STANDARD SUMMARY PROJECT FICHE

1. Basic Information

1.1 Désirée Number: CZ01-08-02
   Twinning Number: CZ01/IB/SO/02

1.2 Title: Testing the preparedness for the application of EC social security legislation

1.3 Sector: Social Affairs

1.4 Location: Ministry of Labour and Social Affairs (MoLSA), Ministry of Health (MoH), Czech Social Security Administration (CSSA) future Social Insurance Agency (SIA), General Health Insurance Company and other Health Insurance Companies

2. Objectives:

2.1 Overall Objective(s):
   The project's objective is to enable the Czech Republic to take the obligations of membership, including adherence to the aims of political, economic and monetary union.

2.2 Project Purpose:
   To ensure preparedness for implementing the EU social security (Soc.Sec.) legislation (Regs. 1408/71, 574/72) by the time of Accession.

2.3 Accession Partnership and NPAA priority
   The Accession Partnership highlights the following priorities:
   • To reinforce administrative structures required for co-ordination of social security.
   • Medium-term: continue health care and pension system financing reforms; reinforce the related administrative structures and those required for the co-ordination of social security.

   The NPAA (July 2000) highlights the need of:
   • professional training of new employees;
   • changes in the sphere of competent national institutions, their personnel reinforcement and technical improvement will be gradually carried out until the year 2003;
   • the internal communication strategy and a further public education campaign;
   • establishment a specialised workplace for the foreign agenda of the Czech Social Security Administration which would carry out all the tasks resulting from the EU agenda (planned for 2001);
   • Strengthening of the insurance principle;
   • Making the social insurance system financially more stable by restricting measures both on the side of incomes and on the side of expenditure.
3. Description

3.1 Background and justification:
The Czech Republic is obliged to be ready to guarantee to the EU citizens and to members of their families the right to enforce their social security entitlements in the CR without discrimination. This field of social security of migrant persons is governed by Council Regulations Nos. 1408/71 EEC and 574/72 EEC and by a number of decisions of the Administrative Commission for social security of migrant persons which stipulates the right of individuals. These pieces of acquis are directly applicable on the territory of Member States and do not require a transposition into national legislation.

To reach this aim it is necessary to pay special attention to the process of preparation of the administrative structures for application of EC regulations in the sphere of social security for migrant persons and also to the co-ordination of health and social insurance system. With the assistance of the Phare and Phare – Consensus programmes the first necessary steps for the adaptation of existing institutions, their technical equipment and administrative procedures to implement the above mentioned EC Regulations were identified and already taken. On the basis of the recommendations of the Phare – Consensus project also the Inter-Institutional Commission for the co-ordination of social security between the CR and The EU has been established in order to prepare and subsequently co-ordinately implement the National Action Programme of the CR aimed at a gradual implementation and future application of the co-ordination standards. The Commission consists of representatives of all state bodies involved (both central and regional), executive institutions (CSSA – future SIA, Health Insurance Companies) and social partners.

The project is focused on three most important institutions involved in co-ordination of social security – MoLSA, CSSA and MoH. Furthermore, in case of CSSA and MoH the project is extended of Review of CSSA and comparison of health care standards which are considered as very close with social security and this project wants to introduce health care standards for migrant persons in proper way (to guarantee equal treatment for EU and Czech nationals). Each of these parts has an individual component of this project. The components are following:

Component A - Co-ordination of social security activities (concerning all involved institutions as MOLSA, MoH, CSSA/SIA and also Health Insurance Companies, District Offices and Labour Offices).

This component is aimed to complement project from Phare Consensus Programme (see chapter 3.2 Linked Activities) and to analyse and improve the capacity of central institutions (its staff) which will be responsible for implementing EU social security legislation. The professional skills of relevant staff will be tested by EU experts in the form of case studies in order to apply Social Security legislation in its full depth and extent.

The problem in this process should be the capacity of people which are involved to work within the field of social security of migrant persons. For example the Czech Social Security Administration (CSSA), which is the body competent to fulfil the task in pension and sickness insurance – to collect premiums, calculate and pay out
pensions and sickness insurance benefits and to carry out medical assessment in relation to foreign nationals and bodies or insurance companies of other states) does not have a specialised department which would deal exclusively with the preparation of co-ordination under EC Regulations. This department is expected to be set up in 2001.

The knowledge of employees concerning the Community social security legislation is inadequate in relevant institutions. For these reasons MoLSA made decision to deal with this problem both with experts from the ministry and EU experts via continued lectures within the Phare programmes.

**Component B  - Assessment of performance of the Social Insurance Agency** (SIA)

In order to ensure the insurance principles of the basic compulsory scheme and in order to increase transparency of its financial flows, its financial and institutional detachment from the state budget, by means of establishing a new public-legal institution (the Social Insurance Agency) will be carried out (see chapter 3.2 Linked Activities).

The Law on transformation of Czech Social Security Administration (CSSA) into the Social Insurance Agency was approved by the Czech Government in October 2000. The actual separation of pension and sickness insurance from the state budget should take place on 1 January 2002, when the Czech Social Security Administration is transformed into a new institution.

At the time when this project will be starting, the CSSA will be at the end of an important period. During the years 2001-2002 it will be transformed into the Social Insurance Agency – SIA. This transformation represents important and thorough organisational, technical and legislative changes in this institution. Project from Phare 2000 participates at these changes as well. The end of the period is at the same time a beginning of the operation of the transformed institution.

The proposed component should in detail assess the state of this new institution, its readiness to the qualitatively new operation, new responsibilities resulting from accession to the EU, its nearest future and midterm stability. The transformation and improved operation are at the same time preconditions for essential steps of the Czech pension system reform, as the present situation in the CSSA does not allow for more important changes due to non flexible and non-competitive structure (in comparison with the other compatible systems as Banks, Financial Offices, Health Insurance Companies). This component will be also focused on the newly established SIA department for foreign agenda, which would carry out all the tasks resulting from the EU agenda (including the co-ordination rules).

This project component could be a basis for next continuing mechanism of Reviews which will be implemented in regular intervals and from the Social Insurance Agency sources. The reason why this project requests an assistance from the side of EU experts is that it is really for the first time when such an institution as SIA will be assessed through Review. On top of this the SIA should be after the transformation comparable to similar EU institutions. Therefore it would be desirable to include EU experts with practical experience knowing the most important aspects and factors for smooth operation of similar institutions in EU Member States.
Component C - Comparison of EU and CR health care standards

There is no general system of monitoring and quality assurance of delivering health care in the Czech Republic. Nevertheless, a few activities are developed by the groups of experts who are preparing the Standards of Quality of health care and Accreditation System. The purpose of the project is to implement the System of health care quality assurance compatible with European Foundation for Quality Management model (EFQM) and guaranteeing of patients rights to be in compliance with requirements of free movement of persons.

3.2 Linked activities:

The project under CONSENSUS III programme „Implementing EU Co-ordination Rules as decided by Regulation 1408/71 and 574/72“ is aimed not only at the MoLSA and CSSA but also at the other involved institutions covered by the regulations 1408/71 and 574/72. The project will start by mid 2001. This project has 8 modules. Relevant modules for this project are mainly the following:

- **Training of Staff** (co-ordination regulations and the specificities of the national social security system),
- **Development of self study materials** (The development of a self-study package in EU co-ordination rules) and
- **Organisation of specialised seminars** (to inform all concerned authorities of the possible problems and consequences of the implementation of Regulation 1408/71) and
- **Assessment of Health Care Costs**. All these modules are more generally oriented and providing basic information and orientation within the field. The proposed project should provide general testing of knowledge/skills developed within CONSENSUS III via solving case studies in order to analyse the performance of staff responsible for co-ordination of social security, and the focus on targeted training for the relevant staff in areas where the need for improvement has been identified by these case studies.

As concerns informational materials and brochures we would like to upgrade the old materials eventually to continue in work started under CONSENSUS III.

The project **CZ 2000-07-01 „Support to Pension Reform,“** under Phare 2000 programme. The main purpose of this project is to assist within the transformation of CSSA into SIA. Project will start in second half of 2001. The twinning partner within this project is Regional Pension Insurance Institution (LVA Westfalen) from Germany.

Project 2001 will follow this project to review administrative capacity and efficiency of newly established SIA and its procedures.

Under Phare 1992 MoH had project “**Development of primary Care in the Czech Republic**” No. CZ 9201-24.01-L002 – (Final Report April 1997). The main objective of this project was the strengthening of the role of primary care in the system of health care delivery and the integration of services including social services into the system.

Under Phare 1997 MoH had project “**Development of integrated primary health care**” No. CZ 9703-01-02-06-01-0042. The main objective of this project was to test in pilot regions the tools of quality improvement for implementation at the national level. This project finished in December 2000.
3.3 **Results:**

Main results in this project are:

i) Social Security Administration improved and fully compatible with MS (A,B);

ii) medium term projection of personal and technical background of the Social Insurance Agency (B);

iii) recommendations concerning a new system of work organisation, proceedings, control mechanisms in the range of social security administration in the Czech Republic with concerns to the administration background of pension system and creating of modern system for communication with public (B);

iv) Established system of health and health-social care standards for providing services in the framework of public health insurance compatible with European Foundation for Quality Management (EFQM) model (C);

v) Fully trained staff of relevant institutions for implementation of Social Security legislation for migrant workers on the base of application of case studies (Member State best practice which will cover the entire spectrum of social security administration) and evaluation criteria (specific model of evaluation verified by the Czech side) (A,B);

vi) Informative and instruction materials are available (A,B,C);

vii) Staff capable of applying Social Security legislation in its full extent (A).

3.3 **Activities:**

1) Draft/make available specific case studies of Member State best practice in order to cover the entire spectrum of social security administration (A,B,C);

2) Carry out practical examination of staff capacity through the application of the case-studies and evaluation criteria (course participation, interview and written test based on case studies) (A,B,C);

3) Implement targeted training for the relevant staff in the areas which have been identified as most needing improvement (short term courses + re-evaluation) (A,B,C);

4) Propose specific measures which will lead to improvements in social security administration (A,B,C);

5) Organise study visits/internships through which key decision-making staff will have witnessed first-hand different MS systems in practice, and will have gained valuable experience vis-à-vis application in the Czech Republic (A,B,C);

6) Finalise self-study information and instruction materials on all social benefits both for clients and officials, if necessary (A,B,C);

7) **External Review of the Social Insurance Agency,** which will result in draft methodology for future regular annual reviews of SIA (B);

8) **Analysis, medium term recommendations, elaboration of methodology for regular reviews, preparation of seminars** (B);

9) **Specialised workshops and training seminars** for Social Insurance Agency (SIA) employees (B);
10) To elaborate studies and analyses of the related EU legislation, European systems of quality, patients rights and health-social care co-ordination (C);

11) To elaborate medical nursing and health-social care standards (C);

12) Organisation of specialised seminars, workshops and training concerning on health care workers, involved judges, officials, patients organisation etc (C);

Twinning will be used for this project. Following experts must be available for performance of the whole project:

**Pre-Accession Adviser** (PAA) for 12 months, who will be located in MoLSA, should have at least five years of practical experience in co-ordination of social security and the requirements of Council regulations Nos. 1408/71 and 574/72. The PAA, who will co-ordinate the inputs of a series of short-term experts, be responsible for overall project implementation, ensure partner institution co-operation, should have senior management experience and necessary skills from working in relevant institution acting in the field in EU Member State and should be fluent in English (written/spoken).

Total input of short term experts (see details below) is estimated between 35-40 man-months.

**Component A:**

i) one **Short-Term Expert** (ST expert) for 5-day missions focused on delivering case studies to individual staff/departments of representative institutions in the key areas of social security legislation and undertaking initial evaluation according to agreed evaluation criteria (at least 12 missions);

ii) one **Short-Term expert** for 5-day missions focused on training individual staff/departments of representative institutions in the areas pinpointed as needing attention and undertaking re-assessment according to the agreed evaluation criteria;

iii) one **Short-Term expert** for finalisation of self-study information and instruction materials on all social benefits both for clients and officials (2 person-months);

iv) delivery of workshops, training seminars, information materials and brochures.

All short term experts should be specialised in specific field of social security co-ordination (e.g. social insurance, family benefits, unemployment benefits, health insurance etc.

**Component B**

Six **Short-Term Experts** (10-14 man-months in total) for individual parts of Review (analysis, medium term recommendations, elaboration of methodology for regular reviews, preparation of seminars). The main focus will be on:

- internal control and administration,
- organisational structure,
- support IT system,
- financial system, mainly its system of solidity management.
**Target groups of workshops and training seminars:**

1) SIA’s top management (ca 40 persons);
2) SIA’s + MoLSA medium level management (ca 100 persons);
   members of individual project teams (of currently running projects at CSSA) and representatives of contractors (ca 300 persons).

**Component C**

Two medium and four short-term experts according to the concrete tasks in the field of:

- EU legislative - 1 short term expert for 2 man/months;
- EU improvement and quality control systems (1 medium term expert for 5 man/months plus 1 short term expert for 1 man/month);
- Implementation of patients rights - 1 short term expert for 2 man/months;
- Health – social care co-ordination - 1 medium term expert for 5 man/months plus 1 short term expert for 1 man/month.

The main task of experts will be comparison of EU and Czech system in above mentioned fields, proposal of model on the basis of the Czech conditions, the presentation and preparation of the training curricula. The outputs of this sub-component will be introduced and pilot tested in all 14 regions of the CR via regional health authorities.

4. Institutional Framework

4.1 *Ministry of Labour and Social Affairs (MoLSA)*

MoLSA is a central department of the State administration and is responsible for labour relations, occupational safety, employment and training, collective bargaining, civil service, wages and other forms of remuneration, pensions and sickness insurance, social protection, family and child affairs, care for vulnerable groups and other issues of wage and social policy. The number of MoLSA staff is ca 550 persons.

4.2 *Czech Social Security Administration (CSSA)/SIA*

The main tasks of the CSSA are to collect contributions for the basic pension insurance system, the sickness insurance scheme and the system of state employment policy (unemployment insurance and employment policy programs). And to arrange the calculation and payment of benefits from those schemes as well as the keeping of records on insured individuals (excluding the system of state employment policy).

CSSA is divided into the Central Administration (with offices in Prague) and District Social Security Administration (76 administrations), to which is associated the Prague Social Security Administration (PSSZ). Between the central and the district administrations there also exist detached workplaces of the Czech Social Security Administration at the level of the former regions (DPSSZ, 7 administrations). The number of CSSA staff is ca 6 500 persons including the district branches.
4.3 **Ministry of Health**

Ministry of Health of the Czech Republic is the central authority of the executive for the health care, public health protection, health research activity, institutions in its direct management, for searching, protection and exploitation of curative sources, nature curative spa and sources of natural curative mineral water, on the field of pharmaceuticals and medical devices for prevention, diagnostics and treatment, health insurance and the health information system.

4.4 **Inter-Institutional Commission for the co-ordination of social security between the CR and the EU**

This Commission has been established on the basis of the recommendations of the Phare-Consensus project and its primary task for the co-ordination of social security between the CR and the EU of a non-legislative nature is to propose measures aimed at securing the co-ordination of the Czech social security system, particularly in the field of institutional, personal and technical aspects.

5. **Detailed Budget (in M€):**

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>Investment Support (I)</th>
<th>Institution Building (IB)</th>
<th>Total Phare (=I+IB)</th>
<th>National Cofinancing *</th>
<th>IFI</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Contract (1) Twinning Covenant</td>
<td>1.2</td>
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<td><strong>Total</strong></td>
<td><strong>1.2</strong></td>
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<td><strong>1.20</strong></td>
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<td><strong>1.20</strong></td>
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</table>

*The Czech side will finance: organisation of international conference, seminars, workshops, source materials, web presentations etc. Publication for general public, publication based on case studies, costs related to PAA, his/her assistant and ST experts, equipment, running costs etc.

6. **Implementation Arrangements**

6.1 **Implementing Agency**

The CFCU will be the Implementing Agency. Project implementation will be under direct responsibility and co-ordination of the Ministry of Labour and Social Affairs and National Training Fund.

6.2 **Twinning**

The main beneficiary institution will be MoLSA, MoH, CSSA/SIA, Labour Offices, Health Insurance Companies. The Project will be co-ordinated by MoLSA: The Contact Person is **Mr Miroslav Fuchs**, Director of the European Integration and International Relations Department, tel. +420 2 21922300, fax +420 2 21922223, e-mail miroslav.fuchs@mpsv.cz
6.3 **Non-standard aspects**  
The "Practical Guide to Phare, Ispa & Sapard contract procedures" shall be followed.

6.4 **Contracts**  
(1) Contract – Twining Covenant is foreseen - 1.2 M€

7. **Implementation Schedule**

7.1 Start of tendering/call for proposals 9/2001  
7.2 Start of project activity : 2/2002  
7.3 Project Completion : 9/2003

8. **Equal Opportunity:**
Equal opportunity principles and practices in ensuring equitable gender participation in the Project will be guaranteed.

9. **Environment** N/A

10. **Rates of return** N/A

11. **Investment criteria** N/A

12. **Conditionality and sequencing**  
At present, the classification of non-contributory benefits from the system of the state social support is undergoing with the aim to determine benefits which should fall under the co-ordination regulations No.1408/71 and 574/72. An amendment to the State Social Support Act is under preparation which provides for the so-called non-contributory family benefits in the meaning of the EU Regulations. The amendment will be submitted to the Government by the end of 2000; the expected date the Act will come into effect is January 1, 2002. This proposal is intended to facilitate the provision of the most important, so-called family allowances - child allowance, according to co-ordination regulations, whereby the child's claim will no longer be dependent on the family's income level.

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**ANNEXES TO PROJECT FICHE**

1. Logical framework matrix in standard format  
2. Detailed implementation chart  
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)  
4. List of relevant Laws and Regulations
ANNEX 1

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX FOR</th>
<th>Programme name and number:</th>
<th>CZ01-08-02</th>
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</thead>
<tbody>
<tr>
<td><strong>Project</strong></td>
<td>Testing the preparedness for the application of EC social security legislation [(Regs. 1408/71, 574/72)]</td>
<td><strong>Contracting period:</strong> 31/10/2003</td>
</tr>
<tr>
<td><strong>Overall objective</strong></td>
<td><strong>Objectively verifiable indicators</strong></td>
<td><strong>Sources of verification</strong></td>
</tr>
<tr>
<td>• To enable the Czech Republic to take the obligations of membership, including adherence to the aims of political, economic and monetary union.</td>
<td>Acknowledgement by the European Commission</td>
<td>EC Regular Report</td>
</tr>
<tr>
<td><strong>Project purpose</strong></td>
<td><strong>Objectively verifiable indicators</strong></td>
<td><strong>Sources of verification</strong></td>
</tr>
<tr>
<td>• To ensure preparedness for implementing the EU social security (Soc. Sec.) legislation (Regs. 1408/71, 574/72)* by the time of accession.</td>
<td>• 100% success rate in Social security case study assessment for staff implementing EC Regulations 1408/71 &amp; 574/72;</td>
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<td>• Positive evaluation by the Pre-Accession Adviser and short-term experts;</td>
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<td></td>
<td>• Increased effectiveness in the implementation of Soc. Sec. legislation at the management level (60-70% of all staff involved), and further issues for improvement have been identified and agreed in an action plan;</td>
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<td></td>
<td>• Increased number of articles and presentations in the media on social security of migrant persons through central and regional publicity measures;</td>
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### Results

Within the framework of co-ordination with the EU social security schemes special attention will be given to:

**Component A** – Co-ordination of social security activities (concerning all involved institutions as MoLSA, MoH, SIA, Health Insurance Companies, District Offices and Labour Offices);

**Component B** - Assessment of performance of the Social Insurance Agency (SIA);

**Component C** - Comparison of EU and CR health care standards.

1. Social Security Administration improved and fully compatible with MS (A,B);
2. medium term projection of personal and technical background of the Social Insurance Agency (B);
3. recommendations concerning a new system of work organisation, proceedings, control mechanisms in the range of social security administration in the Czech Republic with concerns to the administration background of pension system and creating of modern system for communication with public (B);
4. Established system of health and health-social care standards for providing services in the framework of public health insurance compatible with European Foundation for Quality Management (EFQM) model (C);

### Objectively verifiable indicators

- 3-4 recent case studies for each key area under Soc. Sec. legislation applied (approx. 200 people selected the from Czech Social Security Administration – Social Insurance Agency (SIA), Health Insurance Companies, 75 District / 14 Regional Offices, 75 Labour Offices, Ministries of Defence, Interior, Justice and Finance; Ministry of Labour and Social Affairs, Ministry of Health, trained in case studies - 30 case studies in total/approx. 1 ST courses per area, each course lasting 5 days) (A,B,C);
- Recommendations made on improving the staff capacity in the key areas of weakness according to evaluation criteria (A,B,C);
- Model evaluation criteria verified by the Czech side (A,B,C);
- Targeted training delivered and staff re-evaluated successfully (A,B,C);
- Recommendations on improving institutional structures for implementing Soc. Sec. legislation adopted and implemented (A,B,C);
- Ability of staff who underwent study visits and internships to present the main findings to their own and other departmental staff for policy development (A,B,C);
- Self-study information and instruction materials finalised (A,B,C);

### Sources of verification

1. Transparent files on the time schedules for undertaking case studies within those individual Czech institutions, which will implement the co-ordination rules (A,B,C);
2. List of participants illustrating the presence from individual staff of relevant institutions on the case study/additional targeted training (A,B,C);
3. Written evidence concerning the relevant staff passing through the evaluation criteria (in form of interview and written test based on case studies/additional targeted training) (A,B,C);
4. Report recommending the improvement of the staff capacity in the key areas under Soc. sec. co-ordination including the identification of weakness according to evaluation criteria and specification of targeted additional training (A,B,C);
5. Mission reports of staff, who went on study trips/internships (A,B,C);
6. Correctly identified weaknesses as a result of case study/additional targeted training (A,B,C);
7. Media – TV, press & radio coverage (A,B,C);
8. Related amendments to the contracts between health insurance companies and health care providers (establishing responsibility to provide care in compliance with standard) by 2002 (C).

### Assumptions

- Active and consistent co-operation of all involved institutions (A,B,C);
- All staff successfully absolve the training and assessment of case-studies and are able to apply knowledge in practice (A,B,C);
- Increased media interest in the issues of implementing future EC Social Security legislation and Health care standards (A,B,C);
- Staff trained under this project are able to disseminate their knowledge and co-operate effectively with MS institutions The other areas of the acquis related to the free movement of people are harmonised (A,B,C);
- Social Insurance Agency is transformed from CSSA; well prepared and effectively functioning Insurance holder is one of the basic preconditions for Pension Reform (B);
- Determination of new strategy/policy and legislation approved by MoLSA, MoH (A,B,C);
- All tasks under the umbrella of this project are effectively co-ordinated and all people involved are well informed (A,B,C);
- Both sets of training (case study and additional targeted) is successful and capacity improved (A,B,C);
- Correctly identified weaknesses as a result of case study delivery (A,B,C);
- Training targeted to key areas of weaknesses identified (A,B,C);
- Staff pass the evaluation criteria as a result of targeted training (A,B,C);
- The study visits/internships provide valuable insight (which is further disseminated) and create foundations for ongoing exchange of information (A,B,C);
- Self-study information and instruction materials...
5. Fully trained staff of relevant institutions for implementation of Social Security legislation for migrant workers on the base of application of case studies (Member State best practice which will cover the entire spectrum of social security administration) and evaluation criteria (specific model of evaluation verified by the Czech side) (A,B);  
6. Informative and instruction materials are available (A,B,C);  
7. Staff capable of applying Social Security legislation in its full extent (A).

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
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<tbody>
<tr>
<td>• Increased awareness of the general public on all social benefits through the distribution of information materials (A,B,C);</td>
<td></td>
<td>disseminated and used (A,B,C);</td>
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<tr>
<td>• Increased overall preparedness by approx. 60-70% of staff in relevant institutions to apply the Soc. Sec. Legislation (A,B,C);</td>
<td></td>
<td>• Sufficient application of new work organisation by Social Insurance Agency employees (B);</td>
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<td>• Analysis and recommendations developed by twinning experts in close co-operation with MoLSA and SIA experts and approved by MoLSA representatives (B);</td>
<td></td>
<td>• Existing knowledge related to the quality control and standardisation properly utilised (C);</td>
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<tr>
<td>• All major/key processes and responsibilities of the SIA reviewed/assessed against the best practice in the EU Member States and relevant existing recommendations of international institutions (B);</td>
<td></td>
<td>• already existing medical standards and related technologies utilised (C).</td>
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<tr>
<td>• The recommendations for improvement and next steps placed (B);</td>
<td></td>
<td>• Acceptance of the health care quality system by relevant health care legislation by 2003 (Health Insurance Act, Health Care Act incl. tools of quality control) (C);</td>
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<tr>
<td>• Acceptance of the health care quality system by relevant health care legislation by 2003 (Health Insurance Act, Health Care Act incl. tools of quality control) (C);</td>
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<td>• Voluntary use of the methodology by health and social-health care providers by 2003 (C);</td>
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<td>• Acceptance of the health care quality system by relevant health care legislation by 2003 (Health Insurance Act, Health Care Act incl. tools of quality control) (C);</td>
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<tr>
<td>Step</td>
<td>Description</td>
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<td>1)</td>
<td>Draft/make available specific case studies of Member State best practice in order to cover the entire spectrum of social security administration (A,B,C);</td>
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<td>2)</td>
<td>Carry out practical examination of staff capacity through the application of the case-studies and evaluation criteria (course participation, interview and written test based on case studies) (A,B,C);</td>
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<td>3)</td>
<td>Implement targeted training for the relevant staff in the areas which have been identified as most needing improvement (short term courses + re-evaluation) (A,B,C);</td>
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<td>4)</td>
<td>Propose specific measures which will lead to improvements in social security administration (A,B,C);</td>
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<td>5)</td>
<td>Organise study visits/internships through which key decision-making staff will have witnessed first-hand different MS systems in practice, and will have gained valuable experience vis-à-vis application in the Czech Republic (A,B,C);</td>
<td></td>
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<tr>
<td>6)</td>
<td>Finalise self-study information and instruction materials on all social benefits both for clients and officials, if necessary.</td>
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</table>

**Twinning for all Components [A,B,C]**

- 1 MS twinning expert (12 calendar months) for capacity analysis (of all the relevant institutions represented on the Social Security Co-ordination Committee) and case study application; PAA must have minimum 5 years practical experience in co-ordination of social security and the requirements of Council regulations Nos. 1408/71 and 574/72.
- 12 x (minimum) 5-day missions of ST expertise: for delivering case studies to individual staff/departments of representative institutions in the key areas of social security legislation and undertaking initial evaluation according to agreed evaluation criteria; 13 x (minimum) 5-day missions of ST expertise: for training individual staff/departments of representative institutions in the areas pinpointed as needing attention and undertaking re-assessment according to the agreed evaluation criteria; 1 short term expert to finalise self-study information and instruction materials on all social benefits both for clients and officials.
- All ST experts should be specialised in:
  - Twinning experts in place to begin work on staff and institutional capacity, case studies, and targeted training (A,B,C);
  - Agreement from Czech side to accept and implement proposed improvements in co-ordination of social security (A,B,C);
  - Partner offices for internships identified (A,B,C);
  - Internships agreed with MS institutions (A,B,C);
  - Key staff are correctly placed —both in terms of secondments to partner institutions and relevance to their responsibility (A,B,C);
  - Clear linkage between Phare 2000 project No. CZ/2000-07-01 (Support to Pension Reform) —see Precondition below; Phare CONSENSUS III project No. CZ/99/IB-CO-01 (Implementation of EU Co-ordination Rules (Regulation 1408/71 and 574/72) (A,B,C);
  - Staff successfully trained in Soc. Security issues under Consensus III (CZ/99/IB-CO-01) (A,B,C);
  - Same staff continue under 2001 project to deepen specialisation (A,B,C);
  - Self-study information and instruction materials developed under CZ/99/IB-CO-01 (A,B,C);

**Running and planned relevant projects financed from other sources than Phare**:

1. Project for transformation of CSSA into SIA (source: state budget);
2. Project “Integrated system for management and administration” (source: state budget + SIA budget);
3. Project “Individual Accounts” (source: state budget + SIA budget) (B);
4. Clear link to results of Phare project “Development..."
7) **External Review of the Social Insurance Agency**, which will result in draft methodology for future regular annual reviews of SIA (B);

8) **Analysis, medium term recommendations, elaboration of methodology for regular reviews, preparation of seminars** (B);

9) **Specialised workshops and training seminars for Social Insurance Agency** (SIA) employees (B);

10) **To elaborate studies and analyses of the related EU legislation, European systems of quality, patients rights and health-social care co-ordination** (C);

11) **To elaborate medical nursing and health-social care standards** (C);

12) **Organisation of specialised seminars, workshops and training concerning on health care workers, involved judges, officials, patients organisation etc (C);**

Specific field of social security co-ordination (e.g. social insurance, family benefits, unemployment benefits, health insurance etc.)

**Internships and Study Visits**

Up to 5 internships of key staff on Member States in the main areas of co-ordinating Regulations 1408/71, 574/72;

Study visits for key departmental staff who will be responsible for practically implementing aspects of Regulations 1408/71, 574/72.

**only for Component B:**

- 6 short-term experts (10-14 man/months in total) for delivering training seminars and individual parts of Review concerning:
  - internal control and administration,
  - organisational structure,
  - support IT system,
  - financial system, mainly its system of solidity management,

Experts contribution will be mainly in skilled overall appreciation of procedural model of CSSA/SIA functioning and their recommendations how to despatch weaknesses.

**Target groups of workshops and training seminars:**

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of integrated primary health care” (CZ 9703-01-02-06-01-0042) properly utilised – subproject quality of primary health care and co-ordination of health and social care (C).
3) SIA’s top management (ca 40 persons);
4) SIA’s + MoLSA medium level management (ca 100 persons);
members of individual project teams (of currently running projects at CSSA) and representatives of contractors (ca 300 persons).

**only for Component C:**
number of medium and short-term experts according to the concrete tasks in the field of:
- EU legislative - 1 short term expert for 2 man/months;
- EU improvement and quality control systems (1 medium term expert for 5 man/months plus 1 short term expert for 1 man/month);
- Implementation of patients rights - 1 short term expert for 2 man/months;
- Health – social care co-ordination - 1 medium term expert for 5 man/months plus 1 short term expert for 1 man/month.
Preconditions
Component : A,B,C
Resolution of the Government on Institutional, Personal and Technical of co-ordination was issued in May 2000;
Modules Training of Staff (co-ordination regulations and the specificities of the national social security system), Development of self study materials (The development of a self-study package in EU co-ordination rules) and Organisation of specialised seminars (to inform all concerned authorities of the possible problems and consequences of the implementation of Regulation 1408/71) within the project CZ/99/IB-CO-01 were successfully implemented before this project starts. Project CZ/99/IB-CO-01 is expected to be completed in June 2002. This project should follow the above mentioned modules as soon as possible to involve trained people most efficient way in the subject without time gaps.

for Component B :
Bill on SIA was approved by the Czech Government in October 2000, approval by the Parliament is expected in 2001. Social Insurance Agency is established;

Project from Phare 2000 programme met its objectives:
- Strengthen capacities to implement the acquis in the co-ordination of social security and complementary (occupational) pension schemes, rested on the principles of social cohesion, political, economic and monetary union, concentrating on the harmonisation of legislation with the acquis plus digitalisation of the system, leading to increased security and sustainability of the system;
- Support the establishment of Social Insurance Company (transformation of the existing Czech Social Security Administration into a new public institution, with financing separated from the State Budget);

The Phare 2000 projects is expected to be completed in September 2002.

*The co-ordination of EU social security is based on 4 basic principles:
1) Equal treatment of citizens (equal treatment when applying laws of individual states);
2) Application of single legislation (i.e. specification of the state where the citizen will be insured);
3) Adding of periods of insurance (for eligibility to the allowance periods of insurance in all countries are added);
4) Retaining of entitlement (export of benefits to another country, cancelling the condition of residence).

The co-ordination concerns all branches and all allowances of social security i.e.:
1) Sickness and maternity benefits (allowance and health care);
2) Invalidity benefits (disability pension);
3) Old age benefits (pensions);
4) The surviving relatives benefits (widow, widower and orphan pensions);
5) Occupational accidents and occupational diseases benefits (including allowances paid by employer);
6) Death Allowance;
7) Unemployment benefits;
8) Family benefits (especially children’s allowances).
<table>
<thead>
<tr>
<th>Benefits</th>
<th>Competent institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sickness and maternity in cash</td>
<td>Czech Social Security Administration and employers</td>
</tr>
<tr>
<td>Health care</td>
<td>different health insurance companies</td>
</tr>
<tr>
<td>Old age, invalidity and survivors pension</td>
<td>Czech Social Security Administration</td>
</tr>
<tr>
<td>Occupational accidents, occupational diseases</td>
<td>employers/ private insurance companies</td>
</tr>
<tr>
<td>Burial benefits</td>
<td>Contact Places at District State Administration (400 of such Contact Places)</td>
</tr>
<tr>
<td>Unemployment benefits</td>
<td>District Labour Offices</td>
</tr>
<tr>
<td>Family benefits</td>
<td>Contact Places at District State Administration (400 of such Contact Places)</td>
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### Detailed Implementation Chart for the Project

<table>
<thead>
<tr>
<th>Year</th>
<th>Detailed Project Implementation</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>O</td>
<td>N</td>
<td>D</td>
<td>J</td>
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<tr>
<td></td>
<td><strong>Institution Building</strong></td>
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<td></td>
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<tr>
<td></td>
<td><strong>Twinning and Training Package</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Launch Twinning request to Member States</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>- Selection of MS(s) for twinning</td>
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<td></td>
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<tr>
<td></td>
<td>- Elaboration of twinning covenant</td>
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<tr>
<td></td>
<td>- Submit Twinning covenant to Commission &amp; Steering Committee for approval</td>
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<td></td>
<td><strong>Implementation</strong></td>
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Annex 2

18.12.rr

Project fiche CZ01-08-02
Cumulative Contracting and Disbursement Schedule for the Project (MEUR)  

Annex 3

Cumulative Quarterly Contracting Schedule (MEUR)

<table>
<thead>
<tr>
<th>Project</th>
<th>4Q/00</th>
<th>1Q/01</th>
<th>2Q/01</th>
<th>3Q/01</th>
<th>4Q/01</th>
<th>1Q/02</th>
<th>2Q/02</th>
<th>3Q/02</th>
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Cumulative Quarterly Disbursement Schedule (MEUR)

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<td>1.2</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>1.2</td>
</tr>
</tbody>
</table>
LIST OF RELEVANT LAWS AND REGULATIONS

Council Regulation 1408/71 and the implementing Regulation 574/72 co-ordinate the social security systems of the Member States of the European Union. Both Regulations are based on Article 39 (ex 48) and 42 (ex 51) of the Treaty which purpose is to achieve free movement of workers within the territory of the Union.