

## DEPENDANTS LEAVE BENEFIT (as of 14 October 2020)

Dear Clients and Partners,

Following the adoption of certain measures reacting to the second wave of COVID-19 epidemic, we would hereby like to provide you with updated information on the dependants leave benefit paid due to primary schools (including Grades 1 - 5) being closed from 14 October 2020.

### 1. CURRENT REGULATION OF DEPENDANTS LEAVE BENEFIT

Under the current version of the Sickness Insurance Act, employees who cannot work due to taking care of a child younger than 10 years are entitled to a dependants leave benefit (“ošetřovné”).

Currently, the benefit is paid for maximum 9 calendar days (16 calendar days in case of a single parent/caregiver who permanently takes care of at least one child under 16 who has not completed compulsory school attendance yet).

The benefit is not paid to employees in the first 14 calendar days of their temporary sick leave or mandatory quarantine. The entitlement also does not belong to employees who are not employed under regular employment contracts, but under short-term or long-term agreements to perform work (*dohoda o provedení práce – “DPP”* or *dohoda o pracovní činnosti – “DPČ”*).

Parents are only allowed to change in taking care of their child once and the change cannot occur during the same calendar day.

The benefit is currently calculated as 60 % of the „reduced“ daily assessment base. The amount of the benefit is based on the employee’s average daily earnings during a reference period (usually 12 calendar months preceding the month in which the need for dependants leave occurred), which is then reduced as set forth by the Sickness Insurance Act.

The application for the benefit (including a mandatory form recording the number of days spent on a leave due to educational institutions being closed) must be handed in to the employer, who submits it to the local social security office („OSSZ“). The OSSZ pays the benefit retrospectively for the previous calendar month. The application must be supported by a confirmation (filled in on a special form) by the respective educational institution, must include the number of days the employee was absent from work due to taking care of a child and must be signed and handed in to the employer at the end of the respective calendar month.

### 2. PLANNED ADJUSTMENTS TO DEPENDANTS LEAVE BENEFIT

Similarly to what we already experienced this spring, certain adjustments to the current system of dependants leave are under preparation and an improved „crisis“ benefit is likely to be adopted

(since Act No. 133/2020 Sb. expired on 30 June 2020 and is no longer applicable). A bill introducing the new form of the dependants leave benefit will soon be considered by the Chamber of Deputies in an accelerated legislative emergency procedure.

If the bill is passed, the „crisis” benefit will apply until the extraordinary anti-epidemic measures expire or until 30 June 2021, whichever occurs first. The above-mentioned limit of 9 calendar days will not apply in this period.

The „crisis” benefit will also apply to employees employed under DPP or DPČ on behalf of whom employers pay social security insurance. Even if such employees do not participate in the sickness insurance system in the month in which the need to take care of their children occurred, they will nonetheless be entitled to the benefit if they participated in the sickness insurance system at least in the last three calendar months immediately preceding the calendar month in which their dependants leave started.

Parents will be able to take repeated turns in taking care of their child, however they will not be able to change during the same calendar day.

The amount of the benefit is supposed to remain the same, i.e. 60 % from the „reduced” daily assessment base.

As for the application for the benefit, the confirmation from the respective educational institution that it has been closed will no longer be required. An employee’s affidavit that he/she must take care of a child due to schools being closed by an extraordinary anti-epidemic measure will be sufficient. Employers will be able to send applications for dependants benefit (including the mandatory form recording the number of days spent taking care of a child due to educational institutions being closed) to the respective OSSZ by a data mailbox or by email (signed by an electronic signature) and a regular copy (scan) will be sufficient in this case; paper originals will need to be archived though.

Please, be aware that the above rules for a „crisis” dependants leave benefit may undergo changes in the course of the legislative process. We will keep you informed about the final version agreed and about the effective date of the new rules.

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We hope that our newsletter provided you with useful information and we are ready to assist you to find the right solution for any situation you may encounter.

Your LTA team