

The Integrated German BG System of Prevention - Risk Management - Social Security



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issa | mining

INTERNATIONAL SOCIAL SECURITY ASSOCIATION

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■ The Statutory Insurance in Germany

The Berufsgenossenschaft

Insured with the industrial Berufsgenossenschaften

■ Who?

- all employees:

- employers:

 - with husband/wife

- compulsorily insured*

- compulsory insurance by statutes of the responsible BG or

- voluntary insurance on application

■ What? (covered risks)

- industrial accidents

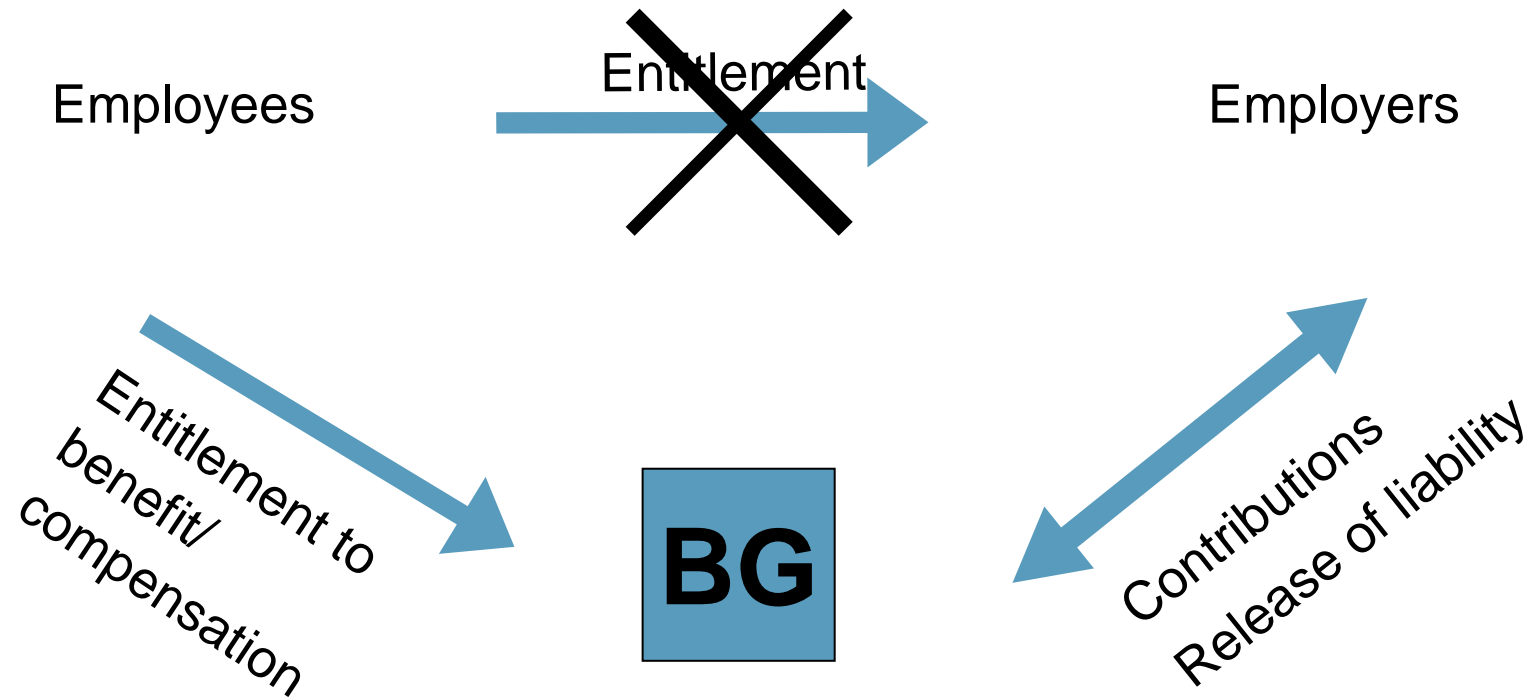
- occupational diseases

- commuting accidents

* independent of a contract/
only when working for an
enterprise

■ The Statutory Accident Insurance in Germany Background

Abolition of the civil liability of the employer



■ The Statutory Accident Insurance in Germany

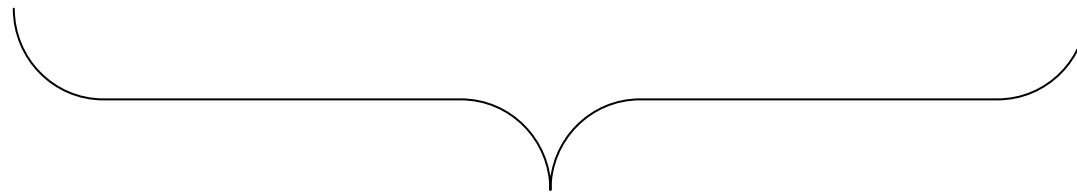
Covered risks

Berufsgenossenschaft
no direct employers
responsibility

Industrial accidents
(1885)

Occupational diseases
(1925)

Commuting accidents
(travel between home
and work)
(1925)



Statutory „accident“ insurance releases
the employer of liability



not essential part to the liability
system between employer and
employee, but is still part of the
statutory insurance system

■ Covered risks Industrial Accidents

■ Causality

**occupational activity was causal for the accident
independent of one's own or someone else's fault**

- **No insurance claim when employee intended to have an accident only for getting a pension**



- **Covered risks**
Occupational Diseases

- **Compensation**

**as far as established in law (a special list with force of law) not every disease connected with one's job
e.g.: silicosis**

■ Covered risks Commuting accidents

■ additional

to industrial accidents
and occupational diseases

→ the direct commute between home and
the place of work

■ **Extend of the insurance benefit Rehabilitation**

- **Comprehensive care by all appropriate means**
- **Aim**

**Restore health/physical integrity and ability to work
Restore condition before the accident / the
disease**

■ Extend of the insurance benefit Still lasting harm after rehabilitation

■ Compensation through pension

temporary harm



pension claim is legally
valued for a limited period

harm with long-lasting effect



long-lasting pension claim

■ Pension claim

**Only when harm shows effects on working life and possibility
for diminution of the earning capacity by at least 20 %.
abstract examination and calculation!**

■ Accident rates

1960 → 1980 → 2000

- accidents at work decreases
- number of full time workers increased

→

- Contribution constant

■ **Extend of the insurance benefit** **Pension claim**

- Abstract examination (currently)
 - e. g.: having an occupational accident with an injury to the hand
 - this injury will be valued as an abstract diminution of the earning capacity by at least 20 %
 - the compensation claim is about 20 % of the former income (after income tax deduction)
- pension claim is independent of a concrete diminution of the income

■ Issues of System Financing

Health

Long Term Care

Pensions

Unemployment

Work Accidents



Financed by
contributions of
employers and
employees



Financed by
contributions of
employers

■ Issues of System Financing

Health	→	ca. 15 %
Long Term Care	→	ca. 2 %
Pension	→	19.5 %
Unemployment	→	6.5 %
Work Accidents	→	average 1.3 %

■ Issues of System Financing Contributions to the BG

- Due to indemnity against liability only the employer pays contributions
- The amount of contributions is risk-related (about 16 special risk classes currently in the mining sector. It's possible to set the amount with much less difference risk classes or without any at all)
- The amount of contributions have to cover all annual items of expenditure

For the current year the enterprise has to pay in advance

For the concrete item of expenditure the BG demands the needed amounts retrospectively or gives reduction of the contribution

■ Issues of System Financing Contributions to the BG

- **Basis for calculation: wage sum**
- **Pay-as-you-go system (PAYG)**
- **distribution according to risks**
 - branches of economic activities
 - risk assessment of the enterprises within the branch (e.g.: mining: lignite, quarry, administration)
 - UVMG: 9 Berufsgenossenschaften
 - bonus / malus according to the accident performance in the enterprise



- **Order and tasks**
Provision of service

The BGs keep to the principles:

- **Prevention before rehabilitation**
- **Rehabilitation before compensation**



- **Order and tasks**
Tasks of the BGs

- **To co-ordinate and control total rehabilitation**
- **To guarantee the employees' living during rehabilitation (cash benefits, such as injury benefit)**



- **Order and tasks**

The services of medical rehabilitation comprise

- **emergency treatment (first aid)**
- **out-patient and in-patient treatment**
- **home care**
- **remedy and appliances**

■ Order and tasks

Task and objective of compensation

To reduce the financial effects of industrial accidents and occupational diseases

■ Concerning the employees that means:

- injury benefit during rehabilitation
- transitional allowance
- injury pension in case of a diminution of the earning capacity by at least 20%

■ Order and tasks

Tasks and objectives of prevention

- **to promote safety and health at work**
 - to reduce risks for life and health
 - to bring unavoidable hazards under control
 - to support the employer in an advisory capacity with his tasks

■ Order and tasks

For safety and health at work ...

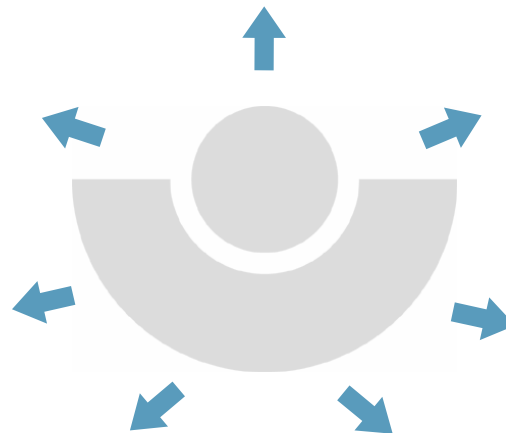
...the BGs developed a comprehensive catalogue of measures:

Advice & supervision

training & further
training measures

measurements
at work-place

findings of work-related
health hazards

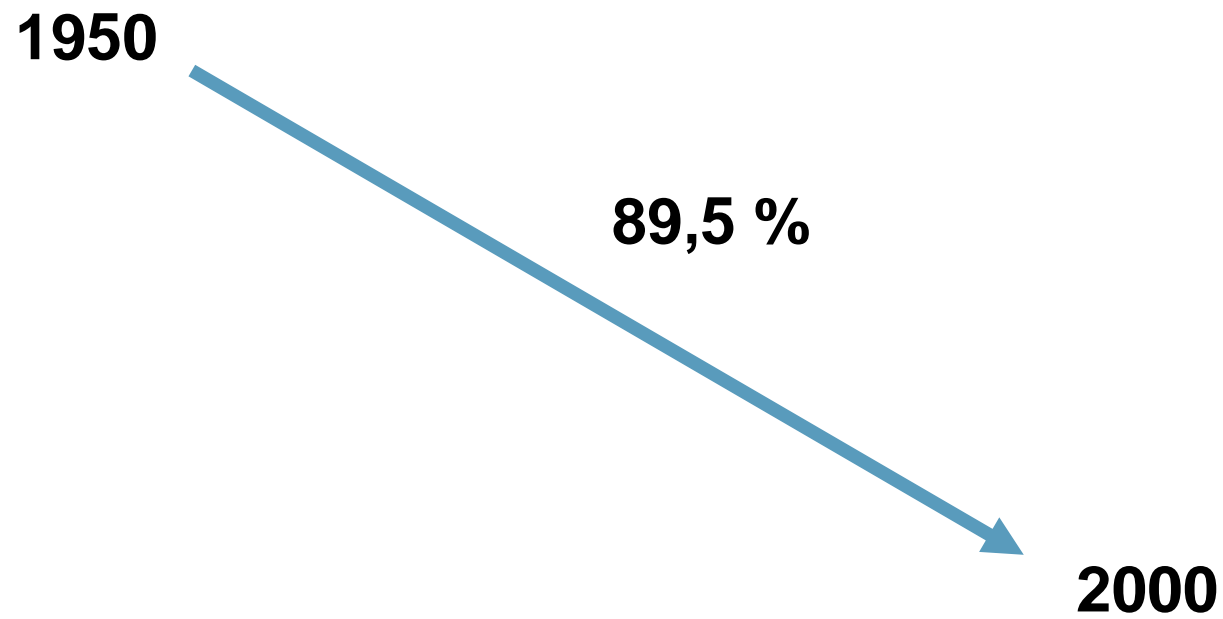


regulations & standards

preventive employment
medical examination

research

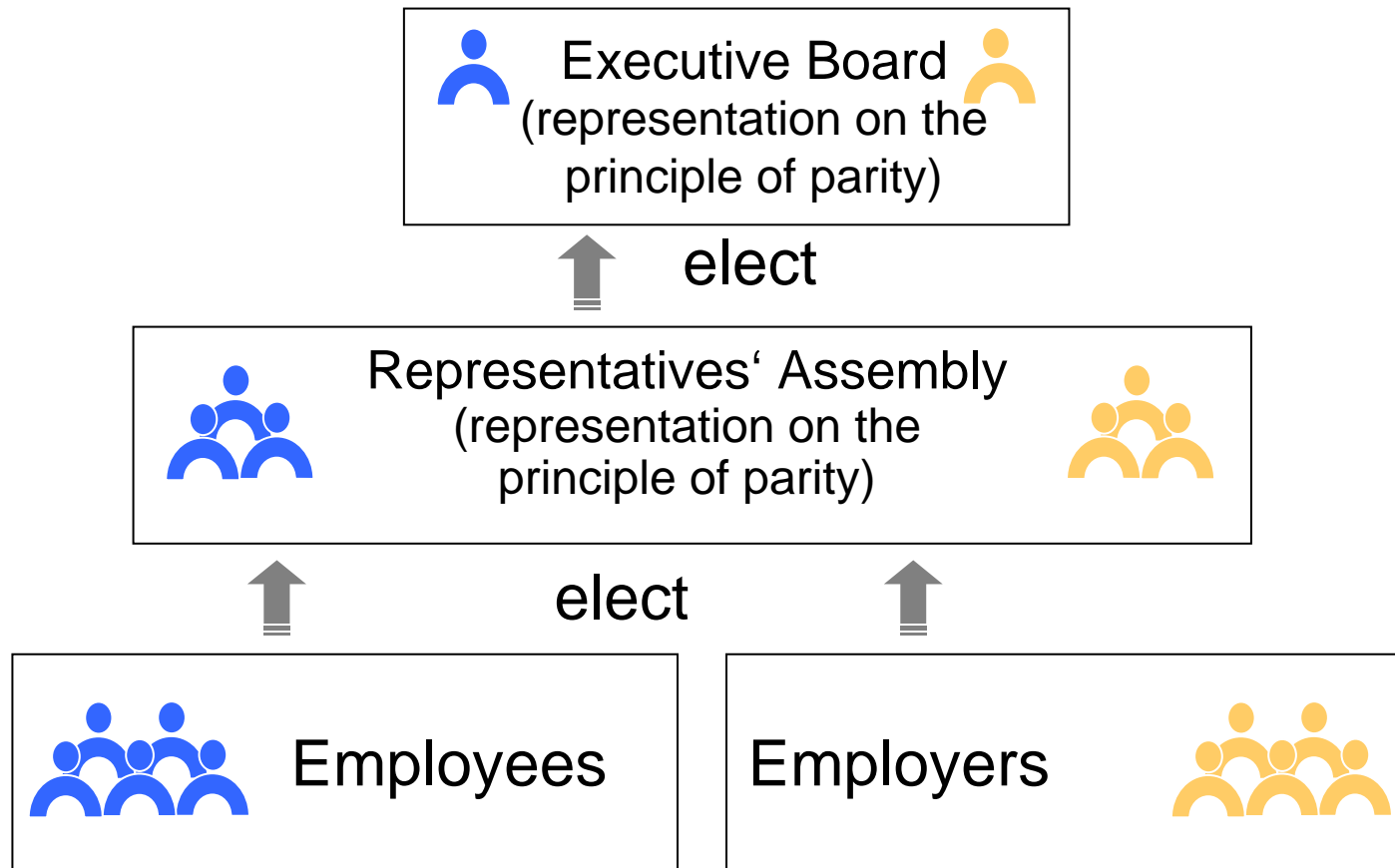
■ Accident rates mining branch



Role and structure of the self-administration and co-management

Organisational structure of the BG

- Being characterized by two principles:
Self-administration and co-management on the basis of parity





- **Thank you for your attention!**

Dr. Günter Levin