of the Czech Social Security Administration resolved 102,015 client queries. In practise, this means that an average of 406 clients contacted this office every day. Almost 63 thousand people came to the office in person. The demand for even more services from the Information Office grew. In 2007, the office's employees received 5,790 requests concerning social security in the European Union or according to international agreements, they provided copies of records to 10,108 clients and they secured the preparation of the confirmation of pension amounts for 4, 419 people. Within the framework of the delivery of the written materials by means of public notices posted on the office notice board at the Information Office, 230 undelivered documents were posted. Clients in difficult situations were provided with pension advances or additional payments in cash at a total amount of 42,975,622 CZK in 2,347 cases. In practise, this represents a threefold increase in the volume of the thus paid pension advances and additional payments in the last ten years.

The Call Centre

In 2007, the employees at the CSSA Call Centre dealt with a total of 135,950 telephone calls. That represents approximately one third (30,677) more queries than in 2002, when this workplace began to provide its services to the public. In practise, this means that the Call Centre resolved an average of 541 phone calls every workday last year. Requests for information in specific pension matters and queries and requests concerning the payment of pensions were most frequent. The Call Centre also processed 648 faxes and 2,232 requests submitted by electronic mail from the DSSA/PSSA/MSSA. Clients were further provided with 4,087 confirmations of pension allocations and 414 payments of pension instalments were made in cash via the CSSA cash desk. Moreover, 14,414 client demands were submitted to the specialist sections for settlement.

One of the CSSA's priorities is the fast provision of good quality services and information to its clients. Clients can contact the Information Office located at the CSSA headquarters, the client centres and the information offices at the individual DSSA, the Call Centre and, last but not least, visit the web site at <http://www.cssz.cz>. The Czech Social Security Administration also works with the public and commercial media.

The client centres

More than half of the total of 92 CSSA (DSSA/PSSA/MSSA) offices had a client centre in 2007. Their modern systems provide a guarantee of fast and smooth services for the public, the necessary privacy and security and wheelchair access. In 2007, the CSSA opened six client centres at the new offices in DSSA Prague East, PSSA office No. 72, PSSA office No. 75, PSSA office No. 79, DSSA Prachatice and DSSA Liberec.

The media

In 2007, the areas administered by the CSSA or the CSSA itself were the source of a total of 1,123 media pieces. This number only included the media which the CSSA regularly monitors (the national dailies, public television and radio, etc.). The monitored media published or televised 723 reports based on the CSSA's own activities (the publication of press releases, the holding of events and so on). This means that more than 64% of all media pieces in 2007 were in reaction to the Czech Social Security Administration's own media activities. The media issued the remaining 400 pieces of information as their own topics. However, the CSSA also often contributed to them. This number includes contributions arising from the 538 media queries, which the CSSA answered in 2007.

In the interests of completeness, it is necessary to add that the CSSA issued a total of 100 press releases and held 5 press conferences or other media events in 2007.

The Website

The CSSA earlier decided to reconstruct its web presentation in such a way so that it corresponded to the current trends in the area of IT and to the rules of the accessible web designated by the Ministry of Information Technology of the Czech Republic. Therefore, a new website was created in 2007. It was harmonised with the original internet presentation which was updated and subjected to linguistic and stylistic alterations, as well as to the proof reading of its contents.

In December 2007, the CSSA launched the new website for the wider public. Initially, the original web was maintained so that the latest content modifications could take place and the CSSA was then able to inform the public using a single modern, user friendly and barrier free internet presentation from 2008 onwards.

The new web offers visitors a number of useful functions, for example the sending of new items by e-mail, the sending of specific pages, the possibility of switching the web to a text version and of course excellent full-text searches either in the entire web or just in a selected part thereof. From a visual point of view, it corresponds to the CSSA Graphic Manual and it therefore constitutes the notional culmination of the uniform graphic design of the Czech Social Security Administration. Within the framework of the reconstruction of the CSSA, the structure of the entire web was also harmonised in such a way so that it is transparent, intuitive to navigate, comprehensible and accessible to all visitors.

The regular updating of the web and the generally greater accessibility of the internet also had an influence on the growing number of hits at the CSSA website. Whereas in the first three months of 2006 an average of 6,592 people visited the CSSA website every day, this number was 9,118 people in the first quarter of 2007, which constitutes an increase of 2,526 visitors. In absolute numbers, the CSSA website was viewed by 578,972 people in the 1st quarter of 2006, while this number was already 813,740 people from January to March 2007, i.e. 234,768 visitors more. As of 30th April 2007, the hits at the CSSA web increased further to 8,778 people. After that date, however, the hit counter ceased to work because of technical problems. The hits at the CSSA web have been monitored again since the launch of the new web. However, the evaluation uses different principles and it is based on different technology meaning that the data is not comparable year-on-year.

As well as information material, the CSSA also uses the website to publish those documents which have to be published by law. For example, the Administrative Procedure Code requires the CSSA to deliver the written material required by public regulations in a manner which enables remote access. From the beginning of 2007 to 31st December 2007, the CSSA thus published a total of 11,951 documents on its electronic official notice board, which is an average of 996 pieces of information every month. Apart from the documents delivered according to public regulations, the CSSA also publishes further information on the web every day as needed.

Publishing activities

The CSSA regularly published the National Insurance monthly magazine in 2007. Its 38th volume was published in an average print run of 11,000 copies per month. The magazine published more than 140 articles concerning social security and 121 consultations. The National Insurance editorial team worked with approximately 60 regular contributors.

With regard to one-off materials, the CSSA issued the following publications for the wider public in 2007:

- the “*Individual Insurance Accounts*” flier which was printed in Czech in 100,000 copies, the CSSA also published it electronically in English and German,
- a publication in Czech entitled “*Social Security 2007*” with an overall print run of 50,000 copies,
- the “*Medical Assessment Service*” flier which contained current information about the activities of this part of the CSSA. It was published in Czech in a print run of 100,000 copies,
- the “*Self-Employed Person’s Guide to the Area of Social Security in 2007*” publication. This was also designated for the wider public and the CSSA issued it in a total print run of 100,000 copies,
- a publication in Czech entitled “*A Guide for Future Pensioners in 2007*” in a print run of 150,000 copies,
- the “*Sickness Insurance from 1st January 2008*” flier which informed of the changes in sickness insurance and other Sickness Insurance payments from 1st January 2008. The CSSA issued it in a print run of 150,000 copies.

All of the aforementioned material was available to the wider public at all of the offices of the CSSA throughout the Czech Republic and also in electronic form on the CSSA website.

Apart from the aforementioned printed material which was based on the editing plan, the CSSA also issued the “*Map of CSSA Offices*” in 2007. This involves 500 pads with 25 removable sheets in the A2 format which contain contact information for all of the CSSA workplaces and are used as a source of information at the client centres and for the work requirements of the CSSA’s employees.

As in previous years, the CSSA published the “*2006 Pension Insurance Statistical Yearbook*”, the “*2006 CSSA Activity Report*” and the “*2006 CSSA Annual Report*” in 2007.

Office hours

All CSSA offices are open to the public on all workdays:

The CSSA headquarters

Monday and Wednesday	8:00 am – 5:00 pm
Tuesday and Thursday	9:00 am – 2:30 pm
Friday	9:00 am – 2:00 pm

The regional and district offices

All of the regional and district offices are open to the public every day, at least to the following extent:

Monday and Wednesday	8:00 am – 5:00 pm
Tuesday and Thursday	8:00 am – 2:00 pm
Friday	8:00 am – 1:00 pm

As well as coming in person, clients can also contact the CSSA Call Centre by telephone on + 420 257 062 860 in working hours:

Monday and Wednesday	8:00 am – 5:00 pm
Tuesday and Thursday	8:00 am – 2:30 pm
Friday	8:00 am – 2:00 pm

Contact information

Website: <http://www.cssz.cz>

The CSSA headquarters

Address: Křížová 25, 225 08 Prague 5
The telephone exchange: +420 257 061 111
Fax: +420 257 063 360
E-office: posta@cssz.cz

All the best. I will write again soon. So bye-bye and I am sending you a kiss and a picture of the sun.

Idenka



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