

Brexit – No-deal scenario

Consequences for **social security**

Manfred Pörtl + Bernhard Spiegel
International Social Security
Vienna, 5th February 2019

What is social security?

- Statutory systems (benefits and contributions):
 - Sickness (including long-term care) and maternity
 - Accidents at work and occupational diseases
 - Pensions (old age, invalidity and survivors)
 - Unemployment
 - Family benefits

Different situations – different problems – different solutions

- UK citizens living (and working) in Austria and insured in Austria
- UK citizens living (and working) in Austria and insured in the UK
- Members of the family (irrespective of nationality)
 - Residing together with the UK citizen in Austria
 - Residing in the UK
- UK citizens residing in the UK and receiving an Austrian social security benefit.

No-deal – change of legal framework

- Before Brexit-day, all social security rights and obligations are governed by EU law (Regulations (EC) No 883/2004 and (EC) No 987/2009); this EU law will stop to apply with Brexit
- National (Austrian and/or UK) legislation will apply; in addition some rights will continue to be protected by EU law
- *[The **Withdrawal Agreement** would expand the application of the EU-Regulations until 31 December 2020 and also grant specific entitlements after that date]*
- **Efforts to avoid disadvantages are ongoing; rights and obligations can change (and improve) until the last minute before Brexit-day, please stay informed**

No-deal - Insurance in Austria on Brexit-day:

For persons employed or self-employed in Austria and insured in Austria the insurance will continue after Brexit, there will be no change to contributions and benefits **in Austria**

- **But:** The European Health Insurance Card (EHIC) will no longer be valid **in the UK** after Brexit-day (e.g. during holidays in the UK) – **Recommendation:** a private insurance is recommended or the costs incurred by the treatment can be reimbursed partially by the Austrian sickness insurance (“Wahlarzttarif”);
- **But:** Family members resident **in the UK** will lose entitlement to health care at the expense of the Austrian sickness insurance; **Recommendation:** Please check with NHS

No-deal - Insurance in UK on Brexit-day – competence for insurance

For persons employed or self-employed in Austria but insured in the UK (e.g. during a posting to Austria or simultaneous activities – has to be certified by an A1 certificate):

- the A1 certificates will become automatically invalid on Brexit-day
- no coordination of insurances anymore: Austrian and UK legislation will become applicable (perhaps in parallel); double insurance or no insurance at all might be possible
- **Recommendation:** Please check the status with the Austrian (and UK) insurance institution

No-deal - Health care

For employed or self-employed persons resident in Austria who are insured in the UK or for pensioners receiving only a UK pension (no Austrian or other EU27 pension) resident in Austria:

- after Brexit, benefit entitlement from the Gebietskrankenkasse (based on S1, E106, E109 or E121 certificate) stops;
- health care benefits in Austria
 - as a “private” patient, or
 - by concluding a voluntary insurance with the Gebietskrankenkasse, or
 - by taking up an employment in Austria

Details: voluntary insurance in Austria

- Request should be made with the Gebietskrankenkasse of the place of residence as soon as possible (at the latest within 6 weeks after Brexit-day)
- Insurance and entitlement to benefits starts immediately after Brexit-day if there has been coverage before Brexit-day for at least 6 weeks (e.g. under the NHS)
- Contributions: € 427.07 per month; can be reduced in cases of lower income; covers also all family members who have not any income above € 446.81 per month
- Request for reduction of contributions should be made immediately
- **Recommendation:** Please contact the Gebietskrankenkasse as soon as possible for further details

No-deal - Aggregation of periods

Periods of insurance completed in the UK **before** Brexit will be aggregated with Austrian periods for the entitlement to benefits

Example (for an Austrian pension 15 years of insurance are required):

- a person exercised the employment or self-employment in Austria from 2004 to 2013 (10 years) and then continues to work in the UK starting with 2014
- a pension is claimed in 2030
- the Austrian pension institution aggregates the 10 Austrian years with the 5 years of UK periods before Brexit; therefore, there will be an entitlement to an Austrian pension (shown in the "Kontomitteilung")

No-deal - Export of benefits

- All Austrian pensions (old-age, invalidity and survivors) will continue to be exported to persons residing in the UK and also be updated periodically
- Also all Austrian pensions which become payable after Brexit day will be exported and updated
- The payment of other benefits **MAY** stop: E.g. Austrian long-term care benefits (Pflegegeld) will not be granted anymore to persons residing in the UK on Brexit-day
- **Recommendation:** Please contact the Austrian institution granting other benefits than pensions for specific information; please contact UK institutions which could grant similar benefits for all residents

No-deal - Information exchange

- Information exchange with UK institutions after Brexit depends on solutions still to be found which respect also data protection obligations
- Cooperation agreements with the UK would be useful but it is unclear if and when they can be concluded
- In the meantime collaboration of the insured persons might be necessary
- **Recommendation:** Please collect all evidence about your insurance career from UK institutions and other sources (e.g. from former employers)

Thank you for your attention