Health Insurance Act (1224/2004)

PART I
GENERAL PROVISIONS

Chapter 1
Scope of application and objectives of the Act

Section 1
Objectives of the Act
(1) The right of the insured to reimbursement of necessary expenses incurred in treating an illness, and loss of income due to short-term incapacity for work, pregnancy and childcare, is secured as provided in this Act.

(2) This Act also provides for the reimbursement of expenses incurred in arranging occupational health care services in line with the best practices regarding occupational health care, and the reimbursement of annual holiday expenses accrued during parental leave, in order to balance the burden of annual holiday expenses to employers.

Section 2
Scope of Application
(1) Persons resident in Finland are insured in accordance with this Act. Residence in Finland is determined on the basis of sections 3, 3 a, 4, 9 and 10 of the Act on the Application of Residence-Based Social Security Legislation (1573/1993).

(2) Employers or entrepreneurs are insured from the start of employment or business activities if the duration of employment is four consecutive months at a minimum, or if the entrepreneur has engaged in business activities for at least four consecutive months.

(3) Persons to whom social security legislation is applied in accordance with sections 5–8 of the Act on the Application of Residence-Based Social Security Legislation are also insured.

(4) Foreign nationals who serve in Finland as diplomatic representatives of a foreign state; as detached consular representatives; in an intergovernmental organisation; or who belong to the administrative, technical or service staff of a foreign nation’s diplomatic mission; or are private service staff of people in the aforementioned positions, are not insured.

(5) Persons meeting the requirements for receiving benefits, as provided below, are entitled to benefits under this Act.

(6) Provisions of this Act regarding the reimbursement of expenses incurred by the insured due to medical treatment, pregnancy or childbirth, and restrictions to the reimbursement of care arranged by the state, municipality or a joint municipal authority also apply to care arranged by the Åland Islands.

Section 3
Implementation of the Act
(1) The Social Insurance Institution of Finland is responsible for the duties related to the implementation of health insurance. The Social Insurance Institution also monitors and controls compliance with and implementation of this Act and the decrees and regulations issued thereunder. In addition, the Social Insurance Institution validates the forms required in the implementation of this Act.
(2) Employer’s funds contribute to the implementation of the Act as specified in Chapter 16. Provisions of this Act pertaining to the Social Insurance Institution are also applied to employer’s funds, unless otherwise provided elsewhere.

Section 4
Definitions

(1) For the purposes of this Act:

1) family member means the insured person’s spouse and the insured person’s or his or her spouse’s child of under 18 years of age; a man and woman who continuously live in conditions similar to marriage in a shared household are considered comparable to spouses;

2) other healthcare professional means a nurse, public health nurse, midwife, physiotherapist, biomedical laboratory scientist, clinical dental technician, psychologist and dental hygienist to whom the National Supervisory Authority for Welfare and Health Valvira has granted the right to practice their profession as a licensed or authorised professional; (531/2009)

3) reasonable wholesale price means a reasonable wholesale price for a medicinal product confirmed by Pharmaceuticals Pricing Board and accepted as the basis for reimbursement;

4) own work means work carried out in one’s own or a family member’s company, store or occupation, or work carried out within agriculture, forestry, households or other areas, and independent scientific or artistic work and full-time study;

5) weekday means days other than Sundays, religious holidays and public holidays;

6) daily allowance means sickness allowance, partial sickness allowance, parenthood allowance and special care allowance; (459/2006)

7) parenthood allowance means special maternity allowance, maternity allowance, paternity allowance, parental allowance and partial parental allowance;

8) earnings-related pension acts means acts referred to in section 3 of the Employees Pensions Act (395/2006); and (1364/2007)

9) employee means a person who is employed in an employment relationship or in a public-service employment relationship or other service relationship, and to persons referred to in section 7 of the Employees Pensions Act (395/2006) whose working hours and earnings fulfil the requirements specified in Chapter 5 section 4 of the Unemployment Security Act (1290/2002), and entrepreneur means a person who is obligated to take out insurance in accordance with section 1, subsection 2 of the Self-employed Persons’ Pensions Act (1272/2006) or section 1, subsection 2 of the Farmers’ Pensions Act (1280/2006). (994/2008)

PART II
REIMBURSEMENT FOR MEDICAL TREATMENT

Chapter 2
General provisions governing reimbursement for medical treatment

Section 1
Reimbursement for medical treatment

(1) As provided below, examinations and treatment carried out and prescribed by doctors and dentists, medicines prescribed by doctors and dentists for treatment of the insured’s illness, clinical nutritional preparations and basic ointments, medicines and basic ointments covered by a nurse’s limited and temporary right to prescribe medicines, as referred to in sections 23b and 23c of the Health Care Professionals Act (559/1994), and travel expenses related to the treatment of an illness, are reimbursed to the insured as medical treatment expenses. (437/2010)
Section 2
General principle of eligibility for reimbursement

(1) The insured is entitled to reimbursement for necessary medical treatment expenses and expenses incurred in pregnancy and childbirth in excess of the deductible separately specified in this Act.

(2) Medical treatment expenses are reimbursed to the insured to the extent of expenses that would have been incurred by the insured for treatment where unnecessary costs are avoided without endangering the insured’s health.

3 § (102/2011)

Restrictions concerning reimbursability

(1) Under this Act, reimbursement is not granted for:

1) fees charged for municipal health care services under the Act on Client Fees in Social Welfare and Health Care (734/1992);

2) expenses for medical treatment arranged by a municipality or a joint municipal authority as specified in section 4 of the Act on Planning and Government Grants for Social Welfare and Health Care (733/1992);

3) expenses incurred for pharmacotherapy provided in connection with municipal health care at an outpatient care unit;

4) medical treatment expenses for the time the insured spends in public institutional care or corresponding care;

5) medical treatment expenses in cases where the expenses are reimbursed under Chapter 10 section 7 of the Imprisonment Act (767/2005);

6) expenses incurred in acquiring care supplies, aids and prostheses in connection with medical treatment or which the insured otherwise needs;

7) daily in-patient fees, outpatient clinic fees, administrative fees and other similar fees charged for private health care services;

8) expenses incurred for psychotherapy provided by a doctor, if the expenses are reimbursed under sections 11 or 12 of the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits (566/2005).

(2) Medical treatment expenses in paragraphs 4 and 5 above also refer to the costs of medicinal products.

(3) Reimbursement of expenses for private health care services provided on municipal social welfare and health care premises requires that the lessor of the premises has provided the identifying information of the service provider holding the lease, as well as information concerning the place of business and duration of the lease, to the Social Insurance Institution. The lessor of the premises must ensure that the leasing of the premises does not compromise statutory activities of municipal social welfare and health care.

(4) A limited company with one or several municipalities or joint municipal authorities as the majority shareholder is considered a private health care service provider as referred to in this section if a shareholder other than a municipality or a joint municipal authority holds a minimum of 25 per cent of the company’s share capital.

(5) Section 3, amended by Act 102/2011, is in force in its temporarily amended form between 1 March 2011 and 30 April 2015. The former wording is:

Section 3
Restrictions concerning reimbursability
Under this Act, reimbursement is not granted for:

1) fees charged for municipal health care services under the Act on Client Fees in Social Welfare and Health Care (734/1992);

2) expenses of medical treatment arranged by a municipality or a joint municipal authority as specified in section 4 of the Act on Planning and Government Grants for Social Welfare and Health Care (733/1992);

3) medical treatment expenses when private health care services are provided on municipal social welfare and health care premises;

4) expenses incurred for pharmacotherapy provided in connection with municipal health care at an outpatient care unit; (437/2010)

5) medical treatment expenses for the time the insured spends in public institutional care or corresponding care;

6) medical treatment expenses for the time the insured is serving a term of imprisonment in a penal institution referred to in section 2 of the Criminal Code of Finland (39/1889), with the exception of a conversion sentence in lieu of a fine, or for the time the insured is in an institution for preventive detention under section 1 of the Act on the Preventive Confinement of Dangerous Recidivists (317/1953);

7) expenses incurred in acquiring care supplies, aids and prostheses in connection with medical treatment or which the insured otherwise needs; (875/2010)

8) daily in-patient fees, outpatient clinic fees, administrative fees and other similar fees charged for private health care services; (875/2010)

9) expenses incurred for psychotherapy provided by a doctor, if the expenses are reimbursed under sections 11 or 12 of the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits. (566/2005). (875/2010)

Medical treatment expenses in paragraphs 5 and 6 above also refers to the costs of medicinal products.

Section 4
Definition of public institutional care
(1) Institutional care refers to activities that include support, treatment and care provided in a hospital, care institution or other comparable unit.

(2) Institutional care is public if care is provided:

1) in a social welfare or health care institution maintained by the state, municipality or joint municipal authority;

2) in another institution where the state is responsible for the expenses of the treatment provided;

3) in another unit, if the state, municipality or joint municipal board constantly participates in the funding of treatment by providing the unit or its operator financial support, subsidies or compensation at an amount that exceeds half of the total treatment expenses;

4) by a municipality in accordance with subsections 1 or 4 of section 4 of the Act on Planning and Government Grants for Social Welfare and Health Care, or is factually arranged in accordance with either subsection; or

5) at a private service provider’s unit, if the municipality continuously participates in the funding of treatment by granting social assistance to the person undergoing treatment at an amount that covers half of the treatment fee at a minimum.

(3) Further provisions on when care referred to in subsections 1 and 2 is institutional care and when care is public are given by a decree of the Ministry of Social Affairs and Health. When necessary, the Social
Insurance Institution of Finland and municipalities will negotiate on whether activities are considered outpatient or public institutional care as referred to in this section. Further provisions on the negotiation procedure between the Social Insurance Institution of Finland and the municipalities and the related consultation procedure are issued by a decree of the Ministry of Social Affairs and Health.

Section 5
The relationship between reimbursement for medical treatment and reimbursement under other laws

(1) If the insured has been reimbursed for medical treatment expenses under the acts on accident insurance or motor liability insurance, the reimbursement is deducted from the medical treatment reimbursement paid to the insured under this Act. If the insured claims reimbursement under the acts on accident or motor insurance for medical treatment expenses that have already been reimbursed under this Act, the Social Insurance Institution is entitled to receive an amount equalling the amount reimbursed under health insurance from the reimbursement granted by the accident or motor insurance company, the State Treasury or the Finnish Motor Insurers’ Centre for the same accident or on the grounds of the same illness.

(2) If the insured is entitled to reimbursement for medical treatment expenses under the Patient Injury Act (585/1986), reimbursement under this Act takes precedence over the Patient Injury Act. If the insured has already been reimbursed for the same medical treatment expenses under the Patient Injury Act, the reimbursement under this Act is paid to the Patient Insurance Centre.

Section 6
Treatment provided abroad

(1) The insured is entitled to receive reimbursement under this Act for medical treatment provided outside Finland, if the insured has fallen ill, or was in need of treatment due to pregnancy or childbirth while abroad, and was not insured in the state which provided the treatment or did not have the right to medical treatment or to reimbursement for medical treatment expenses in the country where he or she was staying in accordance with the same conditions as persons who receive care and are insured in the state in question.

(2) By derogation from subsection 1 above, the insured is entitled to receive reimbursement, as provided in Chapter 3, for examination and treatment expenses incurred in the treatment of an illness when the treatment was provided in a European Union member state or in a state where European Union law is applied.

(3) The maximum amount of reimbursement for expenses incurred for medical treatment provided abroad is the amount that would have been reimbursed had the treatment been provided in Finland. If the insured has received reimbursement from abroad for the same medical expenses he or she claims reimbursement for under this Act, the insured is reimbursed under this Act only for the amount in excess of the reimbursement received from abroad.

(4) Reimbursement of costs incurred abroad requires that the examination was performed or treatment provided by a doctor, dentist, or, under orders from a doctor or a dentist, a health care professional referred to in Chapter 1 section 4 (1) (2) with the right to practice their profession as a licensed or authorised professional in the country of treatment. Costs incurred abroad can also be reimbursed if the procedure was performed under orders from a doctor or a dentist in a health care unit that meets the requirements provided by law in the country in question. (199/2006)

Chapter 3
Reimbursement for treatment and examination

Section 1
Treatment provided by a doctor

(1) Costs of an examination performed by a doctor to detect a possible illness or determine treatment, as well as treatment provided by a doctor and the expenses incurred in obtaining a medical certificate or opinion required for claiming a benefit under this Act, are reimbursed as medical treatment expenses.
(2) Payment of the reimbursement requires that the examination was performed or the treatment provided by a person with the right to practice the profession of a doctor or a specialist as a licensed or authorised professional in Finland.

Section 2
Treatment provided by a dentist
(1) Oral and dental care, oral and dental examinations once a calendar year and orthodontic care performed by a dentist are reimbursed as medical treatment when the treatment concerned is necessary to cure an illness other than dental illness.

(2) Payment of the reimbursement requires that the examination was performed or treatment was provided by a person with the right to practice the profession of a dentist or a specialised dentist as a licensed or authorised professional in Finland.

(3) Reimbursement under this Act is not made for dental prosthetic procedures or dental technology expenses.

Section 3
Examination and treatment prescribed by a doctor and dentist
(1) Examination and treatment procedures prescribed by doctors and dentists are reimbursed when the examination was performed or treatment was provided by other health care professionals as referred to in this Act, or when the procedure was performed at a unit providing private health care services, as referred to in the Private Healthcare Act (152/1990). Examination by a psychologist is reimbursed when the examination concerned is prescribed by a doctor and related to other examination or treatment for the insured.

(2) Therapeutic manipulation and other physical treatment prescribed by a doctor is reimbursed as physiotherapy prescribed by a doctor, provided that the treatment is provided by a physiotherapist or the treatment is given in a health care unit referred to in subsection 1 that provides physiotherapy services.

(3) Notwithstanding the provisions of Chapter 2 section 3, paragraph 2, physiotherapy and phototherapy expenses incurred for the treatment of a skin disease, which the insured has paid to the private service provider, are also reimbursed under this Act, if a health centre doctor or a hospital doctor has directed the insured to seek treatment with a private service provider and has provided the insured with a referral.

Section 4
Reimbursable share of doctor and dentist’s fees
(1) The fee charged for an examination and treatment provided by doctors and dentists is reimbursed at the rate of 60 per cent. If the fee charged exceeds the fixed charge confirmed as the basis for reimbursement, the reimbursement is paid on the basis of the fixed charge. However, a laboratory examination performed by a doctor or a dentist, as well as radiological examination and procedure, is reimbursed in accordance with section 5(1).

(2) Reimbursement is paid on the basis of a special charge when treatment is provided by a specialist or a specialised dentist, and the treatment is included their field of specialisation. Otherwise the reimbursement is paid on the basis of the general charge.

Section 5 (531/2009)
Reimbursable share of expenses for examination and treatment prescribed by a doctor or a dentist
(1) The expenses of examination and treatment prescribed by a doctor or a dentist at once are reimbursed at the rate of 75 per cent for the part of total costs exceeding the sum of EUR 13.46 (fixed deductible). If the expenses charged from the insured exceed the fixed charge amounts confirmed as the basis of reimbursement, the reimbursement is calculated on the basis of the fixed charges. However, the fixed deductible of EUR 13.46 will always be separately deducted from expenses or the fixed charge amounts when reimbursing the costs of physiotherapy prescribed by a doctor.
(2) Examination and treatment prescribed by a dentist at once and performed by an oral hygienist are reimbursed at the amount of the fixed charge confirmed in accordance with section 6. If the fee charged exceeds the fixed charge confirmed as the basis for reimbursement, the reimbursement is paid at the amount of the fixed charge. If the fee charged is smaller than the fixed charge confirmed as the basis for reimbursement, the reimbursement is paid at the amount of the fee charged.

(3) Examination and treatment prescribed by a doctor or a dentist is reimbursed on the basis of the same order for a maximum of 15 examination or treatment sessions, if the examination is carried out or the treatment is provided within a year of issuing the order. Examination and treatment prescribed by a doctor or a dentist and performed by an oral hygienist is reimbursed on the basis of the same order for a maximum of 15 examination or treatment sessions, if the examination is performed or treatment provided within a year of issuing the order. An examination and treatment session means examination and treatment procedures performed during one day.

(4) Examination and treatment procedures performed at an in-patient ward of a private hospital are considered to be ordered at once if they are performed within one week’s time of the first examination or treatment procedure.

Section 6 (531/2009)

Maximum amount of and grounds for the fixed charge for the reimbursement of medical treatment and confirmation of the fixed charge

(1) The grounds and maximum fixed charge amounts for doctors’ fees and for dental care examination and treatment, and grounds for general and special charges for doctors’ and dentists’ fees, are issued by government decree. Based on the grounds for fixed charges and the maximum fixed charge amounts, the Social Insurance Institution of Finland must confirm a list of examination and treatment procedures reimbursed in accordance with sections 1–3, and the fixed charges for such procedures.

(2) The grounds for fixed charges and fixed charges to be confirmed, referred to in subsection 1 above, are based on the nature of the examination and treatment procedure, the efforts it requires and the costs incurred, the therapeutic value of the reimbursable service and funds available for reimbursement. When preparing the grounds for the fixed charges, the Ministry of Social Affairs and Health must consult the Social Insurance Institution. In addition, the Ministry of Social Affairs and Health and the Social Insurance Institution must provide the National Institute for Health and Welfare, the National Supervisory Authority for Welfare and Health, and organisations representing the actors concerned with an opportunity to give their opinion.

Chapter 4

Reimbursement of travel expenses

Section 1

Travel by the insured

(1) The insured is entitled to reimbursement for the travel costs related to the treatment of an illness, if the trip is made to a health care unit operated by the state, municipality or joint municipal authority. Expenses incurred in travel to a health care unit or to a practitioner referred to in the Private Healthcare Act for the purpose of treating an illness are reimbursed to the insured only if the examination performed or the treatment provided is reimbursable under this Act.

(2) In addition, reimbursement is made for costs resulting from travel by the insured to manufacturing, maintenance and distribution locations in connection with the acquisition and maintenance of assistive devices.

(3) Expenses resulting from travel while abroad and to the destination abroad are not reimbursed under this Act. If the insured was in need of treatment in border regions referred to in section 1 of the Act on Reciprocal Medical Treatment in Border Regions (307/1961), or treatment arranged for an insured person in accordance with the Primary Health Care Act (66/1972), the Act on Specialised Medical Care (1062/1989) or the Health Care Act (1326/2010) has been provided to a resident of a border region
referred to in said Act, the insured is entitled to reimbursement for travel costs as provided in this Act. (1334/2010)

**Section 2**

**Travel by a person other than the insured**

(1) Expenses resulting from travel by an escort are reimbursed as the insured’s expenses according to the cheapest available means of travel, if the escort was necessary during the journey.

(2) Travel expenses incurred by a family member of the insured or other comparable person that result from a separate trip to a place of examination or treatment unit referred to in section 1(1) are reimbursed as the insured’s costs if the trip was necessary for the purpose of participating in the insured’s treatment.

**Section 3**

**Travel related to a home visit**

(1) Travel expenses resulting from a home visit made by a doctor, dentist and other health care professional referred to in this Act to the insured’s home are reimbursed to the insured as otherwise provided in this chapter. However, when the health care professional makes the home visit using his or her own car, reimbursement for the travel is paid at the amount of tax-free compensation confirmed annually by the Finnish Tax Administration. (513/2010)

(2) Reimbursement of travel expenses resulting from a home visit requires an order from a doctor, if the home visit was made by another health care professional as referred to in this Act.

**Section 4**

**Place of examination and treatment**

Travel costs incurred by the insured are reimbursed for travel to the nearest place of examination and treatment where the insured can receive necessary examination and treatment as referred to in this Act, without endangering his or her health. If the municipality or joint municipal authority has arranged specialist medical care in accordance with section 4 of the Act on Planning and Government Grants for Social Welfare and Health Care, travel expenses to the place where the treatment is provided are reimbursed. Otherwise, travel expenses are reimbursed in accordance with travel costs to the nearest place of examination and treatment.

**Section 5**

**Reimbursable means of travel**

(1) Travel expenses incurred by the insured are reimbursed on the basis of what travel costs would have amounted to when using the least expensive available means of travel.

(2) However, travel expenses incurred by the insured are reimbursed according to costs resulting from the use of a special vehicle if the insured’s illness, serious disability or traffic conditions necessitate the use of a special vehicle. A special vehicle means one’s own car, a taxi, a specially equipped vehicle for people with disabilities, a minibus, a patient transport vehicle, a motor boat, a snowmobile, a helicopter and other comparable vehicles.

(3) In this Act, least expensive means of travel primarily means:

1) regular public transport open to everyone, and a trip made by linking various means of transport to public transport; or

2) service transport or demand-responsive transport.

(4) If means of travel referred to in subsection 3 are not available, but arranged joint transportation with a special vehicle is available for use, the insured is entitled to reimbursement for this means of travel according to costs incurred.

(5) When reimbursing costs for travel by water in island locations, the special conditions in the archipelago, which refers to the lack of permanent road connections and traffic and transport services and weather conditions, are taken into consideration as an additional cost.
Section 6
Patient transport
(1) The insured is reimbursed for costs resulting from emergency medical services as referred to in sections 39 and 40 of the Health Care Act. If the insured’s state has improved after emergency medical care provided on site to the extent that transport to further care is not required, costs resulting from the patient transport vehicle’s visit on site are reimbursed as a cost incurred by the insured. (1334/2010)
(2) Emergency medical care provided before or during transport is not reimbursed under this Act.
(3) Provisions on the fixed charge used as the basis for reimbursing the use of a patient transport vehicle are issued by government decree. The fixed charge for patient transport vehicles is based on the costs resulting from transport and available funds. When preparing the decree on the fixed charge and amendments to the decree, the Ministry of Social Affairs and Health must consult the Social Insurance Institution of Finland and organisations representing the actors concerned. (929/2009)

Section 7
Amount of reimbursement and the deductible
(1) Travel expenses incurred by the insured are reimbursed in total for the part in excess of EUR 9.25 for a one-way trip (the deductible). However, reimbursement is paid at the most at the amount of the fixed charge confirmed as the basis for travel cost reimbursement.
(2) If the total sum of costs payable by the insured for reimbursable travel as referred to in this Act or the Act on Rehabilitation Services to be Provided by the Social Insurance Institution (610/1991) is incurred within one calendar year and exceeds EUR 157 (annual deductible), the part in excess is reimbursed in total, however at the most at an amount not exceeding the confirmed fixed charge.
(3) The Act on Rehabilitation Services to be Provided by the Social Insurance Institution 610/1991 is repealed by the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits 566/2005.

Section 8
Basis for reimbursement of travel expenses and confirmation of the fixed charge
(1) If the insured uses a means of travel other than referred to in section 5, subsections 3 or 4, without justified reason, the reimbursement is paid in accordance with the reimbursement criteria for public transport. However, if another means of travel can be considered justified in accordance with section 5(2), the reimbursement is paid on the basis of actual costs, however at an amount not exceeding the confirmed fixed charge. If the trip is made with a vehicle for which no confirmed fixed charge exists, reasonable costs incurred in the travel is compensated to the insured.
(2) The reimbursement basis for using a taxi is the maximum fare charged from consumers referred to in section 16 of the Taxi Transport Act (217/2007), unless the Social Insurance Institution of Finland has agreed with the transport service provider on pricing below the maximum fare. (929/2009)
(3) Provisions on the fixed charge used as a basis for reimbursing the use a special vehicle other than a taxi referred to in section 5 are issued by a decree of the Ministry of Social Affairs and Health. When preparing the decree and amendments to it, the Ministry of Social Affairs and Health must consult the Social Insurance Institution of Finland. Provisions on the confirmation of the fixed charge for a patient transport vehicle are specified in section 6. (929/2009)

Section 9
Accommodation allowance
(1) The insured is entitled to an accommodation allowance if the insured himself or the person referred to in section 2 has to stay overnight on a trip which is reimbursable under this Act, due to the examination or treatment the insured is undergoing or because of traffic conditions, and has incurred verifiable costs in staying overnight. The accommodation allowance is paid on the basis of costs incurred, at a maximum of EUR 20.18 per person per day.
(2) The insured is also entitled to the accommodation allowance when having to stay overnight near a health care unit due to a doctor’s evaluation regarding pregnancy, and has incurred verifiable costs for staying overnight. (929/2009)

Chapter 5

Reimbursement of medicinal products

Section 1 (802/2008)

Reimbursable medicinal products

(1) The insured has the right to be reimbursed for the costs of a medicinal product prescribed by a doctor, or a dentist or by a nurse with limited or temporary prescription rights, for the treatment of a disease. Reimbursement for a medicinal product is made provided that the product concerned is a medicinal product that requires prescription under the Medicines Act (395/1987) and is intended for internal or external use to cure or alleviate a disease or its symptoms. The insured also has the right to be reimbursed for a compatible medicinal product on the Finnish Medicine Agency’s list for which the insured patient’s medicinal product has been exchanged at a pharmacy under section 57b of the Medicines Act. A further condition is that the approval for reimbursement, granted by the Pharmaceuticals Pricing Board, is in force. (437/2010)

(2) The reimbursable medicinal products referred to in subsection 1 above also include medicinal products sold over-the-counter that are indispensable on medical grounds (self-care medicine) and have valid approval for reimbursement. The insured has the right to be reimbursed for these medicinal products under section 4, or in the event of a severe and chronic disease, under section 5. The Social Insurance Institution may make further decisions on the documentation required and the medical criteria that must be met for medical justification of reimbursement for a self-care medicine to the insured.

(3) What is provided on reimbursement for medicinal products applies, as appropriate, to reimbursement for the special authorisation products referred to in section 21 f of the Medicines Act, medicinal products prepared at pharmacies, basic ointments, and medicinal oxygen and blood.

Section 2

Reimbursable clinical nutritional preparations and basic ointments

(1) The insured has the right to be reimbursed for the costs of a clinical nutritional preparation if a physician has prescribed the preparation for the treatment of a severe disease and the preparation is used in the treatment of a severe disease to replace or complement a diet or part of a diet. A further requirement is that the preparation has been acquired from a pharmacy or a hospital, that it has been approved for reimbursement, and that a reasonable wholesale price has been confirmed for it as laid down in Chapter 6. (885/2005)

(2) What is provided in subsection 1 applies, as appropriate, to products comparable to clinical nutritional preparations.

(3) Reimbursement is made for basic ointments prescribed by a physician or a nurse with limited prescription rights and used for the treatment of a chronic skin disease that has been diagnosed by a doctor, if the basic ointment is manufactured by a pharmaceutical company, acquired from a pharmacy and approved for reimbursement, and a reasonable wholesale price has been confirmed for it as laid down in Chapter 6. (437/2010)

3 § (802/2008)

Traditional herbal medicinal products and homeopathic preparations

Reimbursement under this Act is not paid for traditional herbal medicinal products or homeopathic preparations.

4 § (802/2008)

Basic reimbursement
Reimbursement for a medicinal product that has been approved for basic reimbursement is 42 per cent of the reimbursement referred to in section 9 (1), 9 (2) or 9(3).

5 § (802/2008)

Special reimbursement

(1) Special reimbursement is made for a medicinal product if it has been approved for special reimbursement as specified in Chapter 6. A further requirement is that the medicinal product is used on medicinal grounds in the treatment of a disease that is regarded as severe and chronic.

(2) A medicinal product’s special reimbursement as a share of the reimbursement basis referred to in section 9(1), 9(2) or 9(3) is:

1) 72 per cent in the case of a medicinal product necessary and indispensable for the treatment of a severe and chronic disease (lower special reimbursement); and

2) 100 per cent of the amount in excess of the EUR 3 deductible in the case of a medicinal product necessary and indispensable for the treatment of a severe and chronic disease that has either a replacement or remedial effect (higher special reimbursement).

(3) Further provisions are issued by government decree on diseases regarded as severe and chronic on medical grounds, for which the costs of medical treatment are reimbursed either at 72 or 100 per cent under this Act. The Social Insurance Institution decides on the medical criteria for a severe and chronic disease that must be met to provide medical justification for special reimbursement for the medicinal products.

Section 6 (802/2008)

Medicinal products with restricted eligibility for reimbursement

To be granted reimbursement for the medicinal products eligible for restricted basic or special reimbursement referred to in Chapter 6 section 5(3), section 6 or section 9(2), a medicinal product must be used according to a specific indication defined in the decision of the Pharmaceuticals Pricing Board. The Social Insurance Institution may make further decisions on the documentation required and the medical criteria to be met to justify reimbursement for a medicinal product eligible for restricted basic or special reimbursement to the insured on medical grounds.

Section 7 (885/2005)

Reimbursement for clinical nutritional preparations and basic ointments

(1) The reimbursement for clinical nutritional preparations used in the treatment of a severe disease is 42 or 72 per cent of the reimbursement basis referred to in section 9(1) or 9(3). (802/2008)

(2) Further provisions are issued by government decree on diseases regarded as severe on medical grounds, for which the clinical nutritional preparations used in treatment are reimbursed either at 42 or 72 per cent under this Act. The Social Insurance Institution decides on the medical criteria for a severe disease that must be met to provide medical justification for reimbursement of clinical nutritional preparations.

(3) The reimbursement for basic ointments used for the treatment of a chronic skin disease is 42 per cent of the reimbursement basis referred to in section 9 (1) or 9(3). (802/2008)

Section 8

Annual deductible and the right to supplementary reimbursement

(1) If the non-reimbursed costs of medicinal products, clinical nutritional preparations and basic ointments that form the basis for reimbursement during one calendar year under this chapter exceed EUR 672.70 (annual deductible) the insured is entitled to supplementary reimbursement for the excess. Such supplementary reimbursement is 100 per cent for the proportion in excess of the medicinal product-specific deductible of EUR 1.50. (1142/2010)
(2) The monetary amount of the annual deductible is tied to the cost of living index so that it is changed at the same time and in the same proportion as national pensions as specified in the National Pension Index Act (456/2001).

Section 9 (802/2008)

Reimbursement basis and basis for medicinal product-specific deductible

(1) The basis of reimbursement for costs incurred by the insured from the purchase of a medicinal product, a clinical nutritional preparation or a basic ointment must not exceed the reasonable wholesale price confirmed for the product or preparation, to which has been added at most the pharmacy’s sales margin and value added tax in accordance with the medicinal products price list referred to in section 58 of the Medicines Act. If the preparation is included in the reference price group referred to in Chapter 6 section 21, the reimbursement is based on the reference price confirmed for the reference price group, to which a pharmacy’s delivery fee, including value added tax, has been added. When the reference price group is abolished, the reimbursement is based on the maximum wholesale price referred to in Chapter 6 section 22, to which has been added at most the pharmacy’s sales margin and value added tax in accordance with the medicinal products price list referred to in section 58 of the Medicines Act.

(2) If the price paid by the insured for a product or preparation included in the reference price group is lower than the reference price confirmed as the basis of reimbursement, or if the prescriber of the medicinal product or preparation has forbidden the substitution of a preparation included in the reference price group in accordance with section 57b(3) of the Medicines Act, reimbursement is paid on the basis of the price charged for the preparation.

(3) Medicinal products, clinical nutritional preparations and basic ointments prepared at pharmacies that are comparable to reimbursable products and preparations are reimbursed at the price charged from the insured in accordance with the medicinal products price list referred to in section 58 of the Medicines Act.

(4) For medicinal oxygen and blood, reimbursement is paid for necessary and reasonable costs incurred by the insured.

(5) The reimbursement referred to in this Act is paid for a purchase of an amount of a product or preparation equivalent to a maximum of three months’ treatment at a time unless there are special grounds for proceeding otherwise. A medicinal product-specific deductible is collected for an amount of a product or preparation equivalent to a maximum of three months’ treatment. Further provisions are laid down by government decree on exceptional collection of a product-specific deductible for a medicinal product used for long-term treatment of a disease for an amount equivalent to a three-month treatment in spite of the fact that the medicinal product has been purchased in several batches for medical reasons, or because of the pharmaceutical properties of the medicinal product.

Section 10 (770/2008)

Dosage service

(1) Insured persons over 75 years of age are entitled to reimbursement for the cost of dosage service if
   1) the person has at least six reimbursable medicinal products appropriate for dosage pre-measurement at the beginning of service;
   2) the medication of the insured person has been checked to eliminate unnecessary, incompatible and overlapping medication; and
   3) it is medically justified to start dosage service in long-term medication.

(2) Justification for starting dosage service is indicated by an entry made by the physician in the prescription.

(3) Reimbursement of the charge for dosage service to the insured requires that the pharmacy has made a dosage service agreement with the Social Insurance Institution. The reimbursement for the charge for dosage service is 42 per cent. If the charge for the pre-measurement of medicinal products dosage
corresponding to a week’s treatment is more than EUR 3, the reimbursement is made for a charge of EUR 3.

(4) The deductible to be paid by the insured is not included in the annual deductible and no supplementary reimbursement is paid for it.

**Chapter 6 (802/2008)**

**Reimbursement status and wholesale price of a medicinal product**

**Pharmaceuticals Pricing Board**

**Section 1 (802/2008)**

**Duties**

(1) The Pharmaceuticals Pricing Board, which operates under the auspices of the Ministry for Social Affairs and Health, decides on the following matters concerning medicinal products, clinical nutritional preparations and basic ointments:

1) confirmation of reimbursement status;
2) confirmation of a reasonable wholesale price which is acceptable as the basis for reimbursement;
3) increasing of the reasonable wholesale price;
4) termination of the reimbursement status and wholesale price.

(2) In addition to what is provided in subsection 1, the Pharmaceuticals Pricing Board decides on the establishment of reference price groups for medicinal products, the determination of reference prices for the reference price groups, the inclusion of medicinal products in reference price groups and the reimbursement status and maximum wholesale price of a product or preparation to be included in a reference price group.

**Section 2 (802/2008)**

**Appointment and composition of the Pharmaceuticals Pricing Board**

(1) The Ministry of Social Affairs and Health appoints the Pharmaceuticals Pricing Board and the group of experts operating under the Board for three year terms and nominates the chairs, vice chairs and other members of the Board and the expert group, as well as the deputies for each member.

(2) The Pharmaceuticals Pricing Board must have two members from the Ministry of Social Affairs and Health, one from the Ministry of Finance, two from the Social Insurance Institution, one from the Finnish Medicines Agency and one from the National Institute for Health and Welfare. (788/2009)

(3) A maximum of seven members can be appointed to the expert group. The group of experts must include members with expertise from the fields of medicine, pharmacology, health economics and health insurance.

**Section 3 (802/2008)**

**Decision-making of the Pharmaceuticals Pricing Board**

(1) The Board makes decisions on matters falling within its purview upon presentation. The Board has a quorum when, in addition to the chair, at least three other members are present. The opinion supported by a majority is adopted as the Board’s decision, and in the event of a tied vote, the chair has the casting vote.

(2) The Pharmaceuticals Pricing Board may transfer the following matters to be decided by the Director:

1) confirmation of a medicinal product’s basic reimbursement status and reasonable wholesale price in the case of reconfirming the product’s fixed-term basic reimbursement status and wholesale price, a new package size, strength or dosage form of a product with approved reimbursement status or confirmation of reimbursement status and reasonable wholesale price for a corresponding generic product or imported generic product;
2) approval for a special reimbursement status for a medicinal product, if a product containing the same medicinal substance has been granted special reimbursement status;

3) confirmation of basic reimbursement status and reasonable wholesale price for a medicinal product delivered under special licence referred to in section 21 f of the Medicines Act, and approval for special reimbursement status if a product containing the same pharmaceutical has been granted special reimbursement status;

4) issuing of a certificate of the reasonable wholesale price to the holder of a marketing authorisation for the export of medicinal products.

(3) In addition to what is provided in subsection 2, the Pharmaceuticals Pricing Board may transfer the establishment of reference price groups for medicinal products, confirmation of reference prices for each reference price group, and the inclusion of medicinal products in reference price groups, to be decided by the Director. The reimbursement status of a medicinal product to be included in a reference price group, as well as the maximum wholesale price, may also be transferred for decision to the Director of the Pharmaceuticals Pricing Board.

**Procedure for the confirmation of reimbursement status and reasonable wholesale price**

Section 4 (802/2008)

**Applying for basic reimbursement status and reasonable wholesale price**

(1) The holder of a marketing authorisation must apply to the Pharmaceuticals Pricing Board for confirmation of basic reimbursement status and a reasonable wholesale price for a medicinal product.

(2) The application for a basic reimbursement status and wholesale price must include an itemised, well-grounded proposal concerning the basic reimbursement status of a medicinal product and the reasonable wholesale price to be confirmed for the product. The application must include:

1) a statement on the use of the medicinal product, its therapeutic value, and the benefits achieved through reimbursement status compared with other medicinal products used for the treatment of the same disease;

2) a statement on the average daily dose and the cost of the medical treatment on the basis of the proposed wholesale price and the retail price including value added tax;

3) a well-grounded estimate of the sales of the medicinal product on the basis of the proposed wholesale price and the retail price including value added tax, and an estimate of the number of patients who would be using the product;

4) a statement on the cost-effectiveness of the medicinal product and a market forecast for it compared with other medicinal products used for the treatment of the same disease;

5) a statement concerning the medicinal product’s patent protection and supplementary protection certificate;

6) other trade names of the medicinal product, valid wholesale prices approved for the basis of reimbursement for the medicinal product, and the basis for reimbursement for the medicinal product in other states of the European Economic Area;

7) a health economic evaluation, if the medicinal product, and as necessary some other product, contains a new active pharmaceutical ingredient.

(3) The holder of the marketing authorisation must also include other specifications required by the Pharmaceuticals Pricing Board in the application. In addition to the aforementioned specifications, the holder of the marketing authorisation may also include other specifications he or she considers necessary in the handling of the matter.

(4) Provisions of this section are applicable, as appropriate, when an expansion to the approved basic reimbursement status is applied for.

Section 5 (802/2008)
Confirmation of basic reimbursement status

(1) The basic reimbursement status of a medicinal product in the treatment of a disease can be confirmed at a maximum in the extent specified in the medicinal product’s summary of product characteristics confirmed by the marketing authorisation authorities, and the indications approved therein. The medicinal product’s therapeutic value must be taken into consideration in the decision on basic reimbursement status. Basic reimbursement status for non-prescription medicinal products can be confirmed only if the medicinal product in question is necessary on medical grounds.

(2) Basic reimbursement status is not confirmed in the case of:
1) a medicinal product used for the treatment of a disease of a temporary nature or with mild symptoms;
2) a medicinal product of minor therapeutic value;
3) a medicinal product used for purposes other than the treatment of a disease;
4) a traditional herbal medicinal products or a homeopathic preparation.

(3) The Pharmaceuticals Pricing Board may confirm the reimbursement status for a certain, specifically defined indication of a medicinal product in case of situations referred to in subsection 2.

(4) The Pharmaceuticals Pricing Board may decide on the products referred to in subsection 2 by medicinal product group.

(5) If the requirements for basic reimbursability of a product or preparation are not met, the application lapses with regard to the wholesale price.

Section 6 (802/2008)

Limitation of the basic reimbursement status

The Pharmaceuticals Pricing Board may restrict the basic reimbursement status of a medicinal product to specifically defined indications if the use of and research into a medicinal product has shown significant therapeutic value in certain diseases and

1) the medicinal product is a particularly expensive one, is indispensable in the treatment of a severe disease and its medically justified use would, with basic reimbursement status, entitle the insured to the supplementary reimbursement referred to in Chapter 5 section 8; or

2) extensive use of the medicinal product would cause unreasonable costs in relation to the benefit gained.

Section 7 (802/2008)

Confirmation of reasonable wholesale price

(1) When evaluating the reasonability of the wholesale price proposed as the basis for reimbursement for a medicinal product, the following is taken into consideration:

1) prices of comparable medicinal products in Finland that are used in the treatment of the same disease;
2) prices of the medicinal product in other states of the European Economic Area;
3) the treatment costs incurred in using the medicinal product and benefits gained through use of the product from the point of view of the patient and total costs of health care and social welfare;
4) benefits and costs of other available treatment options;
5) funds available for reimbursements.

(2) The manufacturing, research and product development costs for a medicinal product can be taken into consideration when evaluating the reasonability of the wholesale price proposed for the medicinal product, if sufficiently detailed, comparable and reliable medicinal product-specific information on the costs is presented.

Section 8 (802/2008)

Applying for special reimbursement status and a reasonable wholesale price
(1) The holder of the marketing authorisation must apply to the Pharmaceuticals Pricing Board for confirmation of special reimbursement status and a reasonable wholesale price for a medicinal product.

(2) In the application, the holder of the marketing authorisation must present a well-grounded proposal for special reimbursement status for the medicinal product and for the reasonable wholesale price to be confirmed for the product. The application must include an itemised, well-grounded statement on:

1) the medicinal product’s therapeutic value;

2) the benefits of special reimbursement status and the medicinal product’s replacement or remedial effect or indispensability;

3) the cost-effectiveness of the medicinal products and costs of special reimbursement status;

4) the medicinal product’s market forecast.

(3) The application must also include a statement on the reasonable wholesale price as referred to in section 4(2), paragraphs 2-7 and section 4(3) insofar as it is required for the confirmation of special reimbursement status.

(4) What is provided in subsection 1–3 also applies to applications where special reimbursement status is sought for a medicinal product that has been previously approved for special reimbursement, or for a medicinal product which contains an active pharmaceutical ingredient which is included in products that have been previously approved for special reimbursement status.

Section 9 (802/2008)

Confirmation of special reimbursement status and a reasonable wholesale price

(1) Special reimbursement status for a medicinal product can be granted for diseases regarded as severe and chronic, as defined by government decree. When making a decision on the special reimbursement status of a medicinal product, the nature of the disease is taken into account, as is the necessity and cost-effectiveness of the medicinal product, proof of the product’s therapeutic value in practice and through research, and funds available for special reimbursements for medicinal products. For non-prescription medicinal products, special reimbursement status can only be confirmed if the medicinal product in question is necessary on medical grounds.

(2) The decision on the special reimbursement status for a medicinal product can be limited to apply to only a certain form or degree of severity of a disease.

(3) A medicinal product can be approved for special reimbursement after it has had basic reimbursement status for two years. Approval for special reimbursement status can be granted to a medicinal product earlier than this, if there is enough practical experience and researched information available on the medicinal product’s therapeutic value, indispensability, replacement or remedial effect, necessity and cost-effectiveness.

(4) Provisions of section 7 apply to the confirmation of a reasonable wholesale price for a medicinal product with special reimbursement status. If the requirements for special reimbursability of a product or preparation are not met, the application lapses with regard to the wholesale price.

Section 10 (802/2008)

Increasing the reasonable wholesale price

(1) The holder of the marketing authorisation may apply for an increase to the wholesale price confirmed for the medicinal product if they wish to sell the product at a price higher than the confirmed wholesale price. The application must include a well-grounded proposal for the new reasonable wholesale price and a detailed statement of the changes that are permanent in nature and pertain to factors influencing the medicinal product’s price formation during the wholesale price’s period of validity. In addition, clarifications required for the evaluation of the wholesale price’s reasonability referred to in section 4 must be attached to the application.

(2) The Pharmaceuticals Pricing Board may, on special grounds, approve an increase to a valid wholesale price if the proposed new price is reasonable in accordance with section 7 and the applicant
demonstrates that there have been changes of a permanent nature during the wholesale price’s period of validity with respect to factors that affect price formation.

Section 11 (802/2008)
Consulting the Social Insurance Institution, expert group and experts on reimbursability and wholesale price applications

(1) The Pharmaceuticals Pricing Boards requests an opinion from the Social Insurance Institution on an application concerning the basic reimbursability of a medicinal product, special reimbursement status and reasonable wholesale price for a medicinal product, and an increase in the wholesale price, unless there are special grounds for proceeding otherwise.

(2) The group of experts of the Pharmaceuticals Pricing Board is requested to provide an opinion on an application concerning special reimbursability, if special reimbursement status has been applied for a medicinal product containing a new active pharmaceutical ingredient. In other cases, the expert group’s opinion can be sought when necessary.

(3) When necessary, the Pharmaceuticals Pricing Board may request expert opinions on applications that are being processed or on matters that the Board has decided to take under consideration on its own initiative.

Section 12 (802/2008)
Validity of the decision on the reimbursement status and reasonable wholesale price for a medicinal product

(1) The decision on the reimbursement status and the wholesale price for a medicinal product will be in force as of the beginning of the second calendar month following the decision’s issuing, unless otherwise stated in the decision.

(2) The decision remains in force for a maximum of five years. However, if the medicinal product concerned contains a new active pharmaceutical ingredient, the decision remains in force for a maximum of three years.

Section 13 (802/2008)
Clinical nutritional preparations, basic ointments, special authorisation products and medicinal products eligible for substitution

Provisions of this Chapter on the application for and confirmation of reimbursement status and reasonable wholesale price for a medicinal product are also applied to the application for and confirmation of reimbursement status and reasonable wholesale price for clinical nutritional preparations and basic ointments, as well as special authorisation products referred to in section 21f of the Medicines Act and medicinal products eligible for substitution referred to in section 57b.

Discontinuation and termination of reimbursement status and the reasonable wholesale price and the procedure concerning special reimbursement status at the initiative of the authorities

Section 14 (802/2008)
Withdrawing a medicinal product from the reimbursement system

(1) The holder of the market authorisation may withdraw a medicinal product for which a reimbursement status and wholesale price approved as the basis for reimbursement have been confirmed, by submitting a notification of the withdrawal to the Pharmaceuticals Pricing Board at least three months prior to the desired date of discontinuation. The reimbursement status and reasonable wholesale price confirmed for the medicinal product will cease to be valid as of the next quarter following the withdrawal.

(2) The Pharmaceuticals Pricing Board will confirm the notification made by the holder of the marketing authorisation on withdrawing the medicinal product from the health insurance reimbursement system.

(3) The provisions of subsection 1 also apply to clinical nutritional preparations and basic ointments.

Section 15 (802/2008)
Notification of exceeding sales

The holder of the marketing authorisation must submit a notification to the Pharmaceuticals Pricing Board without delay if sales of the reimbursed medicinal product significantly exceed the preliminary estimate which functioned as the basis for the decision on reimbursement status and reasonable wholesale price.

Section 16 (802/2008)

Termination of reimbursement status and reasonable wholesale price

(1) The Pharmaceuticals Pricing Board may, on its own initiative, examine the reasonability of a medicinal product’s wholesale price and reimbursement status and decide to terminate the confirmed wholesale price and reimbursement status, if, while the reimbursement status and price are in force:

1) the medicinal product’s patent expires;

2) a generic product containing the same medicinal substance is approved within the reimbursement system;

3) the indicated use of the medicinal product expands;

4) the criteria of eligibility for reimbursement referred to in section 5, 6 or 9 cease to exist;

5) there are no longer medical grounds to continue special reimbursability based on new research or experience of use of the medicinal product; or

6) the medicinal product’s sales or the reimbursement expenses for the product significantly exceed the estimate accepted as the basis for the price confirmation decision.

Prior to making a decision on the matter, the Pharmaceuticals Pricing Board must consult the Social Security Institution.

(2) In examining the criteria for terminating the wholesale price and reimbursement status, the Pharmaceuticals Pricing Board must assess the therapeutic value of the medicinal product or the reasonability of the wholesale price on the basis of the new information it has obtained. The assessment must take account of matters referred to in sections 5–7 and 9.

Section 17 (802/2008)

Confirmation of special reimbursement status at the authority’s initiative

(1) The Pharmaceuticals Pricing Board may take under consideration a matter concerning the special reimbursement status of a medicinal product at its own initiative or on the proposal of the Ministry of Social Affairs and Health, if there are specific therapeutic grounds for special reimbursability.

(2) Prior to issuing a decision on the matter, the Pharmaceuticals Pricing Board must consult the Social Insurance Institution, unless there are special grounds for proceeding otherwise.

The reference price system for medicinal products

Section 18 (802/2008)

Grounds for determining reference price groups for medicinal products

(1) A reference price group for medicinal products is formed of reimbursable medicinal products that are included in the sphere of generic substitution referred to in the Medicines Act and have a sales permit, provided that the reference price group to be formed contains at least one substitutable generic product available on the market. Medicinal products included in the generic substitution scheme are specified in the list of interchangeable medicinal products referred to in section 57c of the Medicines Act.

(2) The reference price group is formed of reimbursable and mutually interchangeable medicinal products that contain the same active pharmaceutical ingredients in the same amounts. In addition, the medicinal products included in the same reference price group must be equivalent in dosage form and closely corresponding in package size. Further provisions on the equivalence of package sizes may be given by a decree of the Ministry of Social Affairs and Health.
Section 19 (802/2008)

Grounds for determining the reference price

(1) For each reference price group, a reference price serving as the basis of reimbursement is determined on the basis of price notifications made by holders of marketing authorisations referred to in section 20.

(2) The reference price is calculated on the basis of the retail price, with value added tax included, of the cheapest medicinal product to be included in the reference price group. The minimum price including value added tax is the price indicated by the medicinal products price list referred to in section 58 of the Medicines Act, excluding the pharmacy’s delivery fee. The reference price is determined so that the sum of EUR 1.50 is added to the retail price, including value added tax, of the cheapest medicinal product, if the retail price including value added tax is less than EUR 40. In other cases, the reference price will be the retail price including value added tax of the cheapest product in the reference price group, to which the sum of EUR 2 is added.

(3) A medicinal product for which the notification of the product’s entry to market referred to in section 27 of the Medicines Act has been made at least 38 days before the start of the reference price period, and for which a price notification referred to in section 20 of this Act has been made, is regarded as the cheapest medicinal product referred to in subsection 2 above.

Section 20 (802/2008)

Price notification procedure

(1) The holder of the marketing authorisation must notify the wholesale price of the medicinal product subject to the price notification procedure to the Pharmaceuticals Pricing Board (price notification). Medicinal products subject to the price notification procedure are indicated in a list which is published by the Pharmaceuticals Pricing Board and based on the list of interchangeable medicinal products published by the Finnish Medicine Agency, referred to in section 57c of the Medicines Act. The Pharmaceuticals Pricing Board must publish the list of products included in the sphere of the price notification procedure at least 30 days before the start of the reference price period. The price notification procedure applies to:

1) a medicinal product that is included in the reference price group during the time provided for submitting the price notification;

2) a medicinal product that is included in the list of interchangeable medicinal products maintained by the Finnish Medicine Agency, referred to in section 57c of the Medicines Act, and for which a reimbursement status and reasonable wholesale price have been confirmed by the Pharmaceuticals Pricing Board, and which has at least one generic product belonging to the same group of mutually interchangeable products;

3) a medicinal product whose reimbursement status is determined in accordance with section 24 of this Act when the reference price group ceases to exist. (788/2009)

(2) A price notification must be made when the Pharmaceuticals Pricing Board has published the list of medicinal products included in the sphere of the price notification procedure. The price notification must be submitted at least 21 days before the beginning of the reference price period. If the holder of the marketing authorisation does not submit the price notification within the time stipulated, the medicinal product’s reimbursability will terminate at the beginning of the reference price period.

(3) In the price notification, the holder of the marketing authorisation must provide the medicinal product’s wholesale price that was valid at the beginning of the reference price period. The notified wholesale price must not exceed the maximum wholesale price determined for the product or the reasonable wholesale price confirmed for the product as the basis for reimbursement. In addition, the holder of the marketing authorisation must notify of the medicinal product’s market status at the start of the reference price period.

Section 21 (802/2008)
Decision on reference price groups, reference price and the inclusion of medicinal products in reference price groups

1. The Pharmaceuticals Pricing Board confirms the medicinal product reference price groups, reference prices determined for the reference price groups, and products to be included in the reference price groups for each quarter of the year. Each quarter of the year constitutes a reference price period.

2. The decision must be made at least seven days before the beginning of the reference price period. The decision is in force at the start of each quarter and remains valid until the end of the quarter. When deciding on the inclusion of a medicinal product in a reference price group, a valid wholesale price and retail price including value added tax is confirmed for each product at the start of the reference price period.

3. The reference price confirmed for the reference price group remains unchanged for the duration of the reference price period.

Section 22 (802/2008)
Reimbursement status and maximum wholesale price of a product included in a reference price group

1. In addition to what is provided in section 21, the reimbursement status and maximum wholesale price must be confirmed for a product that is to be included in the reference price group, if the product is not included in the reference price group at the time of making the decision. The reimbursement status and maximum wholesale price defined for the medicinal product remain in force for as long as the product is included in the reference price group without interruption.

2. The reimbursement status of a medicinal product to be included in the reference price group is determined to be of equal extent as it is at the moment of the product’s inclusion in the reference price group.

3. The maximum wholesale price of a product to be included in a reference price group is the same as the reasonable wholesale price confirmed for the product at the time of the product’s inclusion in the reference price group.

Section 23 (802/2008)
Applying for reimbursement status within the reference price system

1. The holder of the marketing authorisation must apply for reimbursability for the medicinal product, if the holder of the marketing authorisation wishes to include a medicinal product in the reference price group with no reimbursement status approved by the Pharmaceuticals Pricing Board or reasonable wholesale price confirmed by the Board. An application for reimbursement status must also be made when wishing to expand the reimbursement status of a product that is to be included or already is included in a reference price group.

2. The provisions of sections 4 and 8 on the reimbursability of a medicinal product apply to the application for a medicinal product’s basic and special reimbursement status. When applying for reimbursement status, the applicant must indicate the wholesale price that is in force for the product at the time of its inclusion in the reference price group. The wholesale price notified for the product cannot exceed the maximum wholesale price of a comparable medicinal product included in the reference price group.

3. What is provided in sections 5, 6 and 9 on the confirmation of basic and special reimbursement status is applied to confirming the reimbursement status for the medicinal product. The maximum wholesale price of a medicinal product is confirmed to correspond to the maximum wholesale price of a comparable product that is included in the same reference price group.

4. The decision on including a medicinal product in a reference price group, the product’s reimbursement status and its maximum wholesale price will enter into force in the beginning of the second month following the date of the decision, unless otherwise stated in the decision. The decision remains in force, at the most, for as long as the product is included in the reference price group without interruption.
Section 24 (802/2008)

Discontinuation of a reference price group

(1) A reference price group will cease to exist without a separate decision if the requirements provided for it are not met. If the prerequisites of a reference price group cease to exist during the reference price period, the reference price group and the reference price defined for it will remain in force until the end of the reference price period in question.

(2) Notwithstanding the provisions of sections 22 and 23, when the reference price period ends, the reimbursement status and maximum wholesale price of medicinal products that belonged to the reference price group will continue, despite the reference price group’s abolition, to remain valid in the same extent for one year after the end of the reference price period at the most. However, continuation of the reimbursement status is conditional upon the holder of the medicinal product’s marketing authorisation submitting the price notification, as provided in section 20.

Special provisions

Section 25 (802/2008)

Application processing time

(1) The decision of the Pharmaceuticals Pricing Board on the reasonable wholesale price serving as the basis of reimbursement, basic reimbursement status and special reimbursement status of a medicinal product that has been granted a marketing authorisation must be delivered to the applicant within 180 days of receiving the application. If the matter under consideration concerns the increasing of the previously confirmed wholesale price, with no decisions being made on the reimbursement status of a medicinal product, the decision must be delivered to the applicant within 90 days of receiving the application. If information provided with the application is insufficient, the Board, or when necessary, the Director of the Board, suspends the application’s processing and immediately notifies the applicant of the specified additional information required. The final decision must then be delivered to the applicant within 180 days of receiving the additional clarification. If the matter under consideration concerns the increasing of the previously confirmed wholesale price, with no decisions being made on the reimbursement status of a medicinal product, the final decision must be delivered to the applicant within 90 days of receiving the additional clarification.

(2) The Pharmaceuticals Pricing Board may prolong the processing time by 60 days if the number of pending price increase applications is exceptionally high. When necessary, the Chair of the Board may decide on the prolonging of the processing time.

(3) If the Supreme Administrative Court has, in accordance with provisions of Chapter 11 of the Act on the Application of Administrative Law (586/1996) on extraordinary appeal, returned a decision of the Pharmaceuticals Pricing Board on the reimbursement status or reasonable wholesale price of a medicinal product with marketing authorisation for a new handling, the decision must be delivered to the applicant within the period of time provided in paragraph 1. The time commences when the Pharmaceuticals Pricing Board receives notification of the Supreme Administrative Court’s decision.

Section 26 (802/2008)

Appealing the decision of the Pharmaceuticals Pricing Board

If the applicant is dissatisfied with the decisions of the Pharmaceuticals Pricing Board, they can lodge an appeal with the Supreme Administrative Court as specified in the Act on the Application of Administrative Law. Despite lodging an appeal, the decision of the Pharmaceuticals Pricing Board must be complied with until the matter has been resolved with a final decision.

Section 27 (802/2008)

List of reimbursable medicinal products

A medicinal product with limited basic reimbursement status, a medicinal product with special reimbursement status and a clinical nutritional preparation must be included in the list of reimbursable medicinal products after the Pharmaceuticals Pricing Board has approved it as a reimbursable product.
The Pharmaceuticals Pricing Board must notify the Social Insurance Institution at the latest on the last day of each month of the changes in the reimbursement statuses of medicinal products with limited basic reimbursement status, medicinal products with special reimbursement status and clinical nutritional preparations. The Social Insurance Institution maintains a list of medicinal products with limited basic reimbursement status, medicinal products and preparations with special reimbursement status and reimbursable clinical nutritional preparations.

Section 28 (802/2008)

Authority to issue decrees

(1) Further provisions on the Pharmaceuticals Pricing Board and the adjacent expert group, the decision-making process, the application submitted to the Board and the price notification, the opinion of the Social Insurance Institution and the expert group and the matter’s handling by the Pharmaceuticals Pricing Board are issued by government decree.

(2) Further provisions on the application procedure, applicants and clarifications to be attached to the application and price notification, and the notification made to the Pharmaceuticals Pricing Board, are issued by a decree of the Ministry of Social Affairs and Health.

PART III

DAILY ALLOWANCES

Chapter 7

General preconditions for receiving daily allowances

Section 1

Right to daily allowance on the basis of earned income

(1) The insured is entitled to sickness allowance on the basis of his or her income from work, if the insured’s annual earned income referred to in Chapter 11 section 2, or Chapter 11 section 4, amounts to a minimum of EUR 1,264. In addition, the insured must meet the work requirements specified in Chapter 8 section 3. (1142/2010)

(2) The insured is entitled to parenthood allowance and special care allowance on the basis of income, provided that the insured has the right to an allowance exceeding the minimum daily allowance specified in section 3 on the basis of his or her annual income referred to in Chapter 11, section 2 or estimated annual income referred to in Chapter 11, section 4.

(3) The amount of income referred to in paragraph 1 above is verified as provided in Chapter 11, section 1(2).

Section 2

Right to daily allowance on the basis of previously received benefit

(1) If the insured has no income from work due to unemployment, studying or rehabilitation, he or she is entitled to daily allowance on the basis of the previously received benefit, as specified in Chapter 11 section 6.

(2) The insured has the right to parenthood allowance and special care allowance on the basis of the previously received benefit, provided that the insured is entitled to an allowance amounting to at least the minimum daily allowance specified in section 3 on the basis of the previous benefit. (804/2008)

Section 3

The right to a minimum daily allowance

(1) The insured’s right to receive sickness allowance at the amount of the minimum daily allowance commences after the waiting period referred to in Chapter 8 section 7(3), if the insured is not entitled to sickness allowance on the basis of income or on the basis of a benefit received prior to his or her right to daily allowance, or the amount of daily allowance would be less than the minimum daily allowance.
(2) The insured is entitled to receive the parenthood allowance and special care allowance at the amount of the minimum daily allowance if the allowance would be less than the minimum daily allowance when calculated on the basis of income or previously received benefit.

Section 4
The employer’s right to daily allowance

(1) Daily allowance is paid to the employer insofar as the insured is, on the basis of the employment relationship, entitled to receive a salary or corresponding compensation during absence due to illness, maternity, paternity or parental leave, or partial parental leave, and when the payment of daily allowance or a part of it to the employer instead of the insured is agreed in the terms and conditions of employment. Daily allowance is not paid to the insured for the same period for the part equalling the salary. (532/2009)

(2) Daily allowance is paid to the employer insofar as the employer has paid a salary to the insured for the period of his or her incapacity for work on the basis of the employment relationship, and the incapacity for work is due to a donation for organ or tissue transplantation as laid down in the Act on the Medical Use of Human Organs and Tissues (101/2001). Daily allowance is not paid to the insured for the same period for the part equalling the salary. (655/2010)

(3) Daily allowance:
1) is distributed to employers in the same proportion as the salaries they pay if the insured has several employers at once;
2) is distributed to the person who is insured under the Self-employed Persons’ Pensions Act or the Farmers’ Pension Act and his or her employer, in the proportion of income confirmed under the said pension acts and salary paid by the employer, if the insured works at the same time as an entrepreneur subject to the Self-employed Persons’ Pensions Act, as a farmer subject to the Farmers’ Pension Act, or as a recipient of grants, and is in the service of another employer. (994/2008)

(4) Partial sickness allowance is paid to the employer if the insured receives full pay on the basis of the employment relationship and if the payment of the partial sickness allowance to the employer instead of the insured has been agreed in the terms of employment. If the partial sickness allowance exceeds the amount of full pay paid by the employer, partial sickness allowance is paid to the employee for the part in excess of full pay. What is provided in subsections 1 and 2 is not applied to the payment of partial sickness allowance. (532/2009)

Section 5
Daily allowance days

Daily allowance is paid for every weekday referred to in Chapter 1 section 4(5) unless otherwise provided in this Act.

Chapter 8
Sickness allowance and partial sickness allowance (459/2006)

Section 1
Sickness allowance

(1) Sickness allowance is paid to compensate for the loss of income caused by incapacity for work.

(2) What is provided in this Act on sickness allowance also applies, where appropriate, to the daily allowance referred to in section 27(1) of the Communicable Diseases Act (583/1986) and section 18(2) of the Act on the Medical Use of Human Organs and Tissues (101/2001).

(3) In addition to the daily allowance referred to in subsection 2, a person is entitled to receive compensation for the loss of income referred to in section 27(2) of the Communicable Diseases Act. The compensation is determined on the basis of the earned income the person would have received if he or she had not been ordered to be absent from gainful employment, or placed in isolation or quarantine by
virtue of the Communicable Diseases Act. The compensation for the loss of income is the difference between the person’s earned income and daily allowance. When determining the compensation for the loss of income, the daily allowance referred to in subsection 2 is taken into consideration as a deduction. (912/2007)

(4) If the daily allowance referred to in subsection 2 of the Communicable Diseases Act is paid to the employer pursuant to Chapter 7 section 4(1), and the daily allowance does not cover the wages or similar compensation paid by the employer for the time of absence from work, isolation or quarantine, the employer is entitled to compensation referred to in subsection 3 for the exceeding amount. (912/2007)

Section 2
Age of the insured

(1) An insured person of the age of 16–67 and resident in Finland is entitled to sickness allowance if the incapacity for work caused by illness started after the insured had turned 16. Daily allowance can be paid at the most until the end of the calendar month during which the insured turns 68.

(2) If incapacity for work caused by illness commenced after the insured’s 15th birthday, and the illness continues after the insured’s 16th birthday, the insured is entitled to sickness allowance for the period of incapacity for work that exceeds the latter age limit, at the most until the end of the calendar month which is followed by a month during which the incapacity for work has continued for one year.

Section 3
Work requirement

The insured is not entitled to sickness allowance if he or she has been, due to one’s own actions, unemployed or without work uninterrupted for the last three months immediately preceding the start of the incapacity for work. However, regardless of not meeting the work requirement, the insured is entitled to receive sickness allowance at the minimum amount after his or her incapacity for work has lasted uninterrupted for at least 55 days.

Section 4
Incapacity for work

(1) The insured is entitled to sickness allowance for the time he or she is prevented from engaging in work due to incapacity for work caused by an illness.

(2) Incapacity for work means a state caused by illness where the insured is incapable of performing his or her normal work or work that is closely comparable to it when the illness continues.

Section 5
Limitations to payment of sickness allowance

(1) Sickness allowance is not paid to an insured person who is:

1) serving a term of imprisonment he or she has been sentenced to in a penal institution referred to in section 2 of the Criminal Code of Finland, with the exception of a conversion sentence in lieu of a fine;

2) is in an institution for preventive detention under section 1 of the Act on the Preventive Confinement of Dangerous Recidivists; or

3) in military service in the standing army, in voluntary service comparable to military service, in the service of the defence forces as unarmed, in reserve or in home reserve, or in non-military service.

(2) The Criminal Code of Finland 39A/1889 has been repealed by the Imprisonment Act 767/2005. The Act on the Preventive Confinement of Dangerous Recidivists 317/1953 has been repealed by the Act on Repealing the Act on the Preventive Confinement of Dangerous Recidivists 786/2005.

Section 6
Benefits preventing eligibility for sickness allowance
(1) An insured person who receives the following benefits is not eligible for sickness allowance:

Paragraph 1 has been repealed by Act 1640/2009.

2) rehabilitation allowance in accordance with the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits (566/2005);

3) rehabilitation allowance, partial rehabilitation allowance or rehabilitation allowance paid as rehabilitation assistance in accordance with the earnings-related pension acts;

4) compensation for the loss of income pursuant to the provisions of the Employment Accidents Act (608/1948), Motor Liability Insurance Act (279/1959), Military Injuries Act (404/1948) or the Military Accidents Act (1211/1990) concerning rehabilitation;


6) part-time pension in accordance with the earnings-related pension acts;

Paragraph 7 has been repealed by Act 1247/2010.

8) guarantee pension in accordance with the Act on Guarantee Pension (703/2010), (708/2010)

(2) If the insured’s maternity allowance period started earlier than 30 weekdays before the estimated date of delivery, she is not entitled to sickness allowance for the time period concerned.

(3) However, an insured person who is aged under 68 and receives a pension referred to in paragraphs 5–8 of subsection 1 above, a disability pension granted pursuant to section 12, subsection 1 of the National Pensions Act or a full disability pension in accordance with the earnings-related pension acts, is entitled to sickness allowance if he or she is employed after having retired and becomes unable to perform the work that he or she was engaged in immediately before the commencement of incapacity for work. The amount of sickness allowance will then be calculated on the basis of income earned while in retirement as specified in Chapter 11, taking into account what is provided in Chapter 12 section 2. (1247/2010)

Section 7 (532/2009)

Waiting period

(1) Sickness allowance or partial sickness allowance is paid for the time of incapacity for work, with the exception of the first day of incapacity for work and the nine weekdays immediately following the commencement of incapacity.

(2) If the insured’s incapacity for work commences on the basis of the same illness within 30 days of the day for which sickness allowance or partial sickness allowance was last paid, sickness allowance or partial sickness allowance is paid starting from the next weekday following the commencement of incapacity for work.

(3) If incapacity for work giving the right to sickness allowance or partial sickness allowance commences or continues immediately after the preceding rehabilitation allowance, the waiting period specified in sections 1 and 2 is not applied to sickness allowance or partial sickness allowance.

(4) However, the minimum sickness allowance is paid on the basis of incapacity to work caused by an illness only after the incapacity for work has lasted uninterrupted for at least 55 days. If, at the commencement of incapacity for work, it is apparent that the incapacity will continue for at least the maximum period of time specified in section 8, sickness allowance is paid at the minimum amount after the waiting period as specified in subsections 1 or 2.
Section 8

Maximum time of receiving sickness allowance

(1) The maximum time for sickness allowance payment is met at the end of the calendar month preceding the month during which the number of sickness allowance days would reach 300 weekdays. The Social Insurance Institution makes the decision on the maximum time limit, even if the insured’s incapacity for work were to end during the calendar month at the end of which the time limit would be met as specified above. If the incapacity for work later continues on the basis of the same illness, the insured can be granted sickness allowance only until the end of the month during which the maximum time limit is met.

(2) When calculating the maximum time for sickness allowance, all sickness allowance days during the preceding two years from the commencement of such incapacity for work to which the waiting period referred to in section 7(1) is applied are taken into account. If the insured has been capable of work for 12 consecutive months, the sickness allowance days preceding this are not taken into account when calculating the maximum time limit.

(3) When calculating the maximum time, account is also taken of the days for which sickness allowance has not been paid due to limitations of payment specified in section 5 or due to:

1) the amount of the insured’s income that has remained below the minimum amount specified in Chapter 11 section 1;
2) the insured has not met the work requirements specified in section 3;
3) the insured is, pursuant to some other act, entitled to compensation for loss of income which is higher than the sickness allowance;
4) payment of parenthood allowance has been made to the insured for the same period of time; or
5) the sickness allowance application has been submitted late.

Section 9

Sickness allowance after exceeding of the maximum time

(1) After the maximum time limit referred to in section 8 has been met, the insured has the right to sickness allowance on the basis of the same illness only after he or she has been capable of work for 12 consecutive months after the ending of the maximum time limit. It is required that the said time period does not include a period of incapacity for work that would exceed the waiting period referred to in section 7(1).

(2) The period of time for which the insured has received rehabilitation allowance from the Social Insurance Institution in accordance with the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits or the earnings-related pension acts; partial rehabilitation allowance, rehabilitation allowance paid as rehabilitation assistance or compensation for the loss of income pursuant to the provisions of the Employment Accidents Act, the Motor Liability Insurance Act or the Military Injuries Act concerning rehabilitation; or the period of time during which the insured has been enrolled in the Employment and Economic Development Office as an unemployed jobseeker or participated in a measure in accordance with the Act on the Public Employment Service (1295/2002) or in training referred to in Chapter 9 of said Act, is considered comparable to the time of being capable of working referred to in subsection 1 above. Time during which a person has been entitled to a benefit in accordance with the Unemployment Security Act, pursuant to Chapter 3 section 3(3) of the Unemployment Security Act, is also considered comparable to the time of being capable of working. On the contrary, time during which the insured has received a disability pension referred to in section 12 (1) of the National Pensions Act or full disability pension in accordance with the earnings-related pension acts is not considered comparable to the time of being capable of working referred to in subsection 1. (1201/2009)

(3) Notwithstanding the provisions of subsection 2, time during which the insured has been employed for 12 consecutive months, while being on disability pension and after the maximum time has been met
before the commencement of new incapacity for work, is considered comparable to the time of being capable of working.

(4) The insured is entitled to sickness allowance regardless of whether he or she has reached the maximum time limit if he or she becomes incapacitated from working due to a new illness. An illness that has not caused incapacity for work during the earlier maximum time and that cannot be deemed to be related to the earlier incapacity for work is considered a new illness.

(5) Notwithstanding the provisions in subsection 1, the insured is entitled to sickness allowance on the basis of the same illness after having reached the maximum time limit if he or she returns to gainful employment and the illness reoccurs after the employment has continued for at least 30 consecutive days. In such a case, sickness allowance is paid, observing the waiting periods specified in section 7 of this Chapter, in one or more instalments, for a maximum of 50 weekdays. (1247/2010)

Section 10 (1113/2005)
An entrepreneur’s right to sickness allowance for the waiting period

(1) Notwithstanding the provisions of section 7(1), an insured person who has, at the commencement of incapacity for work, valid pension insurance referred to in the Self-employed Persons’ Pensions Act, is paid sickness allowance for the period of incapacity for work in compensation of the waiting period, with the exception of the first day of incapacity for work and three immediately following weekdays until the end of the waiting period as specified in section 7(1). (1246/2010)

(2) The sickness allowance referred to in subsection 1 above is determined in accordance with Chapter 11 section 3 or 4 of this Act on the basis of confirmed income referred to in the Self-employed Persons’ Pensions Act. If the sickness allowance is determined on the basis of Chapter 11 section 4(1) of this Act, the confirmed income referred to in the Self-employed Persons’ Pensions Act, for which the insured has provided a reliable account, is compared to the insured’s confirmed income under the Self-employed Persons’ Pensions Act that has been confirmed in taxation. (1246/2010)

(3) Sickness allowance that is paid to the entrepreneur as compensation for the waiting period is not taken into account in the sickness allowance maximum time limit referred to in section 8 and the provisions of Chapter 7 section 4, Chapter 8 section 7(2) or Chapter 15 section 10 are not applied to it.

(4) What is provided in this Act on sickness allowance applies to the sickness allowance paid to entrepreneurs pursuant to subsection 1, unless otherwise provided in subsections 1–3.

Subsection 5 has been repealed by Act No 1246/2010.

Section 11 (532/2009)
Right to partial sickness allowance

(1) Partial sickness allowance is intended to support an insured person, who is between 16 and 67 years of age and incapable of working, to stay in working life and return to full-time employment.

(2) An employee or entrepreneur who is incapable of work as referred to in section 4 is entitled to partial sickness allowance after the waiting period referred to in section 7 or after the sickness allowance or rehabilitation allowance immediately preceding the partial sickness allowance when the requirements specified in this section are met.

(3) The right to partial sickness allowance is conditional upon the insured’s ability to perform a part of his or her duties without endangering his or her health and recovery.

(4) A further requirement is that the insured’s working hours before the partial sickness allowance period or the immediately preceding sickness allowance or rehabilitation allowance period were in accordance with full-time employment and that the insured has agreed on working part-time so that the working hours are reduced by at least 40 per cent and at most 60 per cent from the previous working hours. The contract for part-time employment must be valid for the entire partial sickness allowance period. An entrepreneur’s right to partial sickness allowance requires that the work carried out in his or her own enterprise is reduced by at least 40 per cent and at most 60 per cent from the previous work for the duration of the partial sickness allowance period.
If the insured’s right to partial sickness allowance terminates during the partial sickness allowance period due to illness, termination of employment or other similar reason, the insured is entitled to sickness allowance without the waiting period referred to in section 7, if the other requirements for receiving sickness allowance are met.

Section 12 (532/2009)

Payment of partial sickness allowance

(1) Partial sickness allowance is paid for 72 weekdays at the most. The payment can be made consecutively or for a period of at least 12 consecutive weekdays. Provisions on partial sickness allowance payment periods are issued by government decree.

(2) If the insured starts receiving sickness allowance, rehabilitation allowance, parenthood allowance or unemployment benefits referred to in Chapter 3 section 3(3) during a partial sickness allowance period, partial sickness allowance can also be paid for a period shorter than 12 weekdays. In such a case, the payment of partial sickness allowance is conditional upon the insured providing a reliable account of why the right to partial sickness allowance ceased. Further provisions on the clarifications the insured must provide when applying for partial sickness allowance for a period shorter than 12 weekdays are issued by government decree.

(3) When calculating the maximum time for partial sickness allowance, all days of receiving partial sickness allowance are taken into consideration for the two preceding years. However, days when payment of partial sickness allowance have not been made because the insured has received parenthood allowance for the same time are also taken into account when calculating the maximum time for partial sickness allowance. If the insured has been capable of work for 12 consecutive months, the partial sickness allowance days preceding this are not taken into account when calculating the maximum time limit for partial sickness allowance.

Section 13 (532/2009)

Other provisions applied to partial sickness allowance

If partial sickness allowance is not subject to the provisions of other applicable statutes, provisions of this Act on sickness allowance apply to partial sickness allowance.

Chapter 9

Parenthood allowances

Section 1

Right to a parenthood allowance

(1) The insured is entitled to parenthood allowance, provided that he or she has resided in Finland for at least 180 days immediately preceding the estimated date of delivery or before the placement of the child with the insured referred to in Chapter 11. Time spent as insured in another European Union member state or in a state where the European Union law is applied is considered comparable to the time of residency in Finland.

(2) Fathers and adoptive fathers are entitled to parental allowance and paternity allowance even if the mother would not have the right to parenthood allowance due to not meeting the residency requirement. In such a case, the father’s parental allowance period commences 75 days after the child’s actual date of birth.

(3) Provisions on parenthood allowance are applied to a father and adoptive father who is married to the mother of the child and does not live in separation because of a relationship breakdown with the mother. In addition, provisions on parenthood allowance are applied to an insured person who continuously lives in conditions similar to marriage in a shared household with the mother of the child without being married to her. However, the provisions do not apply to an insured person who continuously lives in conditions similar to marriage in a shared household with the adoptive parent without being married.

Section 2
Maternity allowance

(1) A woman whose pregnancy has lasted for at least 154 days has the right to receive maternity allowance on the basis of pregnancy and childbirth.

(2) However, if the pregnancy has been terminated under the right to maternity under the Act on Induced Abortion (239/1970), the right to maternity allowance does not exist.

Section 3

Maternity allowance period

(1) Maternity allowance is paid for 105 weekdays. The right to maternity allowance commences at the earliest 50 weekdays and at the latest 30 weekdays before the estimated date of delivery. If the pregnancy is over earlier than 30 weekdays before the estimated date of delivery, the right to maternity allowance starts on the next weekday following the pregnancy’s ending and expires when the benefit has been paid for 105 weekdays.

(2) Payment of early maternity allowance for 31–50 weekdays before the estimated date of delivery requires that the insured is not engaged in gainful employment or other own work during that time, with the exception of tasks carried out in one’s own household.

Section 4

Special maternity allowance

(1) An insured who is pregnant and engaged in gainful employment or own work, with the exception of tasks carried out in one’s own household, is entitled to special maternity allowance if a chemical substance, radiation or infectious disease or other similar matter related to her duties or working conditions could endanger her own or the foetus’ health. Further provisions on when the insured’s duties or conditions at the workplace can be considered to endanger the insured’s own or the foetus’ health in the aforementioned situations, and on further clarifications the insured is required to provide when claiming special maternity allowance, are given by government decree.

(2) Payment of special maternity allowance requires that the insured is capable of work and that other duties cannot be assigned to her, as referred to in Chapter 2 section 3(2) of the Employment Contracts Act (55/2001) or Chapter 2 section 3(2) of the Seafarers’ Employment Contracts Act (756/2011), and the insured has to be absent from work because of this. A further requirement is that the insured is not engaged in other gainful employment or own work, with the exception of tasks carried out in one’s own household. (766/2011)

(3) Subsection 2 amended with Act 766/2011 enters into force on 1 August 2011. The previous wording is:

Payment of special maternity allowance requires that the insured is capable of work and that other duties cannot be assigned to her, as referred to in Chapter 2 section 3(2) of the Employment Contracts Act (55/2001) or section 29 (2) of the Seamen’s Act (423/1978), and the insured has to be absent from work because of this. A further requirement is that the insured is not engaged in other gainful employment or own work, with the exception of tasks carried out in one’s own household.

(4) What is provided on maternity allowance also applies, where appropriate, to special maternity allowance.

Section 5

Special maternity allowance period

(1) Special maternity allowance is paid for the period when the insured is prevented from carrying out her work due to a hazard related to the insured’s duties or working conditions; however, payment is made at the most until the insured’s right to maternity allowance commences. If the pregnancy is over before the start of the maternity allowance period, special maternity allowance is paid until the pregnancy is over.
(2) If the employer of the insured, who is entitled to special maternity allowance, assigns other duties to the insured during the special maternity allowance period, as referred to in Chapter 2 section 3(2) of the Employment Contracts Act or in Chapter 2 section 3(2) of the Seafarers’ Employment Contracts Act, and these duties do not endanger the insured’s or the foetus’ health as referred to in section 4(1) of this chapter, special maternity allowance is not paid for workdays. Special maternity allowance is also not paid for workdays to an insured person who engages in her own work during the special maternity allowance period, with the exception of tasks carried out in one’s own household. (766/2011)

(3) Subsection 2 amended by Act 766/2011 enters into force on 1 August 2011. The previous wording is:

If the employer of the insured who is entitled to special maternity allowance assigns other duties to the insured during the special maternity allowance period, as referred to in Chapter 2 section 3(2) of the Employment Contracts Act or in section 29(2) of the Seamen’s Act, and these duties do not endanger the insured’s or the foetus’ health as referred to in section 4(1) of this chapter, special maternity allowance is not paid for workdays. Special maternity allowance is also not paid for workdays to an insured person who engages in her own work during the special maternity allowance period, with the exception of tasks carried out in one’s own household.

Section 6
Paternity allowance
The child’s father, who participates in childcare that gives the right to parenthood allowance and is not engaged in gainful employment or other own work, with the exception of tasks carried out in one’s own household, is entitled to paternity allowance. However, a student is entitled to paternity allowance if he can be considered to be participating in the care of his child despite receiving the study grant under the Act on Financial Aid for Students.

Section 7
Paternity allowance period
Paternity allowance is paid for a maximum of 18 weekdays during the maternity and parental allowance period. During this time, the paternity allowance can be divided into a maximum of four uninterrupted periods.

Subsection 2 has been repealed by Act 1342/2006.

Section 8
Parental allowance
(1) In accordance with what is agreed by the parents, either the mother or father of the child has the right to parental allowance immediately after the termination of the maternity allowance period. By way of derogation from section 1(3) of this chapter, if the mother does not participate in childcare, the father is entitled to parental allowance even if the mother and father no longer live in a shared household.

(2) The child’s father has the right to parental allowance if he participates in childcare and is not engaged in gainful employment or other own work, with the exception of tasks carried out in one’s own household. However, in accordance with section 9, the father is entitled to partial parental allowance when he is working part-time. If the father is responsible for the child’s care alone and is engaged in gainful employment or other own work, with the exception of tasks carried out in one’s own household, he nevertheless has the right to parental allowance.

(3) Payment of parental allowance requires that the mother has attended a follow-up check performed by a doctor or a midwife or nurse working in public healthcare with sufficient training in order to have her state of health examined after five weeks of delivery at the earliest and 12 weeks at the latest. However, the Social Insurance Institution may on special grounds grant the parental allowance even if the follow-up check has not been performed. Further provisions on the follow-up check are issued by government decree. (437/2010)
(4) If the child has been taken into care in accordance with the Child Welfare Act (683/1983), the right to parental allowance ceases. However, parental allowance is still paid to a mother or father who continues to participate in the child’s care regardless of the taking into care of the child.

(5) The child’s mother and father can agree on dividing the parental allowance period between themselves so that the parental allowance is paid to each parent in a maximum of two instalments. However, unless there are special grounds for it, parental allowance is not paid for a period shorter than 12 weekdays.


**Section 9**

**Partial parental allowance**

(1) The mother and father can divide the right to parental allowance between themselves as they agree, so that both have a simultaneous right to partial parental allowance. The payment of partial parental allowance requires that the mother and the father take care of the child themselves. A further requirement is that the mother and the father of the child have both agreed with their employer on part-time work during the parental allowance period, so that for both the working hours and pay are at least 40 per cent and at most 60 per cent of the maximum working time and full-time pay of a full-time employee applied in the sector. The agreement on part-time work must be made for at least two months at a time.

(2) An entrepreneur’s right to partial parental allowance requires that the work carried out in his or her own enterprise is reduced by at least 40 per cent and at most 60 per cent from the previous work for at least two months.

**Section 10**

**Parental allowance period**

(1) Parental allowance is paid for a maximum of 158 weekdays starting from immediately after the termination of the maternity allowance period, unless otherwise provided in subsections 2 or 3 or section 10a. The days for which parental allowance has been paid immediately after the termination of the maternity allowance period and parental allowances days transferred on the basis of section 10a form one parental allowance period. (1342/2006)

(2) If the maternity allowance period has commenced earlier than 30 weekdays before the estimated date of delivery due to the premature birth of the child, the parental allowance period is prolonged by as many weekdays as were included in the maternity allowance period during the time prior to 30 weekdays before the estimated date of delivery.

(3) The parental allowance is prolonged by 60 weekdays for each child if more than one child is born at once. The mother or father of the child can use the prolongation of the parental allowance period referred to in subsection 2 entirely or partly already during the maternity or parental allowance period.

**Section 10 a (1342/2006)**

**Extended paternity leave**

(1) Notwithstanding the provisions of section 8(1) on the consecutiveness of the parental allowance period, the father may, as the mother and father agree, postpone 12 parental allowance days of the parental allowance period referred to in section 10 to be taken later. A further requirement for postponing the parental allowance is to take at least one paternity allowance day referred to in subsection 2.

(2) If the father is paid parental allowance or partial parental allowance consecutively on the basis of participating in childcare for at least the 12 last weekdays of the parental allowance period immediately following the maternity allowance period, or for 12 parental allowance days postponed in accordance with subsection 1, the father is entitled to paternity allowance for a consecutive period of 24 weekdays.
Section 11
Parental and paternity allowance for an adoptive parent

(1) An insured who has started to take care of a child younger than seven years old with the purpose of adopting the child is entitled to adoptive parents’ parental allowance and partial parental allowance, provided that the insured participates in childcare and is not engaged in gainful employment or other own work, with the exception of tasks carried out in one’s own household. However, an insured person who has adopted a child older than one year of age and is married or lives together in a shared household with the parent or adoptive parent of the child to be adopted, is not entitled to adoptive parents’ parental allowance.

(2) An adoptive father entitled to adoptive parents’ parental allowance has the right to paternity allowance as provided in sections 6, 7 and 10a. (1342/2006)

(3) Adoptive parents’ parental allowance or partial parental allowance is conditional upon the adoptive parent presenting the certificate of receiving the child obtained from adoption counselling or the international adoption service provider as referred to in the Adoption Act (153/1985). In cases of international adoption, adoptive parents’ parental allowance or partial parental allowance is conditional upon permission granted to the adoptive parent or adopter by the Finnish Adoption Board referred to in section 25(1) of the Adoption Act. (1247/2010)

Section 12
Adoptive parents’ parental allowance period

(1) As a consequence of taking care of the adoptive child, the adoptive parent or his or her spouse is paid parental allowance or partial parental allowance for the time during which childcare continues until 234 days have passed since the child’s birth. However, parental allowance is always paid for at least 200 weekdays. If the child is received later than 54 weekdays after the child’s birth, parental allowance is paid for 200 weekdays. If several adoptive children have been received at once, the parental allowance period is prolonged in accordance with section 10(3). (912/2007)

(2) If a right to new maternity or parental allowance or to adoptive parents’ parental allowance commences during the adoptive parent’s parental allowance period, the payment of the previous parental allowance ceases when the new maternity or parental allowance period or an adoptive parent’s parental allowance period commences.

Section 13
Illness or death of the mother during the maternity allowance or parental allowance period

(1) The child’s father has the right to parental allowance during the maternity allowance period if the mother becomes unable to take care of her child due to illness and the father takes care of the child and is not engaged in gainful employment or other own work, with the exception of tasks carried out in
one’s own household. The father’s right to parental allowance commences at the earliest when the mother’s illness continues after the waiting period for sickness allowance specified in Chapter 8 section 7(1) has passed. Parental allowance can be paid to the father during the maternity allowance period at the most for as many weekdays as maternity allowance was unpaid for to the mother due to an illness that rendered the mother incapable of taking care of her child.

(2) If the mother of the child dies during the maternity or parental allowance period, the father who takes care of the child and is responsible for the child’s care is entitled to parental allowance. Parental allowance can be paid to the father at the most for as many weekdays as maternity or parental allowance was unpaid for due to the mother’s death.

(3) If the child’s father does not take care of the child or assume responsibility for the child’s care, the parental allowance is paid to an insured person who is responsible for the child’s care; in such a case, the applicable provisions on the child’s father apply to this person.

(4) What is provided in this section on the mother and father also applies to the adoptive mother and adoptive father.

**Section 14**

Impact of the child's death or giving the child up for adoption on parenthood allowance

(1) If the child is born dead or if the child or adoptive child dies:

1) maternity and paternity allowance is paid until the end of the maternity or paternity allowance period;
2) parental allowance and partial parental allowance is paid for 12 weekdays after the child’s date of death, however at the most until the end of the parental allowance period;
3) parental allowance is paid until the end of the prolonged parental allowance period if at least two children of multiple births are alive at the start of the parental allowance period.

(2) If the child is given away during the maternity allowance period with the purpose of giving the child up for adoption, maternity allowance is paid until the end of the maternity allowance period. If the child is given up during the paternity or parental allowance period, the right to parenthood allowance ceases on the next day following the day of giving up the child.

**Section 15**

Restrictions to the payment of parental allowance

(1) Parental allowance is not paid to the insured for the time during which he or she is:

1) serving a term of imprisonment he or she has been sentenced to in a penal institution referred to in section 2 of the Criminal Code of Finland, with the exception of a conversion sentence in lieu of a fine;
2) in an institution for preventive detention under section 1 of the Act on the Preventive Confinement of Dangerous Recidivists.

(2) If the right to a new parenthood allowance commences during the maternity, paternity or parental allowance period, payment of the previous maternity, paternity or parental allowance ceases when the new parenthood allowance period commences. If the right to new parental allowance commences before the previously postponed extended paternity leave has been taken, the right to parental allowance on the basis of the previous child ceases. (1342/2006)

(3) The Criminal Code of Finland 39A/1889 has been repealed by the Imprisonment Act 767/2005. The Act on the Preventive Confinement of Dangerous Recidivists 317/1953 has been repealed by the Act on Repealing the Act on the Preventive Confinement of Dangerous Recidivists 786/2005.

**Section 16 (1342/2006)**

Parental allowance in a registered partnership
What is provided in section 1(3), and sections 8–10 and 13 on parental allowance is also applied to insured persons whose partnership has been registered in accordance with the Act on Registered Partnerships (950/2001). The insured person who is not a parent of the child has the right to parental allowance if:

1) after registration of the partnership, one of the partners has a child or one of the partners starts caring for a child of under 7 years of age; and

2) the insured lives in the same household with the child and the child’s parent.

Section 17 (458/2010)
Adoption in a registered partnership
What is provided in sections 11 and 12 above or elsewhere in this chapter on adoptive parents’ paternity and parental allowance is also applied to a partner in a registered partnership, referred to in section 16, who adopts the other partner’s child who is not older than 12 months. When calculating the number of parenthood allowance days in accordance with sections 7, 10a and 12, parenthood allowance already granted to a partner in the relationship for taking care of the same child is taken into account; however, the total number of parenthood allowance days paid to partners in the relationship is always at least 200 weekdays. If maternity allowance has been granted to one partner in the partnership, parental allowance is always granted for 158 weekdays at the most, when the adoptive parent’s right to parental allowance commences at the termination of maternity allowance.

Chapter 10
Special care allowance
Section 1
Special care allowance
(1) Special care allowance is intended to compensate for temporary or short-term loss of income due to the insured participating in the treatment or rehabilitation of his or her child’s illness or disability.

(2) Provided that the requirements for special care allowance specified in section 2 are met, an insured person who takes care of his or her own or his or her spouse’s child, an adoptive child or other child whom the insured takes actual care of like a parent, is entitled to special care allowance. A person who continuously lives in conditions similar to marriage in a shared household with the insured without being married is considered comparable to a spouse.

Section 2
Preconditions for the payment of special care allowance
(1) Special care allowance is paid to an insured person who is, in the short-term or temporarily, prevented from engaging in his or her own work or in work for someone else and has no income from work from this period due to participating in a rapidly evolving or demanding phase of treatment in the medical treatment of his or her child of under 16 years of age or due to the rehabilitation of his or her child. A small income from work does not, however, prevent the payment of special care allowance. Home care allowance for the care of an elderly, disabled or a chronically ill person or the compensation for family care is not taken into account as income from work.

(2) An insured person participating in the following has the right to special care allowance:

1) treatment or rehabilitation provided at a unit for specialised medical care services or at an outpatient clinic of a special care district unit for the illness or disability of his or her child, if the participation is considered necessary by the attending physician; in the case of children who have turned seven, a further requirement is that the illness or disability is severe;

2) family care related to the treatment or rehabilitation of the severe illness or disability of the child of the insured as referred to in paragraph 1, if the attending physician considers the participation necessary;
3) statutory adaptation training or a rehabilitation course arranged because of the child’s illness or disability, or other comparable statutory rehabilitation.

Special care allowance is paid to both parents for the same period of time if the physician has considered the participation of both parents in treatment or rehabilitation necessary. However, special care allowance is not paid to both parents for the same period of time for family care referred to above. Further provisions on illnesses or disabilities referred to in subsection 2 which are regarded as severe on medical grounds are issued by government decree.

Section 3
Payment of special care allowance
(1) In order to achieve therapeutic balance, special care allowance is paid for each child on the basis of the same illness:

1) for a maximum total of 60 weekdays for the time of treatment provided in a treatment facility referred to in section 2(2) and for the time of rehabilitation courses;

2) for a maximum of 60 weekdays for the time of family care, and for specific therapeutic reasons, for a maximum of 30 additional weekdays.

(2) Notwithstanding the provisions of subsection 1, special care allowance is paid for a longer period of time on the basis of cogent medical reasons if the treatment related to the child’s severe illness or unexpected worsening of the illness further requires the constant presence of the parent.

(3) Further provisions on the cogent medical reasons referred to in subsection 2 above, on the basis of which special care allowance is paid for more than 150 weekdays, are issued by government decree.

Chapter 11
Amount of daily allowances

Section 1
The amount of daily allowances on the basis of income from work
(1) The daily allowance is 70 per cent of one three-hundredths of the insured’s annual income from work confirmed in taxation, if said annual income does not exceed the sum of EUR 32,892. For the part in excess of this up to an annual income of EUR 50,606, the amount of daily allowance is 40 per cent of one three-hundredths of the annual income from work, and for the part in excess of EUR 50,606, 25 per cent of one three-hundredths of the annual income from work. (1142/2010)

(2) Notwithstanding the provisions of subsection 1:

1) for the first 56 weekdays, the amount of maternity allowance is 90 per cent of one three-hundredths of the insured’s annual income from work confirmed in taxation if the annual income from work does not exceed EUR 50,606; for the part in excess of this, the amount of maternity allowance is 32.5 per cent of one three-hundredths of the annual income from work;

2) for the first 30 weekdays, the amount of parental allowance paid to the mother is 75 per cent of one three-hundredths of the insured’s annual income from work confirmed in taxation if the annual income from work does not exceed EUR 50,606; for the part in excess of this, the amount of parental allowance paid to the mother is 32.5 per cent of one three-hundredths of the annual income from work;

3) for the first 30 weekdays, the amount of parental allowance paid to the father and the paternity allowance for the extended paternity leave is 75 per cent of one three-hundredths of the insured’s annual income from work confirmed in taxation if the annual income from work does not exceed EUR 50,606; for the part in excess of this, the amount of parenthood allowance paid to the father is 32.5 per cent of one three-hundredths of the annual income from work.

(1142/2010)
(3) The income from work confirmed in taxation, referred to in subsections 1 and 2 above, is adjusted in the same proportion as the confirmed wage coefficient, referred to in section 96(1) of the Employees Pensions Act, valid at the start of the incapacity for work or the right to parenthood allowance or special care allowance, differs from the wage coefficient confirmed for the previous year. (1342/2006)

(4) The income limits referred to in subsections 1 and 2 above are adjusted each calendar year with the wage coefficient referred to in section 96(1) of the Employees Pensions Act. If the income limits exceed whole euro amounts in the review, the exceeding part will not be taken into account. (1342/2006)

Section 2 (1113/2005)
Income from work

(1) In this Act, income from work, on which daily allowances are based on, means:
1) wages or salary received in an employment or public-service employment relationship;
2) income confirmed for each year in accordance with the Self-employed Persons’ Pensions Act and the Farmers’ Pensions Act; and (1276/2006)
3) the salary referred to in the earnings-related pension acts which is considered as the basis of earnings and pension contributions in employment abroad (salary for insurance purposes). (1264/2006)

(2) If the insured is not obligated to take out an insurance in accordance with the Self-employed Persons’ Pensions Act or the Farmers’ Pensions Act, earnings from business activities, farming or a company, earned income from his or her own enterprise or farming, compensation from work related to entrepreneurial activities, the value of work performed on a holding, earnings from reindeer husbandry and taxable grants referred to in the Income Tax Act (1535/1992) are taken into account as the insured’s income from work. However, if an insured person with no obligation to take out insurance under the said acts voluntarily takes out such insurance, the income referred to in subsection 1(2) will be taken into account as his or her income from work. (994/2008)

(3) In accordance with paragraph 1, subsection 1 above, salary and wages, remuneration and compensation subject to income tax as referred to in section 13 of the Prepayment Act (1118/1996), the remuneration of athletes, salary and wages referred to in section 4 of the Act on the Taxation of Non-Residents’ Income and Capital (627/1978) and the personal remuneration of performing artists and athletes referred to in section 3 of said act, salary and wages subject to income tax referred to in section 13 of the Prepayment Act received for employment abroad referred to in section 77 of the Income Tax Act, supplementary daily allowance paid by a sickness fund referred to in the Insurance Fund Act (1164/1992) and service charges received while in an employment relationship are considered as salary on which the daily allowances are based on. (700/2010)

(4) The following are, however, not considered salary:
1) personnel benefits received from the employer;
2) interest benefits from a loan granted on the basis of the employment relationship;
3) benefits gained from a right to subscribe to a corporation’s shares or participations at a lower than market value on the basis of employment, if a majority of the personnel is entitled to the benefit;
4) benefit arising from using an employee stock option referred to in section 66 of the Income Tax Act or a payment based on an employment relationship that is determined on the basis of the change in the company’s share value;
5) a bonus given in the form of shares of the employer company or a company in the same Group or some other similar financial consortium that are quoted on a stock exchange subject to supervision by the authorities, or as investment deposits or in another corresponding form; or instead of shares partly or wholly in cash, provided that the value of such a bonus is dependent on the development of the value of the shares in question during a subsequent period of at least one year after the bonus has been promised;
6) salary received for the waiting days referred to in Chapter 2 section 14(1) of the Employment Contracts Act;

7) compensation for the termination of an employment contract or a public-service employment relationship and other compensation for damage;

8) remuneration for lectures and presentations not based on an employment or public-service employment relationship, attendance allowances and allowances for being a member in an administrative body, if the payment of employees’ pension contribution is not required for the remuneration under applicable earnings-related pension acts;

9) personnel fund contributions and their supplements that have been transferred into the personnel fund or fund units drawn from the personnel fund as referred to in the Act on Personnel Funds (934/2010);

10) personnel fund contributions and their supplements referred to in the Act on Personnel Funds that have been withdrawn in cash in accordance with section 37 of the Act on Personnel Funds as a remuneration that is determined in accordance with the Fund’s regulations, provided that the share has been determined on the basis of factors measuring the company’s profitability and effectiveness of operations or in accordance with a performance-based incentive scheme employed by an agency or a municipality;

11) items paid to the employee as profit distribution or in cash as profit bonus based on a decision by the General Meeting, provided that the profit bonus in cash is paid to the entire personnel and is not used as an attempt to replace the payroll system required under the collective agreement or the employment contract, and that the basis for determining the profit bonus in cash adheres to section 2(2) and 2(3) of the Act on Personnel Funds, and that the company’s amount of spare capital is larger than the total amount of profit bonus in cash and dividends paid to shareholders as decided by the General Meeting. (939/2010)

(5) In a situation referred to in subsection 4, paragraph 11 above, a further requirement is that no agreement binding on the employer has been made on the payment of the profit bonus, and that the shareholders take a binding decision on the payment of the profit bonus in cash at the General Meeting after the end of the financial period, and that the payment of the profit bonuses is made after this. A further requirement is that the matter is handled in accordance with the Act on Co-operation within Undertakings (334/2007) or in another comparable way. (939/2010)

(6) Such income that has been estimated in taxation in accordance with section 27(1) of the Act on Assessment Procedure (1558/1995) because no tax return has been submitted is not taken into account as income from work.

(7) Further provisions on what is considered income from work as provided in this section above may be given by government decree.

**Section 3**

**Income from work based on confirmed taxation**

(1) Daily allowance is calculated on the basis of income from work referred to in section 2(1) and 2(2) that has been confirmed in taxation the year preceding the commencement of incapacity for work or the right to parenthood allowance or to special care allowance. The date on which the right to parenthood allowance commences is considered to be the date on which the parent is paid parental allowance for the first time on the basis of the same child.

(2) If the insured’s right to part-time disability pension under section 5b of the Employees Pensions Act commences on the tax year for which income from work is taken as the basis for the benefit in accordance with subsection 1, the sickness allowance is determined on the basis of the previous tax year’s income from work, provided that this income is greater than the income from work for the year in which the part-time disability pension commenced.

**Section 4**
Income from work submitted by the insured and the amount of parenthood allowance on the basis of income from work which served as the basis for the previous parenthood allowance

(1) The Social Insurance Institution must evaluate on application what is to be considered the insured’s income from work during the six months immediately preceding the commencement of his or her incapacity for work, right to parenthood allowance or to special care allowance. The daily allowance is determined on the basis of income from work over a period of six months for which the insured has provided a reliable clarification, provided that the income from work has continuously been at least 20 per cent greater times twice the income from work confirmed in taxation as referred to in section 3, that has been adjusted in accordance with section 1(3). The income from work mentioned above is taken into consideration only for the time during which the insured has been covered by insurance in Finland under this Act. (1246/2010)

(2) Correspondingly, in terms of the income for the period of six months referred to in subsection 1, an individual who is insured under the Self-employed Persons’ Pensions Act or under the Farmers’ Pensions Act must provide a reliable clarification of income confirmed under the said pension acts and for income from work from sources other than his or her own business activities. (1246/2010)

(3) If the insured’s income from work is materially smaller due to illness, unemployment or other similar special reason than it would have otherwise been, on application the income from work can be calculated for a period of six months of work other than the period immediately preceding the commencement of incapacity for work or the right to parenthood allowance or to special allowance, as specified in subsection 1. However, it is only possible to take into account income from work for the year in which the incapacity for work or the right to parenthood allowance or to special care allowance commenced and for the preceding calendar year.

(4) Notwithstanding the provisions above, the insured’s income from work for a period of six months, referred to in subsection 1, can be calculated on application also for a period shorter than six months, provided that the insured has had income from work for only a part of the aforementioned period of six months because of a change of occupation or other similar reason.

(5) On application, the insured’s uninterrupted income from work over a period of six months, referred to in subsection 1, can also be calculated on the basis of a clarification provided by the insured on earned income for a minimum of one month referred to in section 2(1)(1). The insured’s income is thus calculated as if his or her employment had lasted for a minimum of six months. Income from work for a period of time shorter than six months can be considered uninterrupted if the insured provides a clarification issued by the employer, or other reliable clarification, that the employment would have lasted for a minimum of six months had the insured not become unable to work or if the right to parenthood allowance or special care allowance had not commenced. Income from short-term employment relationships can also be taken into account as uninterrupted income from work if the insured has been continuously either at work or registered as an unemployed job seeker available for work, and it is possible to justifiably deduce from his or her employment history that employment would have continued either in several periods or uninterrupted. (155/2005)

(6) Notwithstanding the provisions of section 3 above, the amount of parenthood allowance can be determined on the basis of income from work referred to in section 2 that served as the basis for the previous parental allowance, if the child for which parental allowance was paid for the previous time has not reached three years of age, or three years have not passed since starting to take care of the child before the estimated date of delivery, or since starting to take care of a child younger than seven years of age.

(7) The income from work, referred to in subsection 6 above which forms the basis for the benefit is adjusted in the same proportion as the confirmed wage coefficient, referred to in section 7b of the Employees Pensions Act, valid at the start of the right to parenthood allowance, differs from the wage coefficient confirmed for the previous year.

Section 4 a (11.12.2009/1047)

Insurance contributions deducted from the income from work
When calculating the amount of daily allowance, 60 per cent of the total amount of the health insurance daily allowance contribution referred to in Chapter 18 section 21(1), the pension contribution of an employee below the age of 53 referred to in section 153(1) of the Employees Pensions Act, and the wage-earner’s unemployment insurance contribution referred to in section 18(1) of the Act on the Financing of Unemployment Benefits is deducted from the income from work. The deduction is made from the salary for insurance purposes referred to in section 2(1)(3) of this Chapter and the income from work confirmed in taxation referred to in section 3 or income from work received from an employment or public-service employment relationship clarified in accordance with section 4.

Section 5

Deduction of work-related expenses from earned income

(1) When calculating the income from work confirmed in taxation and the income from work over a period of six months referred to in section 4, work-related expenses referred to in sections 93–95 of the Income Tax Act are deducted from the earned income received in an employment or public-service employment relationship and comparable personal income.

(2) Work-related expenses are not deducted from earned income under the Self-employed Persons’ Pensions Act and the Farmers’ Pensions Act. (1364/2007)

(3) Only the deduction of work-related expenses referred to in section 95(1)(1) of the Income Tax Act is made from the salary referred to in section 72 of the Employees Pensions Act. (1364/2007)

Section 6

Sickness and parenthood allowance and special care allowance on the basis of the preceding benefit

(1) If the insured has received an unemployment benefit under the Unemployment Security Act within the four months preceding the commencement of the right to sickness allowance, parenthood allowance or special care allowance, the sickness allowance, parental allowance or special care allowance paid to the insured is at least 86 per cent of the amount of benefit he or she has received. In that case, the following is not taken into account when calculating the amount of the unemployment benefit: (1246/2010)

1) income taken into account in the adjustment under Chapter 4 section 4 of the Unemployment Security Act;

Paragraph 2 has been repealed by Act 1201/2009.

3) a benefit referred to in Chapter 4 section 7 of the Unemployment Security Act that must be deducted from daily allowance in accordance with Chapter 12 section 2 of this Act;

4) the increased earnings-related component determined in accordance with Chapter 6 section 2(2) of the Unemployment Security Act, or the earnings-related component of change security referred to in Chapter 6 section 2(3) of the Unemployment Security Act, insofar as their amounts exceed the earnings-related component determined in accordance with Chapter 6 section 2(1) of said Act; (1246/2010)

5) the increase in the basic unemployment allowance and change security supplement determined in accordance with Chapter 6 section 1(2) of the Unemployment Security Act, or the increase to the labour market support determined in accordance with Chapter 7 section 4(1) of the Unemployment Security Act. (1246/2010)

(2) The sickness and parenthood allowances and the special care allowance are at least one twenty-fifth part of the monthly amount of study grant if the insured has received the study grant under the Act on Financial Aid for Students within the four months preceding the commencement of the benefit period.

(3) The minimum amount of sickness and parenthood allowances and special care allowance is the same amount as the rehabilitation allowance if the insured has received rehabilitation allowance within the six months preceding the commencement of the benefit period in accordance with the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits. If the insured has received rehabilitation allowance, partial rehabilitation allowance or rehabilitation
allowance paid as rehabilitation assistance under the earnings-related pension acts within a corresponding period of time, the sickness and parenthood allowances and the special care allowance are at least one twenty-fifth of the monthly amount of rehabilitation allowance paid to the insured. In that case, however, account is not taken of the part of rehabilitation allowance calculated in accordance with section 32(2) of the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits that exceeds the amount that would have been calculated as the amount of rehabilitation allowance in a corresponding situation under section 32(1) of said Act, or of the 10 per cent increase referred to in section 33(1) of said Act or the 33 per cent increase under the earnings-related pension acts. (1364/2007)

(4) If the insured has received more than one of the benefits referred to in subsections 1–3 during the time preceding the commencement of the sickness or parenthood allowances or the special care allowance, the benefit which the insured has received last is used as the basis for sickness and parental allowance and special care allowance.

Section 7 (1142/2010)

Minimum amount of sickness and parenthood allowances and special care allowance

The minimum amount of sickness and parenthood allowances and special care allowance is EUR 22.04 per weekday. This amount of money is adjusted in accordance with the provisions of the National Pension Index Act.

Section 8

Engaging in gainful employment and own work and the impact on the amount of parenthood allowance

(1) Maternity and parental allowance is paid to the mother at the minimum amount if the mother engages in gainful employment or own work at the same time, with the exception of tasks carried out in one’s own household, or is a full-time student and receives a study grant under the Act on Financial Aid for Students. If both parents are engaged in gainful employment or own work, with the exception of tasks carried out in one’s own household, or are full-time students and receive a study grant under the Act on Financial Aid for Students during the parental allowance period, the parents can agree among themselves as to which one of them the parental allowance will be paid at the minimum amount. What is provided in this subsection does not, however, apply to partial parental allowance.

(2) If the child’s father is responsible for the child’s care alone or if the father has the right to parental allowance during the maternity allowance period due to the mother’s death, as specified in Chapter 9 section 13(2), parental allowance is paid to the father at the minimum amount if he is a full-time student and receives a study grant under the Act on Financial Aid for Students or is engaged in gainful employment or own work, with the exception of tasks carried out in one’s own household.

Section 9

The amount of the father’s parenthood allowance (1324/2006)

(1) The date on which the father’s parenthood allowance period commences is considered to be the date on which the father is paid parenthood allowance for the first time on the basis of the same child. The paternity allowance is paid at the same amount for the entire duration of the parenthood allowance period for the same child, unless otherwise provided in section 1(2)(3). (1342/2006)

(2) The paternity allowance is paid at the minimum amount to a person who is in military service in the standing army, in the service of the defence forces as unarmed, in reserve or in home reserve, or in non-military service or who receives a study grant under the Act on Financial Aid for Students.

Section 10 (1364/2007)

Impact of pension on the amount of parenthood allowance

Parenthood allowance is paid at the minimum amount if the insured receives an old-age pension or early old-age pension, unemployment pension or full disability pension under section 12(1) of the National Pensions Act or under the earnings-related pension acts, the Motor Liability Insurance Act or the Employment Accidents Act.
Section 10 a (912/2007)
Revision of the mother’s parenthood allowance

The parenthood allowance payable to the mother is paid at the same amount for the entire parenthood allowance period for the same child, unless otherwise provided in section 1(2)(1) or section 1(2)(2) or section 8(1).

Section 11
The amount of partial parental allowance

Notwithstanding the provisions of sections 1–7 of this chapter, the amount of partial parental allowance is always half the amount of parental allowance.

Section 12 (532/2009)
The amount of partial sickness allowance

Notwithstanding the provisions of section 1–7 of this Chapter, the amount of partial sickness allowance is always half the amount of sickness allowance immediately preceding it, or half the amount of sickness allowance the insured would have been entitled to at the commencement of his or her right to partial sickness allowance. However, the benefits referred to in Chapter 12 that take priority over the sickness allowance are not taken into account in the amount of sickness allowance. The amount of partial sickness allowance is always at least half of the minimum sickness allowance referred to in section 7 of this chapter, if incapacity for work due to illness has lasted for 55 consecutive days.

Chapter 12
The relationship between daily allowances and other benefits

Section 1
Mutual reconciliation of daily allowances

The insured is paid only one daily allowance under this Act at a time.

Section 2
The relationship between sickness allowance and other statutory benefits paid on the basis of incapacity for work

(1) If the insured is entitled to receive compensation for the same period of time and due to the same incapacity for work under an act other than this Act, this benefit is deducted from the sickness allowance payable to the insured, unless otherwise provided elsewhere.

(2) Notwithstanding the provisions of subsection 1, sickness allowance can be paid at the full amount if the receipt of the other compensation is delayed for reasons beyond the insured’s control. The Social Insurance Institution is entitled to collect a share corresponding to the paid sickness allowance from the compensation paid under another act. If sickness allowance has been paid due to a delay in the payment of other compensation, and the insured has received the compensation referred to in subsection 1 from the other party liable to pay compensation after this, the Social Insurance Institution is entitled to recover the amount of paid sickness allowance from the insured to the extent of the aforementioned other compensation received by the insured.

(3) If sickness allowance is payable to the employer, sickness allowance is not paid to the employer in a situation where there is a delay as referred to in subsection 2.

Section 3
Period of sickness allowance preceding the disability pension and the relationship between sickness allowance and full disability pension paid under the earnings-related pension acts

(1) The Social Insurance Institution confirms the period of sickness allowance preceding the disability pension for the determination of the date of commencement for the full disability pension paid under the earnings-related pension acts. The period of sickness allowance preceding the disability pension is a period of time that comprises the first 150 days of the maximum period specified in Chapter 8 section 8 and the following five full calendar months. However, the period of sickness allowance preceding the
disability pension terminates at the end of the fourth calendar month, if the maximum period of sickness allowance, when the payment of sickness allowance is uninterrupted, would also end on that date.

(2) The Social Insurance Institution confirms the period of sickness allowance preceding the disability pension when at least 150 days of sickness allowance days that count towards the maximum period have passed. However, the period of sickness allowance preceding the disability pension is not be confirmed if the insured has reached 63 years of age. A new period of sickness allowance preceding the disability pension can be confirmed only when six months have passed since the termination of the previous such period.

(3) During the period of sickness allowance preceding the disability pension, the insured is entitled to full sickness allowance, even though he or she would have the right to full disability pension under the earnings-related pension acts. After the period of sickness allowance preceding the disability pension, sickness allowance is paid only for the part in excess of the pension paid for the same period of time.

(4) The period of sickness allowance preceding the disability pension is not confirmed if the insured already received full disability pension under the earnings-related pension acts when claiming sickness allowance. In that case, sickness allowance is paid only for the part in excess of the pension paid for the same period of time. In addition, the period of sickness allowance preceding the disability pension is not confirmed if the insured receives a full disability pension in accordance with the earnings-related pension acts when claiming sickness allowance, and the sickness allowance is granted by virtue of Chapter 8, section 6(3). In that case, the amount of full disability paid for the same period of time is not deducted from the sickness allowance.

(5) If the insured is retrospectively granted a full disability pension under the earnings-related pension acts for the period following the period of sickness allowance preceding the disability pension, the Social Insurance Institution has the right to recover the disability pension for the part equalling the paid sickness allowance.

Section 4
The relationship between sickness allowance and part-time disability pension

(1) The period of sickness allowance preceding the disability pension is not applied to part-time disability pension referred to in section 5b of the Employees Pensions Act or a corresponding pension other than full disability pension.

(2) If the insured receives a part-time disability pension or a corresponding pension other than full disability pension under section 1, and his or her right to part-time disability pension commenced before the start of the calendar year for which earned income forms the basis of determining the sickness allowance, the part-time disability pension is not deducted from the sickness allowance. The part-time disability pension or other than full disability pension is not deducted from the sickness allowance when the sickness allowance is determined on the basis of income from work under Chapter 11 section 4 and this income has been fully accrued during the period of receiving part-time disability pension. In other cases the part-time disability pension is deducted from the sickness allowance.

Section 5
The relationship between sickness allowance and old-age pension and rehabilitation allowance under the earnings-related pension acts

(1) If the insured is retrospectively granted an old-age pension under the earnings-related pension act for the same period of time for which he or she has received sickness allowance, the Social Insurance Institution has the right to recover the retrospectively paid old-age pension from the pension provider for the part equalling the paid sickness allowance.

(2) If an insured person receiving sickness allowance is granted rehabilitation allowance, partial rehabilitation allowance or rehabilitation allowance paid as rehabilitation assistance under the earnings-related pension acts retrospectively for the same period of time for which he or she received sickness allowance, the Social Insurance Institution has the right to recover the retrospectively paid rehabilitation
allowance, partial rehabilitation allowance or rehabilitation allowance paid as rehabilitation assistance for the part equalling the paid sickness allowance from the pension provider.

Section 6
Obligation to determine and notify of rehabilitation opportunities

(1) When necessary, the Social Insurance Institution must determine the insured’s need for rehabilitation, however not later than when the number of days counted towards the maximum period of the insured’s sickness allowance and partial sickness allowance exceeds 60 days. (532/2009)

(2) The Social Insurance Institution must notify the party that granted the pension referred to in section 3(1) of this Chapter of the termination of the period of sickness allowance preceding the disability pension immediately when the 150th daily allowance day is reached. At the same time, the insured must be informed of rehabilitation opportunities and other benefits he or she may apply for.

The notification obligation specified in subsection 2 above can be departed from, if:

1) the incapacity for work evidently ends within a month of reaching the limit of 150 daily allowance days;
2) the insured has applied for vocational rehabilitation or related medical rehabilitation; or
3) the insured has claimed rehabilitation allowance or compensation for the loss of income under Chapter 8 section 6(1)(2) section 6(1)(3) or section 6(1)(4).

(3) However, in case the incapacity for work continues or the application for rehabilitation or rehabilitation allowance is rejected, the insured must be immediately notified of rehabilitation opportunities or eligibility for another benefit.

Section 7
Sickness allowance and injury caused by crime

(1) Notwithstanding the provisions of section 2, the insured has the right to sickness allowance even if the incapacity for work results from a crime, and the insured has the right to receive compensation for the decline in income or maintenance caused by incapacity for work under the Tort Liability Act (412/1974) or the Act on Compensation for Crime Damage (935/1973).

(2) The Social Insurance Institution has the right to recover the compensation under the Tort Liability Act, referred to in subsection 1, from the party liable to compensate, for the part equalling the paid sickness allowance. The Social Insurance Institution may give up its claim for compensation from the party liable to compensate, if the recovery of the compensation would clearly be unreasonable. Correspondingly, the Social Insurance Institution has to right to recover from the insured the sickness allowance paid by the Social Insurance Institution in the case that the insured already received an equal compensation from the party liable to compensate.


Section 8
Sickness allowance and compensation for patient injury

The insured has the right to sickness allowance notwithstanding the insured’s right to compensation for the loss of income caused by incapacity for work under the Patient Injury Act. If the insured has already been paid compensation under the Patient Injury Act for the same period of time, the sickness allowance is paid at the maximum at the amount of paid compensation to the Patient Insurance Centre.

Section 9
The relationship between special care allowance and other benefits

Special care allowance is not paid insofar as the insured has a statutory right to receive, on the same grounds, compensation for the loss of income that equals the special care allowance.

Section 10
Benefits from abroad

(1) When granting the daily allowance, account may be taken of a benefit paid from abroad that equates to the same benefit or to another benefit that is taken into account under this Act. A salary that is received from a foreign employer or an international organisation and corresponds to a benefit can also be equated to a benefit.

(2) When granting the sickness allowance, benefits paid by another state can also be taken into account in accordance with section 2, if the benefit equates to other statutory benefits paid on the grounds of incapacity for work.

Section 11 (1640/2009)
The relationship between sickness allowance and the study grant

(1) If the insured receives a study grant under the Act on Financial Aid for Students (65/1994), the study grant is deducted from the sickness allowance or partial sickness allowance paid to him or her for the same period of time.

(2) When the study grant, which is paid as a monthly benefit, is converted into a daily benefit, a month is considered to comprise 25 days.

PART IV
OCCUPATIONAL HEALTH CARE AND REIMBURSEMENT FOR ANNUAL HOLIDAY EXPENSES

Chapter 13
Reimbursements related to occupational health care services

Section 1
Employer’s right to reimbursement for occupational health care services

(1) The employer is entitled to reimbursement of the necessary and reasonable expenses arising from the arrangement of occupational health care (reimbursement category I), for which the employer is responsible under the Occupational Health Care Act (1383/2001).

(2) If the employer has, in addition to the occupational health care referred to in subsection 1, arranged medical treatment or other health care services for its employees, the employer is entitled to reimbursement of the necessary and reasonable expenses arising from this (reimbursement category II). No reimbursement will be paid for dental care services.

Section 2 (22.12.2005/1113)
Entrepreneurs’ and other self-employed parties’ right to reimbursement for occupational health care services

(1) Entrepreneurs and other self-employed parties, as referred to in section 3(1)(6) of the Occupational Health Care Act, that have arranged occupational health care services for themselves for which the employer is responsible under section 1, are entitled to reimbursement of the necessary and reasonable expenses arising from this.

(2) If an entrepreneur has arranged medical treatment and other health care services for him or herself in addition to occupational health care services for which the employer is responsible under section 1, he or she is entitled to reimbursement of the necessary and reasonable expenses arising from this.

(3) Where applicable, the provisions of this Act concerning the reimbursement of occupational health care services to employers apply to the reimbursement of occupational health care, medical treatment and other health care services arranged for themselves by entrepreneurs and other self-employed parties, and to the monitoring of these activities.

(4) If the entrepreneur is also the employer, and the employer indicates its expenses as referred to in subsections 1 and 2 in connection with its employee expenses, the provisions of this Act concerning the reimbursement of occupational health care services to employers will apply to it.
Section 3
Reimbursed activities
(1) The expenses arising from the arrangement of occupational health care services in accordance with good health care practice, as determined in the Occupational Health Care Act, will be compensated to the employer.

(2) The expenses arising from the occupational health care, medical treatment and other health care services falling within the employer’s obligation to arrange will be compensated, provided that the activities have been implemented using the necessary resources of occupational health care.

Section 4
General principle of eligibility for reimbursement
(1) Occupational health care reimbursements are paid for the necessary and reasonable expenses arising from occupational health care, medical treatment or other health care services arranged by an employer for its employees under an employment agreement or employment relationship or comparable public-service employment relationship. The conditions for the payment of this reimbursement are that the employer has paid the expenses arising from occupational health care, medical treatment or other health care services in full, and that these services were offered to the employees free of charge.

(2) The settlement of the reimbursement paid to the employer requires that the opportunity to submit a statement regarding the application has been reserved for the industrial safety committee, industrial safety delegate, or similar party.

Section 5 (1056/2010)
Reimbursement paid for occupational health care expenses
(1) 50 per cent of the expenses accrued by the employer, entrepreneur, or other self-employed party due to the arrangement of occupational health care services under section 1 subsections 1 and 2 of the Act will be reimbursed.

(2) The employer is entitled to a reimbursement of 60 per cent of the expenses arising from the arrangement of occupational health care services as referred to in section 1(1) of the Act, if the workplace has concluded an agreement with occupational health care on joint practices for the management, monitoring and early support of ability to work. The entrepreneur or self-employed party is entitled to a reimbursement of 60 per cent of the expenses arising from the arrangement of occupational health care services, as referred to in section 1(1) of the Act, if the entrepreneur or self-employed party has concluded an agreement with occupational health care on joint practices for the management, monitoring and early support of ability to work.

(3) The reimbursement paid to the employer is determined in accordance with the calculated maximum employee-specific amounts. The reimbursement paid to the entrepreneur or self-employed party is determined in accordance with the maximum calculated annual amount.

Section 6
Confirmation of calculated maximum amounts
(1) The calculated maximum employee-specific amount, serving as the basis for the reimbursement paid to the employer, is determined by reimbursement category in order to implement good occupational health care practices on the basis of the necessary resource factors, in accordance with the further provisions given by government decree. The maximum calculated entrepreneur-specific amount of the reimbursement paid to the entrepreneur or self-employed party is determined similarly.

(2) The resource factors required in order to implement good health care practices are:
1) Occupational health care professionals’ services.
2) Expert services required by occupational health care professionals, and related examinations.
3) Laboratory tests and radiological examinations.
4) Other resources related to the establishment and maintenance of an occupational health care unit.

(3) The Social Insurance Institution of Finland annually confirms the calculated maximum amounts, serving as the basis of reimbursements, on the basis of the aforementioned resource factors and in accordance with general cost development.

(4) Special reasons related to the size of the workplace, the commencement of occupational health care activities, the establishment of an occupational health care unit, or the alteration of occupational health care content can be taken into account as factors increasing the maximum amount. Further provisions on the factors increasing the maximum amount may be given by government decree. (1113/2005)

Section 7

Acceptable expenses

(1) Acceptable expenses comprise the necessary and reasonable establishment and operating expenses required in order to implement good health care practices.

(2) Acceptable establishment expenses include the costs arising from the acquisition and replacement of the examination, treatment and office equipment and fixtures, required in order to provide occupational health care, and occupational health care information systems. Acceptable establishment expenses do not include the construction, acquisition or repair expenses of the occupational health care unit facilities, or other similar costs related to the real estate.

(3) Acceptable operating expenses include the occupational health care personnel’s salary expenses, the related obligatory social expenses, and other necessary and reasonable expenses required in order to provide occupational health care.

(4) Furthermore, acceptable expenses include charges collected by a health care unit or provider that is entitled to do so under the Occupational Health Care Act, and charges collected by health care centres, as determined in the Primary Health Care Act, under the Act on Fees in Social Welfare and Health Care (1992/734), provided that they correspond with the acceptable costs arising from the arrangement of occupational health care, as referred to in subsections 1 to 3.

(5) Further provisions on the remuneration of necessary and reasonable expenses may be given by government decree.

Section 8 (1334/2010)

Municipalities’ right to reimbursement for occupational health care services

A municipality operating a health care centre is entitled to reimbursement from the Social Insurance Institution of Finland for occupational health care service expenses, if these services have been assigned to an entrepreneur or other self-employed party in accordance with section 18 (2) of the Health Care Act. The maximum amount of reimbursement is the amount the Social Insurance Institution of Finland would be obliged to pay by means of similar remuneration to the aforementioned entrepreneur or other self-employed party.

Section 9

Monitoring of occupational health care expenses and operations, and inspection right

The Social Insurance Institution is entitled to obtain the information it requires concerning occupational health care expenses and operations from employers, entrepreneurs, other self-employed parties, municipalities, and other applicants, in order to monitor the realisation of occupational health care services. Furthermore, the Social Insurance Institution is entitled to inspect the accounting records related to the occupational health care services arranged by an employer or other applicant.

Section 10

Payment of reimbursements to a party other than the employer

(1) If the health care services determined in section 1 have been arranged in accordance with section 7(1)(2) of the Occupational Health Care Act, the Social Insurance Institution may, with the employer’s consent, agree to pay the reimbursement to the service provider.
(2) Further provisions on the payment of reimbursement to the service provider may be given by government decree.

Section 11 (840/2005)

Health care for university students

(1) The Social Insurance Institution may pay the Finnish Student Health Service a reasonable reimbursement for the expenses arising from the basic health care services provided by the FSHS.

(2) Basic health care services mean activities required to promote student health, the prevention and treatment of diseases among students, general practitioner and specialist-level outpatient care services, mental health services, and dental care services, excluding the expenses of orthodontics, dentures and dental technology procedures.

(3) The provisions of subsections 1 and 2 will also apply to the expenses arising from the basic health care services provided for polytechnic students enrolled at Saimaa University of Applied Sciences or Seinäjoki University of Applied Sciences, participating in the student health care service arrangement experiment, on the basis of an agreement between a municipality or a joint municipal authority in charge of the municipality's basic health care services and the Finnish Student Health Service, based on section 17(1) of the Health Care Act. (22.7.2011/911)


Section 12 (849/2005)

Acceptable expenses

Acceptable expenses comprise the necessary and reasonable operating and establishment expenses arising from student health care services in the event that the FSHS has provided these services via a dedicated health care unit, and similar fees and charges collected by a service provider or entrepreneur entitled to provide these services.

Section 13 (849/2005)

Determination of reimbursements

(1) Reimbursements are paid for the expenses arising from the use of the resources necessary to carry out operations, on the basis of a calculated student-specific maximum amount.

(2) The Social Insurance Institution confirms the calculated student-specific maximum amount on the basis of the resource factors necessary to implement health care services, in accordance with the provisions of the government decree concerning this issue.

(3) The final total reimbursement is the student-specific calculated maximum amount, multiplied by the number of students. However, total reimbursement may not exceed 63 per cent of the FSHS’s total funding for the fiscal period. When calculating the final total reimbursement, the number of students means the number of students that have paid the health care fee used in the fiscal period’s advance reimbursement application.

Section 14 (849/2005)

Right to obtain information and issue more specific guidelines for the determination of reimbursements

(1) The Social Insurance Institution is entitled to obtain the information required to monitor and assess the efficient and productive use of health care resources and the economic efficiency and continuous development of operations from the Finnish Student Health Service.

(2) Furthermore, the Social Insurance Institution is entitled to inspect the accounting records of the Finnish Student Health Service and issue more specific guidelines for the determination of reimbursements.
Government decrees are employed for issuing further provisions regarding the determination of reimbursement, acceptable expenses, necessary resource factors, the confirmation of the student-specific maximum amount, and the reimbursement procedure.

**Chapter 14**

**Reimbursement of annual holiday expenses**

**Section 1**

**Right to reimbursement**

(1) The employer is compensated for some expenses arising from annual holidays accumulated by employees during special maternity, maternity, paternity and parental leave. The employer is entitled to reimbursement if the employer is obliged to pay its employee annual holiday pay or holiday compensation for the period during which this employee has been paid special maternity, maternity, paternity or parental allowance, while not working.

(2) Notwithstanding the provisions of subsection 1, the employer is also entitled to reimbursement in the event that the employee is on parental leave, while being paid partial parental allowance and working part-time for another employer.

(3) The provisions concerning reimbursement of annual holiday expenses also apply to public service employment relationships.

**Section 2 (165/2005)**

**Payment of reimbursements**

Reimbursements are paid retrospectively after the completion of the parenthood allowance period. Reimbursements are also paid for those employees' accumulated annual holidays that the employee has saved in accordance with the Annual Holidays Act ((162/2005) 27 §:m), and will later use in the form of carried-over holiday entitlement.

**Section 3**

**Amount of reimbursement**

(1) The employer is compensated for each calendar month in which annual holiday accumulates during the period determined in section 1, provided that the calendar month in question includes a minimum of 14 days for which parenthood allowance is paid.

(2) Reimbursement is paid for 2.5 days per calendar month. The reimbursement criterion per day is one three-hundredths of the annual income from work that is the basis of the daily allowance paid to the employee for the annual holiday accumulation period. If the parenthood allowance paid to the insured has been determined in accordance with Chapter 11 section 6, the reimbursement criterion per day is one three-hundredths of the annual income from work that would have otherwise served as the basis of the daily allowance paid to the insured. The reimbursement criterion is raised by a multiplier of 1.26. (22.12.2006/1342)

(3) However, the amount paid in compensation for annual holiday expenses cannot exceed the amount that the employer has been obliged to pay in annual holiday pay or holiday compensation, raised by a multiplier of 1.26. (22.12.2006/1342)

**PART V**

**IMPLEMENTATION AND APPEALS**

**Chapter 15**

**Provisions concerning implementation**

**Section 1**

Sickness insurance card
(1) The Social Insurance Institution issues a sickness insurance card for individuals insured in accordance with this Act. The insured’s forename and surname and his or her identity number are printed on the card. If the insured is a member of an employer’s fund, as referred to in Chapter 16, this will be indicated in the card. Information on whether the insured is entitled to medicinal products entitling patients to special reimbursement, as determined in Chapter 5 of this Act, or medicinal products and clinical nutritional preparations eligible for restricted basic reimbursement, information on the validity period of the sickness insurance, and an indication that the insured is not entitled to compensation by means of the direct reimbursement procedure, as referred to in Chapter 19 section 5 (1) (2), can also be included in the sickness insurance card. With the individual’s consent, other information approved by the Social Insurance Institution as well as information necessary to implement the sickness insurance can also be included in the sickness insurance card. (11.11.2005/885)

(2) The Social Insurance Institution confirms the format and content of the sickness insurance card. Sickness insurance cards with no photograph are free of charge.

Section 2
Application for reimbursement and benefits and obligation to provide information

(1) Reimbursements and benefits must be applied for from the Social Insurance Institution in writing. The applicant must provide the Social Insurance Institution with the information required for granting and paying the reimbursement or benefit.

(2) A ruling on the application may be made on the basis of existing information, even if the applicant refuses to provide the required information or an account that he or she may be reasonably required to provide, or if the applicant refuses an examination as referred to in section 13.

(3) If the insured is unable, due to sickness or a similar reason, to apply for a benefit as determined in this Act on his or her own, or otherwise attend to his or her benefits and rights related to this Act, and the insured does not have a guardian as referred to in the Guardianship Services Act (442/1999), the Social Insurance Institution may allow a close relative or other person taking primary care of the insured to exercise the right to speak on behalf of the insured in matters pertaining to benefits granted under this Act. (199/2006)

Section 3
Application for reimbursement for treatment

(1) Reimbursement of medical care expenses must be applied for within six months of the settlement of a payment. If the service provider applies for reimbursement by proxy granted by the insured, the reimbursement must be applied for within six months of service provision.

(2) Supplementary reimbursement for the expenses of medicines, ointments, clinical nutritional preparations, and similar products exceeding the annual deductibles, as referred to in Chapter 5 section 8, must be applied for within six months of the end of the calendar year during which the entitlement to supplementary reimbursement was generated.

(3) Special reimbursement is paid, under Chapter 5 section 5(2), for the expenses of medicines used in treating a severe long-term illness, if these expenses have been incurred after the submission of the application indicating the severe long-term illness to the Social Insurance Institution. The provisions of this subsection regarding medicines also apply to the reimbursement of clinical nutritional preparations and similar products. (929/2009)

Section 4 (1342/2006)
Time limits related to the application of daily allowances

(1) Daily allowances must be applied for within these time limits:

1) Sickness allowance, special care allowance, and special maternity allowance: within four months of the date as from which the applicant wishes to obtain the allowance.

2) Maternity allowance: no less than two months before the due date.
3) Parental allowance and partial parental allowance: no less than one month before the date from which the applicant wishes to obtain the allowance, unless otherwise specified in paragraph 5.

4) Paternity allowance: within two months of the conclusion of the parenthood allowance period, unless otherwise specified in paragraph 5.

5) Parenthood allowance: for the duration of the extended paternity leave, two months before the date from which the applicant wishes to obtain the allowance.

6) Parental allowance due to the care of an adoptive child: within two months of the commencement of care.

(2) If incapacity for work or the need to participate in childcare continues beyond the fixed-term sickness allowance or special care allowance period, the insured must provide an account of the continued incapacity for work or participation in childcare to the Social Insurance Institution within four months of the conclusion of the sickness allowance or special care allowance period in order to ensure continued payment of the sickness allowance or special care allowance.

Section 4 a (1324/2006)
Obligation to notify the Social Insurance Institution of the transfer of parental allowance

If the mother and father have made an agreement pertaining to the transfer of the last 12 weekdays of the parental allowance period in accordance with section 10 a, the Social Insurance Institution must be notified of this two months prior to the conclusion of the parental allowance period described in Chapter 9 section 10.

Section 5
Application for occupational health care reimbursement

(1) The employer must apply for reimbursement for expenses arising from occupational health care services within six months of the conclusion of the fiscal period, or, in the event no such period has been determined, the calendar year in which the expenses were accumulated. Insofar as entrepreneurs and other self-employed parties are concerned, the time limit commences from the payment of the expenses arising from occupational health care services.

(2) Municipalities must provide the Social Insurance Institution with a report of the occupational health care expenses referred to in Chapter 13 section 8 within six months of the provision of the occupational health care services in question.

Section 6
Application for reimbursement for annual holiday expenses

Reimbursement for annual holiday expenses must be applied for within six months of the conclusion of the parenthood allowance period.

Section 7
Failure to comply with the time limit

Under this Act, a reimbursement or benefit can be granted in part or in full, even in the event that it has not been applied for within the determined time limit, if the withholding of such a benefit or reimbursement due to delay would constitute unreasonable practice.

Section 8
Payment of reimbursements and benefits

Reimbursements and benefits are paid into the account indicated by the applicant, in a banking institution operating in Finland. If payment to an account is not possible, or if the applicant presents the Social Insurance Institution with a special reason, the benefit or reimbursement may be paid by some other means.

Section 9 (890/2006)
Direct reimbursement procedure
(1) If a pharmacy has charged the insured a medicine purchase price from which the amount of reimbursement specified in Chapter 5 has been deducted, or if a service provider has charged the insured a doctor’s fee, a dentist’s fee, or an examination and treatment fee from which the amount of reimbursement specified in Chapter 3 has been deducted, or if a transport service provider has charged the insured the deductible portion, as referred to in Chapter 4 section 7, of the price of a journey, the reimbursement may be paid to the pharmacy or service provider in a separately agreed manner, based on the pharmacy or service provider’s statement of accounts.

(2) If, under this Act, reimbursement is paid to the pharmacy or service provider on the basis of section 1, no written ruling regarding the payment of this reimbursement will be provided to the insured. However, the ruling must be provided if requested by the insured. The request must be submitted within six months of the purchase of medicine or provision of a service.

Section 10
Payment of daily allowances to an employer
(1) The employer must inform the Social Insurance Institution of any salary or similar reimbursement it pays to its employee, if the insured is entitled, under this Act, to a daily allowance during the same period.

(2) Upon request, the Social Insurance Institution must provide an insured’s employer with the information regarding the period during which the other parent has obtained maternity, paternity or parental allowance.

Section 11 (1201/2009)
An unemployment fund’s or the Social Insurance Institution’s right to sickness allowance
(1) If the insured has obtained unemployment benefit, in accordance with the Unemployment Security Act, for the period during which the party was incapable of working, or job alternation allowance, in accordance with the Act on Job Alternation Leave (1305/2002), any sickness allowance paid for the same period will be withheld to the extent of the amount of benefit paid by the Social Insurance Institution, or the part of it that has been paid by an unemployment fund will be paid to the unemployment fund.

Section 12
Payment of reimbursement for treatment and daily allowances to municipal bodies
(1) A municipal body, as determined in section 6 of the Social Welfare Act (710/1982), is entitled to obtain from the Social Insurance Institution that proportion of the social assistance it has granted to the insured which the Social Insurance Institution would be obliged to pay to the insured in the form of reimbursement for medical treatment with regard to the same expenses.

(2) If a municipal body, as referred to in section 1, has paid social assistance in advance towards the expected daily allowance, in accordance with section 23 of the Act on Social Assistance (1412/1997), the proportion of the daily allowance corresponding to the advance payment will be paid to the municipal body upon request.

(3) Upon the request of the body, sickness allowance may be paid either in part or in full to the municipal body, as defined in subsection 1, for the purpose of the provision of care to the insured or his or her family, provided that the payment of sickness allowance to the beneficiary is not deemed to serve its purpose due to the beneficiary’s lifestyle.

Section 13
Assignment to examination
(1) The insured must participate in medical examinations determined by the Social Insurance Institution in order to clarify his health status and capacity for work. The examination costs will be paid to the physician, health care unit, or research institution that has conducted the examination.
(2) The insured will be reimbursed for travel expenses arising from attending examinations in accordance with the provisions of Chapter 4. Furthermore, the insured is entitled to daily allowance, overnight travel allowance, and accommodation allowance necessitated by his or her participation in examinations. If the insured requires an escort, this escort will be reimbursed for the expenses resulting from the journey in accordance with the same conditions that apply to the insured. The Finnish Tax Administration will provide more specific provisions pertaining to the reimbursement of expenses arising from assignment to examinations. (513/2010)

(3) Any period the insured has, due to examinations, spent in a hospital or other health care unit in which his or her stay does not incur any costs does not constitute time during which the insured is entitled to daily allowance, overnight travel allowance, and accommodation allowance.

Section 14
Storage of account records
The Social Insurance Institution is obliged to store accumulated account records related to reimbursement payments for three years after the end of the fiscal year to which the records pertain to.

Section 15
Prohibition on execution and transfer
(1) Any reimbursement paid to the insured under this Act for medical care, pregnancy and childbirth expenses may not be taken in execution.

(2) Any agreement pertaining to the transfer of the right, as referred to in this Act, will be void.

Section 16 (1203/2007)
The Social Insurance Institution’s tasks when implementing the provisions of Council Regulation (EEC) No 1408/71 and of the social security and medical care treaties
(1) Government decrees are used for further specifying the duties of the Social Insurance Institution when implementing the provisions of Council Regulation (EEC) No. 1408/71 on the application of social security schemes to employed persons, self-employed persons and to members of their families moving within the Community, the Nordic Social Security Treaty area (Treaty Series 136/2004) and other social security agreement areas.

(2) These duties pertaining to implementation, as referred to above in subsection 1, include the issuance of the European Health Insurance Card, and the other certificates referred to in the Regulation or social security treaties, and the permissions referred to in Article 22 of the Council Regulation, unless the issuance of permits falls under the jurisdiction of a joint municipal authority of the hospital district or some other party responsible for municipal health care services. Duties related to implementation also include the tasks related to the reimbursement of expenses of any sickness and maternal benefits granted on the basis of the social security and medical care treaties, and the other tasks related to implementation that are based on Community law or the social security and medical care treaties.

Section 16 a (7.12.2007/1203)
Reimbursement for sickness and maternal benefits granted on the basis of Council Regulation (EEC) No. 1408/71 and social security and medical care treaties
(1) In accordance with the further provisions issued by government decree, the Social Insurance Institution will use government funds to reimburse units providing public health care services for expenses arising from sickness or maternal benefits provided to persons insured in some country other than Finland on the basis of the Regulation referred to in section 16 or an international social welfare and medical care treaty binding on Finland. No more than the amount of expenses resulting from service provision, with any customer fee collected from the service user deducted, will be reimbursed with regard to the aforementioned expenses. Expenses arising from the arrangement of medical care services refer to the fees that a municipality which is not a member of a joint municipal authority would, under section of 58 of the Health Care Act, pay to the federation of municipalities for its inhabitants’ medical care expenses, in the event the municipality was obliged to pay for this medical care. If the user of a
service is being treated in a health care centre, hospital or other health care unit managed by a municipality or a joint municipal authority, the expenses arising from the arrangement of medical care refer to the fees that would be collected, under section 58 of the Health Care Act, from the home municipality of a patient who is from another municipality. The Social Insurance Institution also employs government funds to reimburse foreign states for sickness or maternal benefit expenses. Foreign states’ reimbursements of expenses are paid to the state. (30.12.2010/1334)

(2) A unit providing public health care services must provide the Social Insurance Institution with the necessary information required to perform the tasks related to the reimbursement of expenses in accordance with the further provisions issued by government decree.

(3) Where Article 36 of the Regulation referred to in subsection 1 is implemented, the Social Insurance Institution may, with the authorisation of the Ministry of Social Affairs and Health, forego the collection of receivables owed to Finland by another Member State, if these receivables are minor in quantity, or the continuation of collection is otherwise deemed inappropriate.

Section 17
Authorisation to issue decrees

Further provisions on the accounts to be provided in connection with the application for reimbursements and benefits may be given by government decree.

Section 18
Recovery

(1) If a benefit or other payment related to the benefit has been paid without justifiable grounds or too great an amount has been paid, the excess part of the benefit or other related groundless payment related to the benefit must be recovered.

(2) Recovery can be waived in full or in part if this is deemed reasonable, and if the groundless payment did not result from deceitful conduct on the part of the recipient of the benefit or his or her representative, or if the groundlessly paid amount was insignificant. Furthermore, recovery can be waived in full after the issue of a recovery decision where the continuation of recovery is no longer appropriate in view of the financial standing of the recipient of the benefit, or where continued recovery would result in unreasonable expenses in relation to the unrecovered amount.

(3) The recoverable amount can be deducted from a benefit paid at a later stage by the Social Insurance Institution. Without consent, however, the recoverable amount may only be deducted from a benefit complying with this Act, or other comparable benefit.

(4) Legally valid decisions concerning recovery may be implemented similarly to legally valid judgments.

Section 19
Limitation of recovery receivables

A decision regarding the recovery of groundlessly paid benefits must be made within five years of the payment date of the benefit. A receivable confirmed with a recovery decision will be subject to limitation after five years of the issuance of the decision, unless the limitation has been suspended. Receivables confirmed with a recovery decision are therefore subject to limitation in accordance with section 10 or 11 of the legislation on the limitation of liability for debts (728/2003). A new limitation period of five years will start from the suspension of this limitation period.

Section 20
Notifications concerning changes in circumstances

(1) If the circumstances of the benefit’s recipient undergo such a change that they impact on his or her right to receive the benefit or reduce the amount of the benefit, he or she must immediately notify the Social Insurance Institution of this change. These changes in circumstances include:

1) The insured commences paid employment or self-employment during the daily allowance period.
Section 1

Employer’s fund

(1) Under this Act, “employer’s fund” means an insurance fund, as referred to in the Insurance Funds Act (1164/1992), whose operations extend to employees employed by the same employer, and whose operations may also extend to employees who have retired from this employer’s service that are receiving additional benefits. Employer’s funds are entitled to issue the benefits and reimbursements specified in this Act to their members, or them and their family members, excluding reimbursement for annual holiday expenses, as referred to in Chapter 14. The applicable provisions of this Act and the Act on the Social Insurance Institution (731/2001) concerning the Social Insurance Institution apply to employer’s funds. Otherwise, the Insurance Funds Act (1164/1992) applies.

(2) The Social Insurance Institution’s permission must be secured for the arrangements specified above in subsection 1. This permission must be given, provided that the fund meeting of the employer’s fund has accepted the fund guidelines pertaining to operations with a majority of two-thirds of the voters, and that fund operations cover a minimum of 300 employee members. In addition, the provision of permission requires that the benefits and reimbursements granted in accordance with fund guidelines comply with the provisions of this Act, as a minimum.
The above provisions also apply to insurance funds where the people to whom their operations extend are employed by employers belonging to the same group of companies, as specified in Chapter 1 section 3 of the Limited Liability Companies Act (734/1978). Even if the above group requirement is not fulfilled, the permission to operate as an employer’s fund may be provided if the employers are financially or operationally linked in such a manner that the arrangement can be considered appropriate with regard to fund management and the people insured via the fund.

If there are changes in the circumstances serving as the basis for the provision of the permission, the employer’s fund must immediately inform the Social Insurance Institution of this.


Section 2
Funding of employer’s fund operations

(1) The Social Insurance Institution must utilise the national health insurance fund’s assets to pay, in the form of advance payments, to the employer’s fund, the amount the fund is forecast to require for the payment of the reimbursements and daily allowances specified in this Act, while also adding the expenses the Social Insurance Institution is expected to incur. The employer’s fund must provide an annual account of the assets it has received from the Social Insurance Institution for the purpose of benefit payment in accordance with the provisions of the related government decree.

(2) On the proposal of the Social Insurance Institution, the Ministry of Social Affairs and Health confirms the reimbursement criteria related to the annual administrative expenses of employer’s funds. Further provisions on the procedures that must be followed when transferring assets to employer’s funds are issued by government decree.

(3) If the benefits determined in accordance with the rules of an employer’s fund exceed the benefits specified in accordance with this Act, the expenses arising from the payment of these additional benefits are covered in compliance with the method specified in the fund rules.

Section 3
Validity of insurance

(1) The insurance of an employee, as referred to in subsection 1 above, is transferred under the responsibility of the employer's fund from the beginning of the month following employment, and ends at the beginning of the month following termination of employment. The insurance of a retired person, as referred to in this section of the Act, expires at the beginning of the month following the termination of the insurance applying to the additional benefits.

(2) After a person has been insured or his or her insurance has expired, the employer’s fund must notify the Social Insurance Institution of this without delay.

Section 4
The dissolution of an employer's fund

(1) If an employer’s fund is dissolved, the fund’s operations under this Act will cease from the commencement of liquidation.

(2) The fund must provide the Social Insurance Institution with an account of the assets it has received from the Social Insurance Institution for the purpose of benefit payments and return any exceeding assets within a month of the commencement of liquidation. Those expenses arising from the dissolution of the fund that are accepted by the Social Insurance Institution will be reimbursed to the fund from national health insurance fund assets in the event that the fund's assets are not sufficient to cover them.

Section 5
Supervision of employer’s funds and amendment of rules
(1) The Social Insurance Institution is entitled to supervise and inspect the operations of employer’s funds insofar as the supervision and inspection is related to operations governed by this Act.

(2) The Social Insurance Institution must issue a notice and provide the employer’s fund with instructions to remove any shortcomings in the event the activities of the employer’s fund have not been appropriate insofar as benefiting the insured parties is concerned. If the fund fails to comply with these instructions, the Financial Supervisory Authority may, on the proposal of the Social Insurance Institution, disallow the fund from issuing insurances and set a date from which the fund's operations, as governed by this Act, will cease. (914/2008)

(3) The Social Insurance Institution must revoke its permission, as referred to in section 1(2), if the employer's fund no longer fulfils the requirements specified for the permission. The permission must also be revoked if the employer’s fund decides to amend its rules in such a manner that the benefits paid by it no longer match the benefits determined in this Act, at minimum. Amendments to rules will become effective on 1 January of the year following the amendment, unless there are specific reasons for setting another effective date.

(4) In cases referred to in subsections 2 and 3, the applicable provisions of section 2 regarding the provision of accounts and the reimbursement of assets will apply.

Section 6
Appeals
If the employer’s fund is dissatisfied with the Social Insurance Institution’s decision regarding a matter related to this chapter, the fund is entitled to file an appeal on the decision with the Supreme Administrative Court in compliance with the provisions of the Administrative Judicial Procedure Act.

Chapter 17
Appeals
Section 1
Right of appeal
(1) Parties dissatisfied with a decision by the Social Insurance Institution may appeal the decision by filing a complaint with the Social Security Appeal Board, while those dissatisfied with the Social Security Appeal Board’s decision may file an appeal with the Insurance Court. (1301/2006)

(2) The Insurance Court’s decisions may not be appealed. (1301/2006)

(3) Despite the appeal process, the Social Insurance Institution’s decision must be adhered to until the matter has been resolved by means of a final decision.

Section 2
Appeal period and delay of the appeal
(1) A decision by the Social Insurance Institution and the Social Security Appeal Board will be notified by letter sent to the address provided by the recipient. Unless otherwise proved, the recipient will be considered to have been notified of the decision on the seventh day after the date on which the decision has been posted to the address provided. (1301/2006)

(2) Letters of complaint must be delivered to the Social Insurance Institution within 30 days of the date on which the complainant has been notified of the decision.

(3) Even if a complaint to the Social Security Appeal Board or Insurance Court has arrived after the determined time limit, the complaint may be taken under consideration if weighty reasons exist for the delay. (1301/2006)

Section 3
Self-rectification
(1) In the event the Social Insurance Institution accepts all the demands of the complaint, it must issue a rectification decision regarding the matter. Rectification decisions may be appealed in accordance with the provisions specified in sections 1 and 2.

(2) If the Social Insurance Institution cannot rectify the decision subject to the complaint in the manner specified in subsection 1, it must provide the appropriate body of appeal with the letter of appeal and its statement within 30 days of the end of the appeal period. In this event, the Social Insurance Institution may, with a temporary decision, rectify its earlier decision insofar as it accepts the demands put forward in the complaint. If the complaint has already been delivered to the body of appeal, it must be notified of the temporary decision without delay. Temporary decisions may not be appealed.

(3) Deviations from the time limit, as referred to above in subsection 2, are possible in cases in which the acquisition of further information for the complaint requires this. In this event, the complainant must be notified of the acquisition of further information. However, the letter of complaint and statement must be delivered to the appropriate body of appeal within 60 days of the end of the appeal period.

Section 3 a (17.6.2011/671)

New decision due to the granting of another benefit or reimbursement

(1) If the recipient of a daily allowance has been retroactively granted a benefit or reimbursement under Chapter 8 section 6, Chapter 11 section 8 or 10, or Chapter 12 sections 1-5 or 9-11 after the decision has been made, the Social Insurance Institution may make a new decision on the matter without deleting the decision or securing the interested party’s permission.

(2) A new decision on the matter may also be made in accordance with subsection 1 where the payment of the daily allowance in question ceases under Chapter 9 section 15(2), or where the recipient of a medical care reimbursement, granted for the expenses of psychotherapy provided by a physician, has been retroactively reimbursed for rehabilitation psychotherapy, as referred to in section 3 of the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits (566/2005), based on the same expenses.

Section 4 (1301/2006)

The deletion of a decision

(1) If a legally valid decision by the Social Insurance Institution is based on an erroneous or deficient account, or is obviously contrary to the legislation, the Social Security Appeal Board may, at the request of the interested party or the Social Insurance Institution, delete the decision and order the matter to be reprocessed. The Social Security Appeal Board must ensure all interested parties have the opportunity to be heard before a decision is made on the matter. The Social Security Appeal Board’s decisions may not be appealed. (671/2011)

(2) If a legally valid decision by the Social Security Appeal Board or Insurance Court is based on an erroneous or deficient account, or is obviously contrary to the legislation, the Insurance Court may, at the request of the interested party or the Social Insurance Institution, delete the decision and order the matter to be reprocessed. The Insurance Court must ensure all interested parties have the opportunity to be heard before a decision is made on the matter.

(3) If the Social Insurance Institution submits a request for the decision to be deleted, it may suspend the payment of the benefit or pay it commensurately with its request until a new decision regarding the matter has been made.

(4) The deletion of a decision must be requested within five years of the decision entering into legal force. Where particularly weighty reasons are involved, a decision may also be deleted as a result of a request submitted after the time limit.

(5) If new information or accounts arise regarding a matter concerning the granting of a declined benefit or an increase in a granted benefit, the Social Insurance Institution must re-investigate the matter. The Social Insurance Institution may, notwithstanding previous legally valid decisions, grant a previously declined benefit, or grant a larger benefit. The Social Security Appeal Board and the Insurance Court
may proceed in a similar manner when processing an appeal. Decisions may be appealed in accordance with the provisions in section 1 and 2.

(6) The interested parties are informed of the hearings, as referred to above in subsections 1 and 2, in accordance with section 59 of the Administrative Procedure Act (434/2003), (671/2011).

Section 5
Rectification of factual errors
(1) If the Social Insurance Institution’s decision is based on a clearly erroneous or deficient account, or clearly erroneous implementation of the legislation, or a procedural error has occurred during the making of the decision, the Social Insurance Institution may delete the erroneous decision and make another decision on the matter.

(2) A decision may be rectified to the benefit or to the detriment of the interested party. The rectification of a decision to the detriment of an interested party requires the interested party’s consent to rectify the decision.

Sections 6-8
Sections 6-8 were repealed by Act 1301/2006.

PART VI
NATIONAL HEALTH INSURANCE FUNDING
Chapter 18 (1113/2005)
National health insurance fund and insurance contributions
General provisions
Section 1 (986/2008)
Scope of application
The following are funded under this Act:

1) Benefits and reimbursements specified in this Act.
3) Expenses covered by the basic allowance proportion in accordance with this Act, as specified in the Farmer’s Accident Insurance Act (1026/1981).
5) The operating expenses incurred by the Social Insurance Institution due to the implementation of the benefits and reimbursements specified in 1-4.

Section 2 (1113/2005)
National health insurance funding
(1) The benefit and reimbursement expenses paid from the Social Insurance Institution’s national health insurance fund in accordance with the acts specified in section 1 and the Social Insurance Institution’s operating expenses, as referred to in section 1, with the national health insurance fund’s capital income deducted, are funded by means of the insured and the employer’s insurance contributions, state payment contributions, and other profits accumulating in the national health insurance fund.

(2) National health insurance funding is divided into medical expenses insurance and labour income insurance funding.

Subsection 3 was repealed with 986/2008.

Section 3 (1113/2005)
Minimum national health insurance funds assets
The national health insurance fund’s financial assets, excluding liabilities and reservations, must amount to at least eight per cent of the annual total health insurance expenses (minimum national health insurance fund assets) at the conclusion of each year.

Section 4 (1113/2005)

Insurance contributions

(1) The insurance contributions collected under this Act are the insured’s health insurance contribution and the employer’s health insurance contribution.

(2) The insured’s health insurance contribution comprises the health insurance medical expenses contribution and the health insurance daily allowance contribution.

Section 5 (700/2010)

The insured’s obligation to pay

(1) Under this Act, a party insured in Finland is obliged to pay the insured’s health insurance contribution in accordance with the provisions of this Act.

(2) The insured’s obligation to pay the health insurance daily allowance contribution commences at the beginning of the month following the insured reaching 16, and ends after the calendar month the insured turns 68.

(3) The insured’s health insurance contribution will not be imposed on insured parties who have died during the tax year.

Section 6 (359/2010)

The obligation to pay of pensioners living abroad

Those pensioners living abroad that fall under Finland’s responsibility to reimburse medical care expenses on the basis of the Council Regulation (EEC) No. 1408/71 on the application of social security schemes to employed persons, self-employed persons and to members of their families moving within the Community (hereinafter the “social security regulation”), or Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems (hereinafter the “basic regulation”), must pay the health insurance medical expenses contribution even after these persons are no longer insured under this Act in Finland.

Section 7 (1113/2005)

The employer's obligation to pay

The employer is obliged to pay the employer’s health insurance contribution in accordance with the provisions of the Act on the Employer's Social Security Contribution (366/1963). This contribution is paid as part of the employer's social security contribution.

Medical expenses insurance expenses and funding

Section 8 (1113/2005)

Medical expenses insurance expenses

(1) The expenses of the medical expenses insurance paid from the national health insurance fund include:

1) Treatment and examination expenses, travel expense reimbursements, and medicine reimbursements.

2) Rehabilitation expenses in accordance with the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits (566/2005).

3) Reimbursements paid to the Finnish Student Health Service under Chapter 13 section 11.

3) Medical care expenses covered by the basic allowance proportion under section 15 of the Farmer's Accident Insurance Act (026/1981).

5) The expenses for medical care provided abroad for a person insured in Finland, the reimbursement of which Finland is responsible for under international agreements, the social security regulation, or the
basic regulation, and the expenses of medical care provided for a person insured outside of Finland in
the event this care has been provided on the basis of the social security regulation, the basic regulation,
or a social security or medical care agreement into which Finland has entered, and the expenses whose
reimbursement has been abandoned by means of an agreement between countries. (14.5.2010/359)

(2) Of the operating expenses referred to in section 1, the operating expenses incurred by the Social
Insurance Institution due to the implementation of the benefits and reimbursements specified in
subsection 1 paragraphs 1-5 constitute medical expenses insurance expenses. (986/2008)

(3) In addition, the impact of the annual variation of the expenses referred to in subsection 1 on ensuring
the minimum national health insurance fund assets are taken into consideration as medical expenses
insurance expenses.

(4) Retroactive payments to the national health insurance fund are deducted from the expenses referred
to in subsection 1 paragraphs 1 and 2.

Section 9 (1113/2005)
Insured parties’ funding contribution
The profits from the health insurance medical expenses contribution collected from insured parties is
used for funding 50 per cent of the total expenses of the medical expenses insurance, as referred to in
section 8(1), paragraphs 1-4 and subsections 2 and 3.

Section 10 (1113/2005)
State funding contribution
State assets are used for funding 50 per cent of the total expenses of the medical expense insurance, as
referred to in section 8(1) paragraphs 1-4 and subsections 2 and 3. Furthermore, state assets are used for
funding medical care expenses, as referred to in section 8(1)(5), insofar as the reimbursements of
expenses obtained from other countries on the basis of medical care benefits granted in Finland fail to
cover them.

Labour income insurance expenses and funding
Section 11 (1113/2005)
Labour income insurance expenses
(1) The expenses of the labour income insurance paid from the national health insurance fund include:
1) Daily allowances in accordance with this Act and rehabilitation allowances in compliance with the
Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation
Allowance Benefits (566/2005).
2) Daily allowances covered by the basic allowance proportion under section 15 of the Farmer's
3) Reimbursement of the expenses arising from the arrangement of occupational health care services, as
referred to in Chapter 13, excluding reimbursements paid to the Finnish Student Health Service;
(986/2008).
4) Expenses specified in the Act on the Reimbursement of Certain Occupational Health Care Expenses
from State Assets (859/1984); and (986/2008).
5) Reimbursement for annual holiday expenses, as referred to in Chapter 14.

(2) Of the operating expenses referred to in section 1, the operating expenses incurred by the Social
Insurance Institution due to the implementation of the benefits and reimbursements specified in
subsection 1 paragraphs 1-5 constitute labour income insurance expenses. (19.12.2008/986)

(3) In addition, the impact of the annual variation of the expenses referred to in subsection 1 on ensuring
the minimum national health insurance fund assets are taken into consideration as labour income
insurance expenses.
(4) Retroactive payments to the national health insurance fund are deducted from the expenses referred to in subsection 1(1).

Section 12 (1113/2005)

Employers’, wage earners’ and entrepreneurs’ funding contribution

(1) The expenses of the labour income insurance, as referred to in section 11, with the expenses funded with the state contribution, as referred to in section 13, and entrepreneurs’ additional funding contribution deducted, are funded by means of the employer’s health insurance contribution and income from the health insurance daily allowance contribution, collected on the basis of salary and earned income.

(2) As the Act enters into force, the employer’s health insurance contribution is used for funding 73 per cent of the expenses specified in subsection 1, while the health insurance daily allowance contribution is used for funding 27 per cent of the expenses.

Section 13 (986/2008)

State funding contribution and entrepreneurs’ additional funding contribution

(1) State assets are used for funding:

1) Expenses arising from the payment of a daily allowance or rehabilitation allowance, under section 11(1)(1), that amounts to no more than the minimum amount referred to in Chapter 11 section 7, or, insofar as a rehabilitation allowance specified in section 35 of the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits (566/2005) is concerned, no more than the minimum amount referred to in the previously mentioned section; however, state assets are not used for funding the sickness allowances and rehabilitation allowances that that may not exceed the minimum amount on account of coordination in accordance with Chapter 12 or section 36(1) or section 37 or 39 of the Act on the Social Insurance Institution of Finland’s Rehabilitation Benefits and Rehabilitation Allowance Benefits (566/2005), or daily allowances whose amount has been determined on the basis of Chapter 11 section 6 of this Act and that amount to the minimum assets referred to in Chapter 11 section 7, as a minimum; (195/2009).

2) Expenses arising from the reimbursement of medical care, as referred to in Chapter 13 section 2(2), and other health care to entrepreneurs and other self-employed persons.

3) 0.1 per cent of the expenses arising from an expense resulting from a parenthood allowance, complying with this Act, that is not paid in the amount specified in paragraph 1.

4) Expenses referred to in section 11(1)(4).

(2) The expenses arising from sickness allowance paid on the basis of Chapter 8 section 10 are funded with profits from the contributions collected on the basis of labour income, as referred to in the Self-employed Persons’ Pensions Act (1272/2006) (the entrepreneur’s additional funding contribution). The entrepreneur’s additional funding contribution is collected in addition to the daily allowance contribution from insured parties who have a valid insurance, as referred to in the Self-employed Persons’ Pensions Act (1272/2006).

Payment criteria for an insured’s health insurance contribution

Section 14 (1113/2005)

Payment criteria for the health insurance medical expenses contribution

(1) The health insurance medical expenses contribution is determined on the basis of the insured's earned income taxable in municipal tax, unless otherwise provided for in this Act.

The confirmed labour income for each year, as referred to in the Self-employed Persons’ Pensions Act (1272/2006) or the Farmers’ Pensions Act (1280/2006), is used as the criteria for the health insurance medical expenses contribution on the basis of these acts, insofar as this labour income substitutes: (1276/2006)
1) Salary obtained by a stakeholder in a corporation subject to taxation or business corporation from that corporation, or salary obtained by a family member.

2) Salary obtained by a family member or party to an estate from business activities or agricultural activities.

3) Salary obtained from a public limited company or other company by a worker that is not considered to have an employment relationship with said company.

4) Payment for labour or compensation for use obtained from one’s own business.

5) Earned income share obtained from business activities or agricultural activities.

6) Earned income share obtained by a stakeholder in a corporation subject to taxation or business corporation.

7) Earned income from reindeer husbandry.

8) Income from work performed on a holding; (19.12.2008/994).

9) Earned income share obtained from the company by a stakeholder or disguised dividend for a worker that is not considered to have an employment relationship with said company; and (19.12.2008/994).


(2) When determining the health insurance medical expenses contribution of an entrepreneur, farmer, or grant recipient, the applicable provisions of municipal taxation concerning the calculation of taxable income will apply. However, when determining the medical expenses contribution, insurance contributions paid under the Self-employed Persons’ Pensions Act (1272/2006) or the Farmers’ Pensions Act (1280/2006) will not be deducted. (994/2008)

Section 15 (1113/2005)

Payment criteria for the health insurance daily allowance contribution

(1) The health insurance daily allowance contribution is determined on the basis of the insured's taxable earned income and labour income, unless otherwise provided for in this Act.

(2) Salary, as referred to in Chapter 11 section 2 subsections 3-5, constitutes as the earned income serving as the criteria for daily allowance payment.

(3) The confirmed income for each year, as referred to in the Self-employed Persons’ Pensions Act (1272/2006) or the Farmers’ Pensions Act (1280/2006), is used as the criteria for health insurance daily allowance contributions on the basis of these acts, insofar as this income substitutes: (22.12.2006/1276)

1) Salary obtained by a stakeholder in a corporation subject to taxation or business corporation from that corporation, or salary obtained by a family member.

2) Salary obtained by a family member or party to an estate from business activities or agricultural activities.

3) Salary obtained from a public limited company or other company by a worker that is not considered to have an employment relationship with said company.

4) Payment for labour obtained from one’s own business.

5) Earned income share obtained from business activities or agricultural activities.

6) Earned income share obtained by a stakeholder in a corporation subject to taxation or business corporation.


8) Income from work performed on a holding; and (19.12.2008/994).

If the insured is exempt from the insurance obligation, as defined in the Self-employed Persons’ Pensions Act (1272/2006) or the Farmers’ Pensions Act (1280/2006), or if the insured is not obliged, under said acts, to take out an insurance, the insured’s health insurance daily allowance contribution is determined on the basis of his or her labour income, as referred to in subsection 3 paragraphs 1-9, and any earned income not included in this labour income. (19.12.2008/994)

Section 16 (1113/2005)

Earned income of people with limited tax liability as a payment criterion (1364/2007)

1) If the insured enjoys limited tax liability, the following criteria will be used in the determination and payment of the health insurance medical expenses contribution and daily allowance contribution: insofar as earned income is concerned, salary, as referred to in section 4 of the Act on the Taxation of Non-resident Income and Capital (627/1978), and, insofar as the personal remuneration for performing artists and athletes is concerned, personal remuneration, as referred to in section 3 of this Act, unless otherwise determined in section 18(2). (1364/2007)

2) However, the instalments referred to in Chapter 11 section 2(4) are not included in salary, as referred to above in subsection 1. (1264/2006)

Section 17 (1113/2005)

Labour income for work abroad as a payment criterion

1) Salary subject to withholding tax, as referred to in section 13 of the Prepayment Act (1118/1996), obtained for work abroad, as determined in section 77 of the Income Tax Act, will be taken into consideration when confirming the total amount of income used as the criteria for health insurance daily allowance and medical expenses contribution, unless otherwise specified in section 18(1). (700/2010)

2) If the party obtaining labour income for work abroad is an entrepreneur, as defined in section 15(3), his medical expenses and daily allowance contributions are still determined in accordance with section 14(2) and section 15(3).

Section 18 (1264/2006)

Salary for insurance purposes as a payment criterion

1) If the insured works abroad as an expatriate or in some other capacity and is earning a tax-free labour income for work abroad, as referred to in section 77 of the Income Tax Act, salary for insurance purposes, as defined in the earnings-related pension acts, is used instead of labour income for work abroad in the determination and payment of this party’s health insurance medical expenses and daily allowance contribution, provided that the insured’s pension security has been arranged under the earnings-related pension acts, either voluntarily or under obligation.

2) Salary for insurance purposes is also used instead of income earned abroad as the criterion for the determination and payment of the health insurance medical expenses and daily allowance contribution of a person with limited tax liability working abroad, provided that the insured’s pension security has been arranged under the earnings-related pension acts, either voluntarily or under obligation.

Section 19 (1113/2005)

Pension paid abroad as a payment criterion

If a pension recipient living abroad enjoys limited tax liability, the pension paid from Finland to abroad, with the municipal tax deductions defined in the Income Tax Act having been conducted, is used as the criterion for the determination and payment of the health insurance medical expenses contribution, insofar as pension income is concerned.

Section 19 a (700/2010)

Pension paid from abroad as a payment criterion

1) Pension paid from abroad to Finland will be taken into consideration as income when determining the health insurance medical expenses contribution.
(2) However, a pension, as referred to in the social security regulation or basic regulation, paid from another EU or EEA country to Finland (foreign pension) will not be taken into consideration when determining the health insurance medical expenses contribution if:

1) The person is not being paid a pension, based on the social security regulation or basic regulation, from Finland.

2) The person has, while working in a country paying the foreign pension, paid an insurance contribution based on his labour income in order to fund medical care expenses during retirement.

3) People receiving a foreign pension must find out which part of their foreign pension has been accumulated during the period during which they have paid the contribution defined in subsection 2(2).

4) If the medical expenses contribution is determined on the basis of both a foreign pension and pension paid from Finland, the payment may not exceed the total amount of pensions paid from Finland in compliance with the social security regulation or basic regulation. This medical expenses contribution, determined on the basis of pensions, is obtained by comparing the contribution without pension income with the contribution yielded when the pensions complying with said regulations are taken into account. The differential is the medical expenses contribution determined on the basis of pensions in compliance with these regulations.

Amount and adjustment of insurance contributions

Section 20 (1113/2005)
Health insurance medical expenses contribution

(1) Upon the Act’s entry into force, the health insurance medical expenses contribution amounts to 1.33 per cent of earned income taxable under municipal taxation or other payment criterion for the medical expenses contribution, as referred to in sections 14 and 16-19.

(2) If the insured is the recipient of other earned income than the type referred to in sections 15-18, 0.17 per cent in health insurance medical expenses contribution will be collected from this party, in addition to that collected under subsection 1 and section 23.

(3) The contribution, as referred to above in subsection 2, is calculated on the basis of the differential between the payment criterion for the medical expenses contribution and the payment criterion for the daily allowance contribution. If the payment criterion for the daily allowance contribution is higher than the payment criterion for the medical expenses contribution, the contribution, as referred to in subsection 2, is not collected.

Section 21 (1113/2005)
Health insurance daily allowance contribution

(1) Upon the Act’s entry into force, the health insurance daily allowance contribution amounts to 0.77 per cent of earned income, labour income or other payment criterion for the daily allowance contribution, as referred to in sections 15-18.

(2) In addition to the provisions of subsection 1, the entrepreneur’s additional funding contribution is, upon the Act’s entry into force, 0.25 per cent of labour income in accordance with a valid insurance, as referred to in the Self-employed Persons' Pensions Act (1272/2006).

Section 22 (1113/2005)
Employer's health insurance contribution

Upon the Act’s entry into force, the employer’s health insurance contribution is 2.06 per cent of salary, as referred to in the Act on the Employer's Social Security Contribution (366/1963).

Section 23 (1113/2005)
Adjustment of the health insurance medical expenses contribution

(1) The contribution percentage of the health insurance medical expenses contribution, as referred to above in section 20(1), is adjusted in such a manner that enables the medical expenses insurance
expenses, as referred to in section 8, to be covered by means of profits from the medical expenses contribution and state funding contribution. The contribution percentage is adjusted at an accuracy of two decimal points. The contributions determined in section 9 and 10 are complied with when adjusting the contribution.

(2) The contribution percentage of the health insurance medical expenses contribution is determined by means of a government decree, issued annually before 23 November. If, however, the contribution amounts to less than 1.18 per cent or more than 1.48 per cent of earned income taxable under municipal taxation or another payment criterion for the medical expenses contribution, as referred to in sections 14 and 16-19, the contribution percentage will have to be specified by law. (986/2008)

Section 24 (700/2010)
Adjustment of health insurance daily allowance contribution and employer's health insurance contribution

(1) The payment percentage of the health insurance daily allowance contribution and employer's health insurance contribution is annually adjusted in such a manner that enables the labour income insurance expenses, as referred to in section 11, to be covered by means of profits from the contributions and the state funding contribution. After the first year, changes in expenses are funded in such a manner that ensures that, after the deduction of the state funding contribution, the required changes in contributions are evenly distributed between the daily allowance contribution and the employer’s health insurance contribution. The contribution percentage is adjusted at an accuracy of two decimals.

(2) Notwithstanding the provisions of subsection 1, the entrepreneur's additional funding contribution is annually adjusted in such a manner that enables the part of labour income expenses incurred by the daily allowance expenditure, as referred to in Chapter 8 section 10, to be covered by means of profits from the entrepreneur’s additional funding contribution.

(3) The contribution percentage of the health insurance daily allowance contribution and employer’s health insurance contribution and the amount of the entrepreneur’s additional funding contribution are determined by means of government decree, issued annually before 23 November.

Section 25 (1113/2005)
Consideration of transfers of assets within the national health insurance fund

If the assets used for funding the labour income insurance are used for funding the expenses of the medical expenses insurance during the current year, or vice versa, the assets transferred within the national health insurance fund will be taken into consideration when confirming the subsequent year's insurance contributions and the amount of the state funding contribution.

Section 26 (986/2008)
Consideration of national health insurance fund deficit and surplus

If it estimated in connection with the confirmation of the following year’s insurance contributions and the amount of the state funding contribution that the national health insurance fund’s financial assets, excluding liabilities and reservations, will be less than eight per cent or more than 12 per cent of the annual total health insurance expenses during the current year, the estimated deficit or surplus will be taken into consideration when confirming the subsequent year's insurance contributions and the amount of the state funding contribution.

Section 27 (1113/2005)
State solvency payment

(1) In addition to the provisions specified elsewhere in this Act concerning the state’s contribution to health insurance expenses, the state must pay assets in the amount that guarantees the national health insurance fund's solvency at all times (solvency payment) to the Social Insurance Institution. The solvency payment must be returned to the state once it is no longer required in order to ensure the national health insurance fund’s solvency.
(2) The estimated amount of a solvency payment that has not been returned by the end of the year will be regarded as an advance payment of the state contribution in connection with the confirmation of the state funding contribution and insurance contributions for the subsequent year.

(3) Further provisions on the payment of the solvency payment are issued by government decree.

Section 28 (1113/2005)

Reports provided for the adjustment of insurance contributions and the state funding contribution

(1) By 15 November of each year, the Social Insurance Institution must provide the Ministry of Social Affairs and Health with an estimate of the amount of the reimbursement and benefit expenses paid from the national health insurance fund and the amount of the operating expenses for the following year, an estimate of insurance contributions and the amount of the state funding contribution confirmed for the subsequent year, and an estimate of the possible national health insurance fund deficit or surplus and the amount of the unreturned solvency payment for the current year. These estimates must be adjusted by 15 November and at other times too, if their criteria have undergone significant changes. (986/2008)

(2) Further provisions on the more specific reports required for the adjustment of the insurance contributions and the state funding contribution may be given by a decree of the Ministry of Social Affairs and Health.

Provisions concerning procedure and appeal

Section 29 (1113/2005)

Application of the Prepayment Act (1118/1996)

(1) The provisions in the Prepayment Act (1118/1996) apply to withholding tax from the insured’s health insurance contribution.

(2) If the health insurance contribution of the insured obtaining tax-free labour income for work abroad, as referred to in section 77 of the Income Tax Act, is determined on the basis of the salary for insurance purposes, the Finnish employer that has assigned this employee to work abroad and pays his or her salary is responsible for withholding tax in order to pay the insured’s health insurance contribution.

Section 30 (1113/2005)

The employer's obligation to inform

The employer is obliged to inform the salary recipient of the amount of the withheld health insurance daily allowance contribution, in connection with salary payment.

Section 31 (1113/2005)

Application of the Act on Assessment Procedure (1558/1995)

(1) The provisions concerning tax relief, delay, correction, additional taxation, and other taxation procedure related to municipal tax, as specified in the Act on Assessment Procedure (1558/1995), apply to the insured's health insurance contribution.

(2) The provisions of the Act on Assessment Procedure (1558/1995) apply to appeals concerning the insured’s health insurance contribution. This Act also provides for the right of the Social Insurance Institution and the tax-recipient’s right supervision unit to appeal an insured’s health insurance contribution. (251/2008)

Section 32 (986/2008)

Application of certain acts concerning taxation

(1) The provisions of the Tax Collection Act (609/2005) concerning the collection and reimbursement of insured parties’ health insurance contribution apply.

(2) If the health insurance contribution of an insured with limited tax liability is determined on the basis of the salary for insurance purposes, the Finnish employer that has assigned this employee to work abroad and pays his salary is responsible for collecting the insured’s health insurance contribution in
accordance with the provisions of the Act on the Taxation of Non-resident Income and Capital (627/1978) regarding taxation at the source.

(3) If no requirement exists to collect the insured’s health insurance contribution from a person working abroad and enjoying limited tax liability under the provisions of subsection 2, the health insurance contribution is determined in accordance with the procedures of Chapter 3 of the Act on the Taxation of Non-resident Income and Capital (627/1978). The deductions, as referred to in the Income Tax Act, are not carried out while determining the contribution.

(4) The payer of the salary or reimbursement is responsible for collecting the health insurance contribution of the insured with limited tax liability, as referred to in section 16, in accordance with the provisions regarding taxation at the source specified in the Act on the Taxation of Non-resident Income and Capital (627/1978).

Section 33 (1113/2005)
Collection of insurance contributions by means of execution procedure

(1) Any outstanding contributions laid down in this Act will be collected, without a judgment or decision, in accordance with the provisions of the Act on the Recovery of Taxes and Fees through Recovery Proceedings. (367/1961).


Section 34 (1113/2005)
Payment of an insured’s health insurance contribution (1264/2006)

(1) The Finnish Tax Administration will pay the insured’s health insurance contribution to the Social Insurance Institution in accordance with the Act on Tax Settlement (532/1998). The Finnish Tax Administration must pay the health insurance contributions collected from persons with limited tax liability to the Social Insurance Institution in connection with the payment performed in June of the year following their year of accumulation. (1264/2006)

(2) The health insurance medical expenses contributions and daily allowance contributions must be separately paid to the national health insurance fund.

Section 35 (986/2008)
Payment of the state contribution

The state must monthly pay the state contribution, as referred to in sections 10 and 13, to the Social Insurance Institution in accordance with the provisions of government decrees.

Section 36 (1113/2005)
The Social Insurance Institution’s supervision right

The Social Insurance Institution is entitled to supervise the determination, debiting, collection and payment of the insured's health insurance contribution and the employer's health insurance contribution, and to inspect the related taxation documents.

PART VII
MISCELLANEOUS PROVISIONS

Chapter 19
Provisions concerning the acquisition and disclosure of information

Section 1
Right to acquire information

(1) The Social Insurance Institution and a body of appeal complying with this Act is entitled, notwithstanding confidentiality obligations and other restrictions regarding access to information, to obtain the information required to make a decision on a benefit being processed or the necessary
information that must be otherwise taken into account in order to implement the tasks specified in this
Act, a social security agreement binding Finland, or some other international regulation concerning
social security.

1) From state and municipal authorities and other public corporations.
2) From the Finnish Centre for Pensions, a pension and insurance institution, or other issuer or payer of
pensions or other benefits.
3) From the Patient Insurance Centre, the Finnish Motor Insurers’ Centre and the Finnish
Pharmaceutical Insurance Pool.
4) From an employer, unemployment fund, and employer’s fund.

(2) In addition to the provisions specified in subsection 1, the Social Insurance Institution or a body of
appeal complying with this Act are entitled, notwithstanding confidentiality obligations and other
restrictions regarding access to information, to obtain a statement and the necessary information
regarding the benefit applicant's patient documents, rehabilitation, health condition, treatment and
capacity for work upon request, in the event the benefit applicant fails to deliver these, from a physician
or other health care professional, as referred to in the Act on Health Care Professionals (559/1994), or a
health care unit or transport services provider, social welfare services provider or other care institution,
as referred to in section 2 paragraph 4 of the Act on the Status and Rights of Patients (785/1992), for
the purpose of making a decision on a benefit. (890/2006)

(3) Furthermore, the Social Insurance Institution is entitled to obtain, notwithstanding confidentiality
obligations and other restrictions regarding access to information, the insured’s name and social identity
number and the information required for the payment of a contribution, as referred to in Chapter 15
section 9, from a pharmacy or service provider:
1) Regarding medicinal product purchases, covered by the insured's contribution in accordance with
Chapter 5, from a pharmacy.
2) Regarding visits for examination and treatment in accordance with Chapter 3 and travel specified in
Chapter 4, from a service provider. (890/2006)

(4) Moreover, the Social Insurance Institution is entitled, notwithstanding confidentiality obligations
and other restrictions regarding access to information, to obtain, under an agreement specified in
Chapter 20 section 5, the insured’s name and social identity number and the information concerning
travel, the method of travel and the transport services provider that are necessary with regard to the
payment of the expenses arising from the combination of journeys reimbursed under law from the party
providing journey combination services. (890/2006)

Section 2
Information in certain cases involving institutional care

(1) The Social Insurance Institution is entitled, notwithstanding confidentiality obligations and other
restrictions regarding access to information, to obtain upon request and free of charge the necessary
information regarding unit operations and facilities, the number of personnel as well as the content,
quality and amount of provided care, agreements made concerning care, and any reimbursement paid for
care, in order to settle a matter in accordance with the negotiating procedure specified in Chapter 2
section 4.

(2) Furthermore, the Social Insurance Institution is entitled, under said negotiating procedure, to obtain
upon request from the municipal social welfare or health care authorities or institutions, or the relevant
state or private health care unit, any confidential information from patient documents and regarding the
patient’s health condition, medicines and income that is required to resolve the matter at hand.

(3) The above provisions concerning the Social Insurance Institution’s right to obtain confidential
information also apply to the Ministry of Social Affairs and Health.
Section 3 (513/2010)

Information from the Finnish Tax Administration

(1) The Social Insurance Institution is entitled, notwithstanding confidentiality obligations and other restrictions regarding access to information, to annually obtain by the end of each calendar year the information on each taxpayer's income, as referred to in Chapter 11 section 2, that has been confirmed in the tax assessment for the previous year, and other information possessed by the Finnish Tax Administration required to determine the labour income and information on expenses incurred in acquiring income, as referred to in Chapter 11 section 5.

(2) Moreover, the Social Insurance Institution and the Ministry of Social Affairs and Health are entitled to obtain the statistical information regarding the contribution base of the medical expenses contribution required for the adjustment of the contribution percentage of the health insurance medical expenses contribution from the Finnish Tax Administration.

Section 4

Information from care institutions and the National Authority for Medicolegal Affairs

(1) A care institution as referred to in Chapter 2 section 4, and a body, as referred to in section 6 of the Social Welfare Act, is obliged, notwithstanding confidentiality obligations and other restrictions regarding access to information, to provide the Social Insurance Institution with the information concerning the insured’s entry into institutional care and the conclusion of care for the purpose of the implementation of benefits under this Act.

(2) A corrective institution and an institution for preventive detention, as referred to in section 1 of the Act on the Preventive Confinement of Dangerous Recidivists, is obliged, notwithstanding confidentiality obligations and other restrictions regarding access to information, to provide the Social Insurance Institution with the information concerning the commencement and conclusion of sentences for the purpose of the implementation of benefits under this Act.

(3) The National Authority for Medicolegal Affairs is obliged, notwithstanding confidentiality obligations and other restrictions regarding access to information, to provide the Social Insurance Institution with the information specified in section 24a(2) paragraphs 1 and 3 of the Act on Health Care Professionals and entered in the central register of health care professionals, and any changes to that information, regarding physicians, dentists, psychologists, speech therapists, occupational therapists and psychotherapists and the other health care professionals mentioned in Chapter 1 section 4(1)(2), required for the purpose of the implementation of benefits under this Act.

(4) The Social Insurance Institution is entitled to obtain this information without cost. If the information referred to in subsection 3 is required in a specific format, and this causes significant additional costs to the National Authority for Medicolegal Affairs, the costs must be reimbursed.


Section 5

Provision of information in certain cases

(1) Notwithstanding confidentiality obligations and other restrictions regarding access to information, the Social Insurance Institution is entitled to disclose:

1) To the health care professional who has prescribed the medicine: information related to the insured’s medicine purchases, if the insured has, in spite of a notice issued by the Social Insurance Institution, repeatedly acquired more medicine using this prescription and others prescribed by other health care professionals than is required for the treatment of the insured’s illness; (437/2010).
2) To pharmacies: the names and social identity numbers of the insured parties to whom medicine reimbursements are not paid via the pharmacies employing the settlement procedure, as referred to in Chapter 15 section 9;

3) To the National Authority for Medicolegal Affairs: information concerning a physicist who has repeatedly prescribed medicine in significantly greater quantities than is necessary for the treatment of an illness, as specified in this Act;

4) To a pharmacy employing the settlement procedure specified in Chapter 15 section 9, in connection with a purchase, and to a service provider, in connection with a visit for treatment or examination specified in Chapter 3, or travel, as referred to in Chapter 4: the person's surname and forename, information on whether the person is a member of an employer's fund and whether he or she is insured; if the person is insured, the Social Insurance Institution may provide the pharmacy with the information on whether the pharmacy is allowed to provide the insured with the medicine at a price from which the health insurance contribution has been deducted, and information regarding the special reimbursement rights related to the medicines provided to the insured, the reimbursement rights related to clinical nutritional preparations, the basic reimbursement rights for medicines eligible for restricted basic reimbursement, and the fulfilment of the annual deductibles, and the information on the fulfilment of the annual deductibles for transport service providers;

5) To a party providing journey combination services on the basis of an agreement on journey combination services: information on whether the person is a member of an employer’s fund and whether he is insured; if the person is insured, the Social Insurance Institution may provide the journey combination services provider with the insured’s address, information on the fulfilment of the annual deductibles related to travel expenses, and other insured information necessary for travel services provision; (1203/2007)

6) To a unit providing public health care services, for the reimbursement of expenses specified in Chapter 15 section 16a(1): information on whether the person is covered by another country's social security system. (1203/2007) (890/2006)

(2) Notwithstanding confidentiality obligations and other restrictions regarding access to information, the Social Insurance Institution is entitled to provide a physician or health care unit or research institution, as referred to in Chapter 15 section 13, with information concerning the health condition, illness, treatment procedures, profession, working conditions, or other work quality-related information related to an insured referred to examinations, as referred to in section 15(13).

(3) Prior to the disclosure of information, the Social Insurance Institution must inform the insured of this disclosure of information under subsection 1 paragraphs 1 and 2.

Section 6
Information to an execution authority

(1) Notwithstanding confidentiality obligations and other restrictions regarding access to information, the Social Insurance Institution is entitled, upon the request of the relevant authority, to provide this authority with information on the amounts of benefits issued under this Act; however, not the benefits that are excluded when calculating the protected portion, as referred to in Chapter 4 section 7 of the Execution Act (37/1895). Furthermore, the Social Insurance Institution is entitled to disclose information about the other institutions paying pensions and other social benefits it is aware of.

(2) The Execution Act (37/1895) was repealed by the Enforcement Code (705/2007).

Section 7 (513/2010)
Information to the Finnish Tax Administration for the collection of insurance contributions

(1) Notwithstanding confidentiality obligations and other restrictions regarding access to information:
1) The Social Insurance Institution is entitled to provide pension institutions and the Finnish Tax Administration with the names, social identity numbers and other identification information to which the payment obligation specified in Chapter 18 section 6 applies to pensioners living abroad, for the purpose of collecting the health insurance medical expenses contribution.

2) For the purpose of the collection of the insured and employer’s health insurance contribution, the Social Insurance Institution, the Ministry of Social Affairs and Health and the Finnish Centre for Pensions are entitled to provide the Finnish Tax Administration with the names and social identity numbers of persons living abroad for whom the Social Insurance Institution has issued a decision on the application of residence-based social security legislation or for whom the Ministry of Social Affairs and Health or the Finnish Centre for Pensions has issued a decision on the application of Finnish social security legislation on the basis of the EU’s social security provisions or a social security agreement stipulation.

3) A pension institution and the Finnish Centre for Pensions are entitled to provide the Finnish Tax Administration with information on salary for insurance purposes for the purpose of collecting the insured’s and employer’s health insurance contribution.

(2) Furthermore, the Social Insurance Institution is entitled to provide the Finnish Tax Administration with the information indicated in subsection 1 paragraphs 1 and 2 without the interested party’s consent via a technical operating connection. Prior to the activation of a technical operating connection, the information recipient must provide a statement detailing the appropriate protection of the information.

Section 8 (513/2010)
Information to the authorities
In addition to the provisions specified in the Act on the Openness of Government Activities (621/1999), and notwithstanding confidentiality obligations and other restrictions regarding access to information, the Social Insurance Institution is entitled to provide the ministries, the Finnish Tax Administration, and institutions and communities involved in the social security system whose social security benefits are affected by benefits pursuant to this Act with the social identity number and other identification information of a person who has obtained a benefit or reimbursement in accordance with this Act, information on paid benefits and reimbursements, and any similar information that is required for the linking of personal information and other one-off supervisory procedures performed in order to investigate crimes and malpractices related to social security, and to provide the police and prosecuting authorities with the above information required for the investigation of crimes and indictment. However, information on health conditions or information depicting the grounds for a person’s need for social welfare services may not be disclosed.

Section 9
Utilisation of information obtained for other benefits
In individual cases, the Social Insurance Institution is entitled to use information obtained by it for the management of its other duties, if it is obvious that this information affects the benefit pursuant to this Act and the information must be taken into consideration in decision-making under the Act and the Social Insurance Institution would be anyhow entitled to obtain the information.

Section 10
Technical operating connection
(1) In addition to the provisions specified in section 29(3) of the Act on the Openness of Government Activities, the Social Insurance Institution is entitled, under the conditions laid down in said subsection, to activate a technical operating connection to information stored in its personal records system that the Social Insurance Institution is entitled to disclose to recipients specified in section 5(1) paragraphs 2, 3 and 4 and subsection 2, and section 6 of this Chapter.
(2) The provisions of subsection 1 regarding the activation of a technical operating connection and disclosure of information also apply to the Social Insurance Institution’s right to obtain confidential information, as referred to sections 1, 2 and 4 of this chapter, via the technical operating connection.

(3) A technical operating connection activated on the basis of this section may also be used for searching for confidential information without the consent of the person whose interests the confidentiality is designed to protect. Prior to the activation of a technical operating connection, the party requesting information must provide a statement detailing the appropriate protection of the information.

Section 11
Obligation to notify
The Social Insurance Institution must employ the appropriate methods to provide the benefit applicant with the information on where information related to the applicant can be obtained and to which parties it can, according to the rules, be disclosed.

Section 12
Statement fee
The Social Insurance Institution and a body of appeal pursuant to this Act are entitled to obtain the information referred to in Chapter 1 section 2 without cost. However, a health care professional, as referred to in the Act on Health Care Professionals, or a social service provider is entitled to receive reasonable compensation for statements issued by this party on the basis of the obligation to inform, as referred to in section 1(2).

Chapter 20
Miscellaneous provisions

Section 1
Health Insurance Negotiations Committee

(1) In health insurance-related matters, the Social Insurance Institution is assisted by the Health Insurance Negotiations Committee, appointed by the government for three year terms. The Negotiations Committee comprises nine members and the appropriate number of deputy members.

(2) The Chair of the Health Insurance Negotiations Committee and one of the members, simultaneously acting as the Vice Chair, are appointed by a Social Insurance Institution proposal, while the rest of the members and deputy members are appointed in a manner that ensures the Committee includes representatives of the Ministry of Social Affairs and Health, physicians' and dentists' unions, employers and expertise on insured parties’ conditions.

(3) The government sets the emoluments paid to the Chair and members.

(4) Further provisions on the Committee and its duties are issued by government decree.

Section 2

(1) The Social Insurance Institution and the Board of the Social Insurance Institution appoints the Committee for three year terms. The Committee comprises a Chair and a maximum of 15 members. The medical specialties most crucial to the implementation of health insurance and physicians familiar with the implementation of health insurance must be represented on the Committee. Moreover, the National Authority for Medicolegal Affairs, the medical faculties of universities, and physicians’ and dentists’ unions must be represented on the Committee.

(2) Expenses arising from Committee activities are paid from the national health insurance fund.

(3) Committee activities can be further specified by means of a government decree.

Section 3

Official assistance
The Social Insurance Institution is entitled to receive official assistance from an authority.

**Section 4 (1301/2006)**

**Free-of-charge decision**

Decisions by the Social Insurance Institution and a body of appeal pursuant to this Act entail no charges.

**Section 5**

**Journey combination activities**

(1) The Social Insurance Institution uses benefit expenditure to pay for the expenses arising from the combination of journeys under this Act to the party performing the combination, the amount of which is separately determined in each case.

(2) The Social Insurance Institution may subject journey combination service providers and transport operators providing chartered services to competitive bidding, in which case the Public Procurement Act (1505/1992) applies. Under these circumstances, the journey combination charge and the insured's travel allowance are determined on the basis of the price incurred by the competitive bidding process.

(3) The Public Procurement Act 1505/1992 was repealed by the Act on Public Contracts (348/2007).

**Section 6 (513/2010)**

**Distribution of taxation expenses**

The expenses incurred by the Social Insurance Institution from the performance of its duties are taken into consideration when performing the distribution of expenses, as referred to in the Act on the Tax Administration (503/2010).

**Chapter 21**

**Provisions concerning entry into force and transition**

**Section 1**

**Entry into force**

(1) This Act will enter into force on 1 January 2005. However, Chapter 11 section 4 subsections 5-7 will only enter into force on 1 October 2005.

(2) The amounts of money determined in Chapter 11 section 1(1) correspond to the index number, as referred to in the first sentence of section 9(2) of the Employees Pensions Act, confirmed for 2004, while the amount of money determined in Chapter 5 section 8(1) of the Act corresponds to the index number, referred to in the Pension Index Act, confirmed for the same year. Chapter 11 section 1(3) of the Act will be applied for the first time on 1 January 2005 when adjusting the amounts of money referred to in Chapter 11 section 1(1).

(3) Notwithstanding the provisions of Chapter 2 section 3(3), the doctor’s fees collected from a patient being treated in a municipal or a joint municipal authority’s hospital and the doctor's fees of physicians who are entitled to practice privately at the hospital’s outpatient clinic are reimbursed under the special-fee category, in the form of a compensable doctor’s fee, as referred to in this Act, until 29 February 2008, if these fees would have been reimbursed under the act that was in force prior to this Act’s entry into force.

(4) Medicinal products that have been determined eligible for special reimbursement before 1 January 2004 will be eligible for special reimbursement for four years after this Act’s entry into force, unless the reasonable wholesale price, confirmed for the medicine before 1 January 2004, that is acceptable as grounds for reimbursement has not become invalid before this time, and unless the Pharmaceuticals Pricing Board has initiated a re-evaluation of the medicine’s eligibility for special reimbursement.

(5) The sickness allowance, special maternity allowance, maternity allowance, paternity allowance, parental allowance, partial parental allowance and special care allowance paid prior to this Act’s entry into force count as daily allowances pursuant to this Act. When Chapter 10 of this Act is applied, special
care allowance days prior to this Act’s entry into force do not count towards the maximum special care period.

(6) Chapter 7 section 4(2)(2) applies if incapacity for work or entitlement to a daily allowance commences after this Act’s entry into force.

(7) Chapter 8 section 2(1) of this Act will apply to incapacity for work during the Act’s term of force. If the insured was incapable of working upon the Act's entry into force, the period of uninterrupted incapacity for work immediately preceding the Act's entry into force is taken into consideration when determining the waiting period, as specified in Chapter 8 section 7 subsections 1 and 2, and when calculating the maximum sickness allowance period, as referred to in Chapter 8 section 8.

(8) Chapter 11 section 1(2) of this Act will apply where the start date of incapacity for work or entitlement to a daily allowance on which the index adjustment is based occurs after the Act’s entry into force.

(9) Chapter 11 section 2(1)(3) of this Act will apply where incapacity for work or entitlement to a daily allowance commences on or after 1 January 2006.

(10) Chapter 11 section 4(5) will apply where the entitlement to a parenthood allowance and special care allowance paid on the basis of the same child commences on or after 1 October 2005, or where incapacity for work commences on or after 1 October 2005.

(11) Chapter 11 section 4 subsections 6-7 apply where the first day of parenthood allowance paid on the basis of the same child is on or after 1 October 2005.

(12) The provision of the last sentence of Chapter 11 section 6(3) of this Act regarding the fact that the proportion of a rehabilitation allowance, determined on the basis of section 14(2), by which it exceeds the amount that would have been in a similar situation determined as the amount of the rehabilitation allowance, on the basis of section 14(1) of the Act, is not taken into consideration with regard to the determination of a daily allowance and will apply where incapacity for work or entitlement to daily allowance commences after this Act’s entry into force.

(13) Notwithstanding the provisions of Chapter 13 section 5 of this Act, 60 per cent of the expenses arising from the drafting of an annual occupational health care action plan are reimbursed to the employer, including the costs of the workplace visits forming the basis for the occupational health care professionals’ and experts’ action plan, if the action plan has been drafted or workplace visit conducted no later than 31 December 2005. Workplace visits mean visits to workplaces that are related to occupational health care planning, and the development and monitoring of work, the operating environment and work community. Reimbursement applications are carried out in compliance with the provisions of Chapter 15 section 7 of this Act.

(14) The provisions of Chapter 14 of this Act apply where the employer will apply for reimbursement for annual holiday expenses on the basis of expenses that are based on a parenthood allowance period that has ended after this Act’s entry into force.

(15) Chapter 14 section 3(2) will allow for the application for reimbursement for annual holiday expenses, if the first day of parenthood allowance paid on the basis of the same child occurs after this Act's entry into force. Notwithstanding the provisions of Chapter 14 section 3(2), if the employer will apply for reimbursement of annual holiday expenses under subsection 14, the reimbursement amounts to the special maternity, maternity, paternity or parental allowance per day paid to the employee during the annual holiday’s accumulation period. *(155/2005)*

(16) Notwithstanding the provisions of Chapter 15 section 3(1), reimbursement of travel expenses incurred in 2004 that exceed the annual deductible may be applied until 30 June 2005.

(17) Chapter 15 section 4(1) will apply if incapacity for work or entitlement to a daily allowance commences after this Act’s entry into force.
(18) This Act’s provisions regarding the relation of old-age pensions pursuant to the legislation governing employment pensions to sickness or parenthood allowance also apply to individual early retirement pensions.

(19) Measures necessary to implement the Act may be taken before the Act enters into force.

Section 2

Repealed legislation

This Act repeals the following, including subsequent amendments:


Section 3

Application provision (359/2010)

If the Health Insurance Act (1224/2004) or the Act on Reimbursement for Annual Holiday Expenses during the Parental Allowance Period for Employers (238/1994), or a benefit granted or reimbursement paid in accordance with them, is referred to in another act or a provision based on such an act, this reference must be considered to mean the corresponding provisions pursuant to this Act or a benefit or reimbursement pursuant to this Act, unless otherwise provided in this Act. When this Act refers to the social security regulation, the reference is also considered to constitute a reference to the basic regulation, unless otherwise provided in this Act. (359/2010)

Amendment provisions’ entry into force and application:

11.3.2005/155:

This Act will enter into force on 16 March 2005. However, Chapter 11 section 4(5) will enter into force on 1 October 2005. Chapter 18 section 2(1) and Chapter 21 section 1(15) will apply as from the start of 2005.

The Social Insurance Institution will amend, ex officio, decisions regarding the reimbursement of annual holiday expenses made prior to this Act’s entry into force, if provisions valid before the Act’s entry into force have been applied to the reimbursement.

An advance payment of the state contribution, granted in accordance with Chapter 18 section 2(1) of the act in force prior to this Act's entry into force, that is related to the minimum daily allowance expense of the sickness allowance, is deducted from an advance payment of the state contribution granted after this Act's entry into force. If the entire amount cannot be deducted from the first advance payment, the deduction is transferred to the subsequent advance payments.

18.3.2005/165:

This Act will enter into force on 1 April 2005.

23.6.2005/461:

This Act will enter into force on 1 July 2005.

Measures necessary to implement the Act may be taken before the Act enters into force.

21.10.2005/840:

This Act will enter into force on 1 November 2005. Measures necessary to implement the Act may be taken before the Act enters into force.

11.11.2005/885:

This Act will enter into force on 1 January 2006. Chapter 5 section 10 of the Act will remain in force until 31 December 2008.

Medicinal products for which a reasonable wholesale price but no special reimbursement status has been confirmed upon the Act’s entry into force are eligible for basic reimbursement, to the extent seen at the
time of entry into force, for five years from the Act's entry into force, but no longer than the reasonable wholesale price confirmed for the medicinal product and acceptable as a reimbursement criterion is valid, unless otherwise provided in subsection 3.

Medicinal products eligible for reimbursement under Chapter 5 section 5 upon the Act’s entry into force are eligible for reimbursement, to the extent seen at the time of entry into force, for five years from the Act's entry into force, but no longer than the reasonable wholesale price confirmed for the medicinal product is valid.

Clinical nutritional preparations and ointments eligible for reimbursement upon the Act’s entry into force are eligible for reimbursement, to the extent seen at the time of entry into force, for five years from the Act's entry into force, but no longer than the reasonable wholesale price confirmed for the nutritional preparation or ointment is acceptable as a reimbursement criterion is valid.

Medicinal products that have been determined as eligible for special reimbursement before 1 January 2004 will be eligible for special reimbursement for three years after this Act’s entry into force, unless the reasonable wholesale price, confirmed for the medicinal product before 1 January 2004, that is acceptable as grounds for reimbursement has not become invalid before this time, and unless the Pharmaceuticals Pricing Board has initiated a re-evaluation of the medicine’s eligibility for special reimbursement.

The Pharmaceuticals Pricing Board will reduce all wholesale prices of medicinal products valid upon this Act’s entry into force by five per cent. The decision concerning the reduction of wholesale prices will enter into force on 1 January 2006. If the holder of a trading licence does not wish its product to be included in the reimbursement system at the reduced wholesale price, this licence holder may extricate its product from the reimbursement system as from 1 January 2006 by notifying the Pharmaceuticals Pricing Board of this in writing by 1 December 2005. Despite the appeal process, the Pharmaceuticals Pricing Board’s decisions must be adhered to until the matter has been resolved by means of a final decision.

If a wholesale price application being processed by the Pharmaceuticals Pricing Board must be decided between 1 December 2005 and 31 December 2005, the Pharmaceuticals Pricing Board must take the five per cent price reduction, implemented at the beginning of 2006, into account when confirming the wholesale price. Prior to making a decision on the matter, the Pharmaceuticals Pricing Board must hear the applicant concerning the price reduction.

Notwithstanding the provisions of subsections 2-5, the Pharmaceuticals Pricing Board may, after hearing the Social Insurance Institution and the holder of the marketing authorisation, decide to abolish the reasonable wholesale price or eligibility for reimbursement of a clinical nutritional preparation or ointment, if the medicinal product’s scope of use has expanded since the confirmation date of the wholesale price, or if a product containing the same active pharmaceutical ingredient or combination of pharmaceutical ingredients is available at a significantly lower price, or if the medicinal product’s price is significantly lower in other Nordic or EU countries, or if some other criterion concerning the abolition of the reasonable wholesale price or eligibility for reimbursement or rejection of eligibility for basic reimbursement specified in Chapter 6 is fulfilled. A decision issued by the Pharmaceuticals Pricing Board under this subsection will enter into force in accordance with the provisions of Chapter 6 section 12(1).

The amount of money determined in Chapter 5 section 8(1) corresponds to the index number, as referred to in the Pension Index Act, confirmed for 2005.

Measures necessary to implement the Act may be taken before the Act enters into force.

22.12.2005/1113:

This Act will enter into force on 1 January 2006. However, Chapter 8 section 10 of this Act will enter into force on 1 April 2006, and will retroactively apply to incapacity for work that begins on or after 1 January 2006.
For the first time, this Act will apply to health insurance daily allowance contribution and medical expenses contribution paid in 2006. However, tax will be withheld on the basis of the insured’s health insurance contribution valid at the time of this Act’s entry into force until the withholding criteria for 2006 enter into force.

This Act will apply to an employer’s health insurance contribution paid on the basis of salary paid on or after 1 January 2006.

Notwithstanding the provisions of Chapter 11 section 2 of this Act, the provision valid at the time of this Act’s entry into force will apply to income from work serving as the basis of a daily allowance, if incapacity for work or entitlement to a benefit commences prior to 1 January 2008.

Chapter 13 section 5(1) of this Act will apply to an employer’s fiscal period beginning on 1 January 2006 or later, and to a fiscal period that has commenced in 2005 and over half of which takes place in 2006. The provision in force upon this Act’s entry into force will apply to a fiscal period that has commenced in 2005 and under half of which takes place in 2006.

Measures necessary to implement the Act may be taken before the Act enters into force.

17.3.2006/199:
This Act will enter into force on 1 May 2006.

8.6.2006/459:
This Act will enter into force on 1 January 2007.

Measures necessary to implement the Act may be taken before the Act enters into force.

13.10.2006/890:
This Act will enter into force on 1 January 2007.

Measures necessary to implement the Act may be taken before the Act enters into force.

22.12.2006/1264:
This Act will enter into force on 1 January 2007.

22.12.2006/1276:
This Act will enter into force on 1 January 2007.

Notwithstanding the provisions of Chapter 11 section 2(2)(1) and (2)(2) of this Act, the provision valid on 31 December 2005 will apply to income from work serving as the basis of a daily allowance, if incapacity for work or entitlement to a benefit commences prior to 1 January 2008. However, confirmed income, as referred to in section 112 of the Self-employed Persons’ Pensions Act (1272/2006), may be used when labour income, as referred to in Chapter 11 section 4 in the event the incapacity for work or entitlement to benefit commences on or after 1 January 2007.

22.12.2006/1301:
This Act will enter into force on 1 January 2007.

A decision by the Social Security Appeal Board ruling on an appeal concerning a Social Insurance Board decision may not be appealed in the Insurance Court.

22.12.2006/1342:
This Act will enter into force on 1 January 2007. It will apply to parenthood allowance, if the first day of parenthood allowance paid on the basis of the same child falls on or after 1 January 2007, and to the reimbursement for annual holiday expenses paid for employers, if parental allowance has been paid on the basis of the same child for the first time after this Act's entry into force.

The amounts of money determined in Chapter 11 section 1(2) correspond with the level of the index number, as referred to in the first sentence of section 9(2) of the Employees Pensions Act (395/1961), confirmed for 2004.
In 2007, the health insurance daily allowance contribution amounts to 0.75 per cent of earned income, labour income, or other payment criterion for the daily allowance contribution specified in Chapter 18 sections 15-18, while the employer’s health insurance contribution amounts to 2.05 per cent of salary, as referred to in the Act on the Employer's Social Security Contribution (366/1963).

In 2007, the entrepreneur's additional funding contribution amounts to 0.16 per cent of labour income pursuant to the insurance specified in the Self-employed Persons’ Pensions Act (1272/2006).

26.10.2007/912:
This Act will enter into force on 1 November 2007.
Chapter 11 section 10a of this Act will apply to a parenthood allowance that has commenced after the Act’s entry into force.
Measures necessary to implement the Act may be taken before the Act enters into force.

7.12.2007/1203:
This Act will enter into force on 1 January 2008. Units providing public health care services will be reimbursed in accordance with section 16a(1) with regard to expenses incurred on or after 1 January 2008. The Social Insurance Institution will reimburse certain public health care service provider expenses as from 1 January 2009. Section 16a(3) of the Act also will apply to receivables incurred prior to this Act’s entry into force.
Measures necessary to implement the Act may be taken before the Act enters into force.

21.12.2007/1364:
This Act will enter into force on 1 January 2008.
For the first time, this Act will apply to health insurance daily allowance contribution and medical expenses contribution paid for 2008. However, tax will be withheld on the basis of the health insurance daily allowance contribution and medical expenses contribution valid at the time of this Act’s entry into force until the withholding criteria for 2008 enter into force.
This Act will apply to an employer’s health insurance contribution paid on the basis of salary paid on or after 1 January 2008.
Notwithstanding the provisions of Chapter 11 section 2 of this Act, the provisions valid at the time of this Act’s entry into force will apply to labour income serving as the basis of daily allowance, if incapacity for work or entitlement to a benefit commences prior to 1 January 2010.
Measures necessary to implement the Act may be taken before the Act enters into force.

18.4.2008/251:
This Act will enter into force on 1 May 2008.

28.11.2008/770:
This Act will enter into force on 1 January 2009.
Measures necessary to implement the Act may be taken before the Act enters into force.

5.12.2008/802:
This Act will enter into force on 1 January 2009. However, Chapter 6 sections 18-24 of the Act will be first applied when determining the reference price categories that will enter into force on 1 April 2009, while the provisions regarding the eligibility for reimbursement of products included in the reference price system, as specified in Chapter 5 sections 1 and 4-9 of the Act, will apply as from 1 April 2009.
The reference price categories referred to in this Act will be established for the first time from 1 May 2009. When establishing the reference price groups for the first time, the Pharmaceuticals Pricing Board will publish a list of the medicinal products eligible for reimbursement regarding which the holders of marketing authorisations must submit a price notification, as referred to in Chapter 6 section 20of the Act, no later than 16 February 2009. Price notifications must be submitted to the Pharmaceuticals...
Pricing Board by 27 February 2009. In connection with the determination of reference prices, a product for which a notification regarding introduction to the market, as referred to in section 27 of the Act on Medicines (395/1987), has been submitted by 6 February 2009 and for which a price notification has been submitted within the aforementioned time limit will be considered a product, as referred to in Chapter 6 section 19(3). The Pharmaceuticals Pricing Board must issue a decision regarding the reference price categories, reference prices and medicinal products included in the reference price categories no less than seven days prior to the commencement of the first reference price period on 1 April 2009. Appealing a Board decision is stipulated in Chapter 6 section 26.

The fixed-term eligibility for reimbursement and wholesale price confirmed for a medicinal product prior to this Act’s entry into force will be valid for the period determined in a Pharmaceuticals Pricing Board decision, unless the medicinal product is included in a reference price group before the end of the period by means of a Pharmaceuticals Pricing Board decision.

The amount of money determined in Chapter 5 section 8(1) corresponds to the index number, as referred to in the Pension Index Act, confirmed for 2008.

Measures necessary to implement the Act may be taken before the Act enters into force.

This Act will enter into force on 1 January 2009.

Measures necessary to implement the Act may be taken before the Act enters into force.

This Act will enter into force on 1 January 2009.

This Act will enter into force on 1 January 2009.

Section 23(2) of this Act will be applied for the first time when confirming the contribution percentage of the medical expenses contribution for 2010.

Measures necessary to implement the Act may be taken before the Act enters into force.

This Act will enter into force on 1 January 2009.

This Act will apply to daily allowances in the event the insured’s incapacity for work or entitlement to a benefit commences on or after 1 July 2009.

If the incapacity for work or entitlement to a benefit of a grant recipient, as referred to in the Farmers’ Pensions Act (1280/2006), commences between 1 July 2009 and 31 December 2010, including said dates, income from work, as specified in Chapter 11 section 2(1)(2) and subsection 2, will be applied as a criterion for daily allowances, as laid down in Chapter 1 section 4(1)(6), when assessing income from work in accordance with Chapter 11 section 4.

Chapter 18 section 14(2)(10) and Chapter 18 section 15(3)(9) will first be applied when determining the insured’s medical expenses contribution and daily allowance contribution for 2009.

Measures necessary to implement the Act may be taken before the Act enters into force.

This Act will enter into force on 1 April 2009. However, it will apply as from 1 January 2009.

Measures necessary to implement the Act may be taken before the Act enters into force.

This Act will enter into force on 1 January 2010.

Measures necessary to implement the Act may be taken before the Act enters into force.
This Act will enter into force on 1 January 2010.
This Act will apply to partial sickness allowance in the event the insured’s entitlement to partial sickness allowance commences on or after 1 January 2010.
Measures necessary to implement the Act may be taken before the Act enters into force.

16.10.2009/788:
This Act will enter into force on 1 November 2009.
Measures necessary to implement the Act may be taken before the Act enters into force.

20.11.2009/929:
This Act will enter into force on 3 December 2009.
Measures necessary to implement the Act may be taken before the Act enters into force.

27.11.2009/962:
This Act will enter into force on 1 January 2010.
The Act will apply to parenthood allowance in the event the first day of parenthood allowance paid on the basis of the same child falls on a date after the Act's entry into force.

11.12.2009/1047:
This Act will enter into force on 1 January 2010.
Measures necessary to implement the Act may be taken before the Act enters into force.

22.12.2009/1201:
This Act will enter into force on 1 January 2010.
The provisions valid at the time of this Act’s entry into force will apply to a training allowance and employment subsidy, as laid down in the Act on the Public Employment Service (1295/2002), that has been granted prior to this Act’s entry into force.

29.12.2009/1640:
This Act will enter into force on 1 August 2010. If the insured is incapable of working and this incapacity to work has commenced prior to this Act's entry into force, the provisions valid upon this Act's entry into force will apply to sickness allowance and partial sickness allowance. Measures necessary to implement the Act may be taken before the Act enters into force.

14.5.2010/359:
This Act will enter into force on 19 May 2010.
Measures necessary to implement the Act may be taken before the Act enters into force.

21.5.2010/437:
This Act will enter into force on 1 July 2010.
Measures necessary to implement the Act may be taken before the Act enters into force.

21.5.2010/438:
This Act will enter into force on 1 September 2010.
Measures necessary to implement the Act may be taken before the Act enters into force.

11.6.2010/513:
This Act will enter into force on 1 September 2010.

24.6.2010/655:
This Act will enter into force on 1 August 2010.

20.8.2010/700:
This Act will enter into force on 1 January 2011. However, section 24 of the Act will only enter into force on 1 November 2010.

Measures necessary to implement the Act may be taken before the Act enters into force.

20.8.2010/708:
This Act will enter into force on 1 March 2011.

15.10.2010/875:
This Act will enter into force on 1 January 2011.

Measures necessary to implement the Act may be taken before the Act enters into force.

5.11.2010/939:
This Act will enter into force on 1 January 2011.

3.12.2010/1056:
This Act will enter into force on 1 January 2011.

This Act will apply to the reimbursement of expenses incurred by an employer through the arrangement of occupational health care services, if the employer’s fiscal period ends on or after 31 December 2011. This Act will apply to the reimbursement of expenses incurred on or after 1 January 2012 by an entrepreneur or other self-employed person through the arrangement of occupational health care services.

Measures necessary to implement the Act may be taken before the Act enters into force.

17.12.2010/1142:
This Act will enter into force on 1 January 2011. Chapter 11 section 7 of this Act will enter into force on 1 March 2011.

The amounts of money specified in Chapter 11 section 1 and Chapter 7 section 1 of this Act correspond to the value of the income coefficient, as referred to in section 96 of the Employees Pensions Act (395/2006), in 2010, and the amount of money related to the annual deductible, as referred to in Chapter 5 section 8(1) of this Act, and the minimum daily allowance specified in Chapter 11(7) corresponds to the index number according to which the amount of national pensions paid during January 2010 has been calculated.

The first increase, as referred to in Chapter 11 section 7, pursuant to the Pension Index Act (456/2001) will be carried out upon the Act's entry into force.

Measures necessary to implement the Act may be taken before the Act enters into force.

21.12.2010/1246:
This Act will enter into force on 1 January 2011.

Measures necessary to implement the Act may be taken before the Act enters into force.

21.12.2010/1247:
This Act will enter into force on 1 July 2011.

However, Chapter 9 section 11(3) of the Act will only enter into force on 1 January 2011.

The Act will apply if incapacity for work, as referred to in Chapter 8 section 9, commences on or after 1 July 2011.

Measures necessary to implement the Act may be taken before the Act enters into force.

30.12.2010/1334:
This Act will enter into force on 1 May 2011.

Measures necessary to implement the Act may be taken before the Act enters into force.

4.2.2011/102:
This Act will enter into force on 1 March 2011. This Act will remain in force until 30 April 2015. Measures necessary to implement the Act may be taken before the Act enters into force.

_7.6.2011/671:_

This Act will enter into force on 1 July 2011.

Section 3a of this Act will apply if a retroactive benefit or reimbursement is granted after this Act’s entry into force.

The provisions in force upon this Act’s entry into force will apply to matters related to the dismissal of a final decision pending in the Social Security Appeal Board or Insurance Court.

_17.6.2011/766:_

This Act will enter into force on 1 August 2011.

_22.7.2011/911:_

This Act will enter into force on 1 August 2011, and will remain in force until 30 June 2015.

This Act will apply to expenses arising between 1 August 2011 and 31 July 2014 from the basic health care services provided for students participating in the student health care service arrangement experiment.

Measures necessary to implement the Act may be taken before the Act enters into force.