

Tax & Fiscal Alert

April 27, 2012

New process by Annual Health Insurance Clearance (AHIC)

We would like to provide you with a summary of basic rules on annual health insurance clearance for the year 2011 (hereinafter "AHIC"). We will focus entirely on role of employer and basic procedures of health insurance company by AHIC.

AHIC is no longer executed by the employer; however it is processed by **health insurance companies**.

Summary statement submission

For the purposes of AHIC the employer had the obligation to submit **summary statement** of advances insurance payments of public health insurance till **February 28, 2012**. This report includes necessary information for processing of AHIC according to particular employees, including the real employee's income he/she was entitled to. For this purpose the health insurance companies created the forms, which had to be filled by employers.

The summary statement has to be submitted in electronic or paper form. If the employer employed at least three employees in 2011, he has the obligation to submit this report electronically.

In case the health insurance company does not have information necessary for AHIC processing, the calculation of the advance insurance payments and actual insurance payments will be based on **average monthly salary** (*the average monthly salary for the year 2011 is 786€*).

The employer has the possibility to submit corrected or amended summary statement till **May 31, 2012**.

Deadlines for AHIC

Respective Health Insurance Company performs AHIC:

- (i) till **September 30, 2012** or
- (ii) till **October 31, 2012**, if the insureds have extended filling deadline for submission of income tax return. In this case, the insureds have to submit the evidence about the announcement to the Tax Office about the deadline predestination to the health insurance company no later than **May 30, 2012**.

Overpayment and arrear

The result of AHIC can be either an **overpayment** or **arrear**. The health insurance company announces the employer result of AHIC and in case of arrears the Health Insurance Company issues **statement of arrears**. The health insurance company delivers a notification to the employer about result of AHIC within above mentioned deadlines (i.e. till September 30, 2012 or till October 31, 2012)

The arrear has to be paid within **45 days** since the statement of arrears come into force. In case of overpayment, the Health Insurance Company is obliged to pay back this overpayment within 45 days after expiration of the deadline for objection submission, resp. after receiving of new opinion, with that the objection of the employer has been accommodated.

The obligation to settle an arrear, resp. to pay back overpayment does not occur if the overpayment/ arrear does not exceed **5 €**.

Objection against AHIC

The employer has the possibility to submit an **objection** against the result of AHIC by that the overpayment was found **within 15 days** of receiving of the notification from Health Insurance Company. The employer can submit **objections** against the statement of arrears within the same period.

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