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Pensions, Health and Long-term Care

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List of Abbreviations

DC	Defined Contribution
EU	European Union
FUS	Fundusz Ubezpieczeń Społecznych – Social Insurance Fund
IKE	Indywidualne Konta Emerytalne – Individual Retirement Accounts
KRUS	Kasa Rolniczego Ubezpieczenia Społecznego – Agricultural Social Insurance Fund
NDC	Notional Defined Contribution
NFZ	Narodowy Fundusz Zdrowia - National Health Fund
OFE	Otwarte Fundusze Emerytalne – Open Pension Funds
OMC	Open Method of Coordination
PAYG	Pay-as-you-go
PPE	Pracownicze Programy Emerytalne – Occupational Pension Schemes
PSL	Polskie Stronnictwo Ludowe – Polish Peasant Party
PTE	Powszechne Towarzystwa Emerytalne – General Pension Societies
UOKiK	Urząd Ochrony Konkurencji i Konsumentów - Office of Competition and Consumer Protection
WIG	Warszawski Indeks Giełdowy - Warsaw Stock Exchange Index
ZOL	Zakład opiekuńczo-leczniczy - Care and treatment facilities
ZPO	Zakład Pielęgnacyjno-Opiekuńczy - Nursing and care facilities
ZUS	Zakład Ubezpieczeń Społecznych – Social Insurance Institution

1 Executive Summary

In 2008 the pension reform initiated in 1999 was 'completed' by several legal acts, including closing the early retirement possibilities and creating the 'bridging pensions' (see the Asisp annual national report for Poland 2009 – in the following: ANR-PL-09). Some of the regulations entered in force in 2009.

Unlike in 2008 in 2009 no major changes were introduced into the social protection system in Poland. However, in the second half of 2009 a big debate started on a major change in the pension system, including a withdrawal from crucial structural elements of the new system. For example, a major change in the proportion of contributions directed to the funded and PAYG (pay-as-you-go) parts of the system has been proposed, in order to lower the transition costs resulting from the reform. Even more radical steps have also been proposed, like making the open pension funds voluntary or transfer the present system into a scheme offering a flat-rate basic pension only. The debate continues and its outcome is still unclear.

As some of these proposals have been raised by the government, the debate can also be interpreted as the end of a consensus on which the pension reform of 1999 had been based.

Questioning of basic principles of social insurance, like its obligatory character, paying pensions and not lump-sums or earnings-relation of pensions, deserves a very critical assessment. Safety, stability and trust are basic values on which a social protection system is based and they should not be threatened.

The biggest problem in the Polish health care system remains the discrepancy between growing demand and unsatisfactory supply. The system also lacks coordination between institutions responsible for health care: central administration, local administration and the National Health Fund (NFZ).

In 2009 the financial situation of the health care deteriorated clearly. Due to the crisis, thus lower contribution and tax revenues, the National Health Fund received less money than in previous periods. The situation deteriorated also because of the resignation from the earlier government plans to to increase the contribution rate for health insurance from 9 to 10%.

Health care seems also to be underestimated as a human capital investment in Poland. Health promotion and prevention to improve the health status of the population and reduce sickness burdens, increase labour productivity and allow for prolonged working lives, are not adequately addressed in the government policy.

Long-term care remains a very weak element in the Polish social protection system. In most cases, long-term care needs are covered by family and no formal institutions are used. Plans to introduce a long-term care insurance, discussed since many years, have been postponed because of the financial difficulties due to the crisis.

Poland has been relatively modestly hit by the financial and economic crisis, compared to the rest of Europe. As the only European Union member state, Poland experienced a positive economic growth in 2009 – according to the recent estimates from April 2010 the GDP grew by 1.8% in 2009.

Nevertheless, the slowing down of the economic growth did influence negatively the finances of the social protection system. The unemployment grew, and thus contribution and tax revenues decreased. The financial situation of the whole social protection system worsened, leading to some negative consequences especially in health care and to the growing deficit of the pension system.

2 Current Status, Reforms, Political and Scientific Discourse - 2009 until April 2010

2.1 Pensions

2.1.1 Overview of the system's characteristics and reforms

In 2009, the 10th anniversary of the major structural pension reform in Poland was marked. It was also used as an occasion to make an assessment of the first 10 years of the new system (see 2.1.4).

The system which had been described in ANR-PL-09 was not changed in 2009. In the following, only the basic characteristics will be very briefly summarized.

The pension system consists of two tiers, called 'pillars'. The first tier is pay-as-you-go (PAYG) and administered by the Social Insurance Institution (Zakład Ubezpieczeń Społecznych, ZUS) and the second one fully funded and privately managed. Additional sources of income security, among them the 'employee pension programmes' (Pracownicze Programy Emerytalne, PPE) - occupational pension schemes or 'individual retirement accounts' (Indywidualne Konta Emerytalne, IKE) constitute the third, voluntary tier (Figure 1, Table 1). In the present text, the term 'pension system' relates to both obligatory tiers. As the word 'pillar' is usually used for description of the Polish system, it will be used in the present text.

Figure 1: Structure of the new pension system in Poland – two obligatory tiers (pillars)

3.	Additional voluntary old-age provision

2.	Open pension funds *(OFE)* *(Contribution 7.3%)*
1.	Notional Defined Contribution (NDC) *(Contribution 12.22%)*

Source: Author.

The system covers all persons employed outside agriculture.

Farmers remain covered by the separate KRUS (Kasa Rolniczego Ubezpieczenia Społecznego, Agricultural Social Insurance Fund) scheme. The KRUS system covered in 2009 almost 1.6 million persons and paid old-age pensions to almost 1.2 million persons. The insured persons pay low lump-sum contributions[1]. Old-age pension consists of two parts: contributory and additional, and is flat-rate for most pensioners[2]. Only some 5% of

[1] The contribution rate depends on the farm's size. In the second quarter of 2010 the monthly rate for every insured person was 71 PLN until 50 ha, 156 PLN between 50 and 100 ha and so on, until 410 PLN for more than 300 ha.

[2] The basic old-age pension is equal to the minimum pension in the general ZUS pension system, i.e. 706.29 PLN since 1 March 2010.

expenditures on pensions are covered by the contribution revenues, the rest – by state budget subsidy (i.e. tax revenues).

Also, people who serve in military or police are covered by a separate state security scheme.

Both the first and the second pillars in the new general system are based on the same logic of defined contribution (DC), whereas in the first PAYG pillar the capital is 'notional' (Notional Defined Contribution, NDC), the second pillar is fully-funded.

The first pillar is run by the public Social Insurance Institution (ZUS) which will also pay pensions from the first pillar. The second pillar is obligatory, supervised heavily by the state, but run by new private institutions. The open pension funds (Otwarte Fundusze Emerytalne, OFE) are administered by private general pension societies, organised as joint stock companies. The insured may choose a fund. On 20th May 2010 14 open pension funds existed in Poland.

Table 1: Basic characteristics of the three pillars of the new pension system in Poland

Criteria for classification	Ist pillar	IInd pillar	IIIrd pillar
Participation in the system	compulsory	compulsory	voluntary, complementary
Social objective	basic level of benefits	basic level of benefits	higher level of benefits
System management	public	private	private
Financing	from current contributions	funded	funded
Calculation of benefit amount	on the basis of contributions after indexation	on the basis of capital funded contributions	on the basis of capital funded contributions

Source: ZUS 2009b, p. 33.

In the new system the risk of old-age has been separated from the risks of invalidity and death of the breadwinner. There are two separate obligatory social insurance branches and contributions: old-age insurance (and contribution) and 'pension' insurance, covering invalidity and survivors. The rate of old-age insurance contribution is 19.52% of the income up to a ceiling on the level of 2.5 times average national wage and salary. For employees it is paid in equal shares by employees and employers. For members of open pension funds, a part of old-age insurance contribution equal to 7.3% of income goes via ZUS into pension fund. The pension insurance amounts from 1 January 2008 to 6%, payable for employees by the employer (4.5%) and the employee (1.5%).

The only eligibility condition in the new pension system is the standard retirement age, 60 for women and 65 for men. The issue of closing the early retirement option was finally solved in 2008 (see ANR-PL-09). In the new system there is no minimum insurance period.

The level of pensions from the new system is strictly related to the contributions paid. Equivalence has also been increased and redistribution limited through removing the upper level of pension assessment and the introduction of an upper level of contributions – at the level of 250% of average earnings in the national economy.

As in the old, there is also a minimum pension in the new system. It will now however be financed from the state budget and not from contributions. It will be paid under the condition of fulfilling minimum required insurance period of 20 (women) or 25 (men) years as a toping

up of the sum accumulated on both accounts – in the first and in the second pillars. Those who will not fulfil the requirements will only rely on social assistance.

Pensions payments are adjusted annually according to the consumer price index of the households of pensioners (or the general consumer price index, if it is higher than the index for the households of pensioners), increased by at least 20% of real growth of average earnings in the previous year. In March 2009 all pensions were increased by 6.1% and in March 2010 by 4.62%.

After reaching the standard retirement age, accumulation of old-age pension with earnings from work is allowed without any reductions. However, if the pensioner is below the standard retirement age, his/her pension is reduced when the earnings are between 70% and 130% of average wage and salary and completely suspended when earnings are higher than 130% of the average.

As pensions are financed from contributions before taxes, old-age pensions are subject to taxation.

The law on funds of life-long funded old-age pensions, passed by the Parliament on 19 December 2008 (see ANR-PL-2009) did no come into force in 2009 due to the president's veto. The veto was motivated by the non-inclusion of obligatory adjustment mechanism for the funded pensions. According to the law, the life-long funded old-age pensions would not be indexed, unlike the temporary funded old-age pensions or the pensions from the Social Insurance Fund (Fundusz Ubezpieczeń Społecznych, FUS). But the law introduced a mechanism of increasing the amount of the life-long funded old-age pensions in case of profits of institutions managing the funds of such pensions, on the same dates as the indexation of pensions from the Social Insurance Fund.

The issue who will pay the pensions based on the funds accumulated in OFE has not been solved yet. It has been one of the topics within the debate on reform proposal (see 2.1.2).

2.1.2 Overview of debates/ political discourse

Some issues which arose earlier: subfunds, the pension systems for the 'armed forces' and the KRUS reform, have not been solved yet and remain subject of debates.

The idea of 'lifestyling investment' - to create subfunds, especially those with safer investment policy for people close to retirement age, originally included in the reform package of 1999, has been 'refreshed' by pension funds losses in 2008. It remains in plans of the government but has not yet gone beyond the debate stage. A quite new solution of the problem to protect older pension fund members from negative development of rate of return has emerged in the context of the new radical proposals of the Minister of Labour and Social Policy (see further below).

In 2009 the government announced plans to reform the special state security pension systems for 'armed forces' (military, police etc.). The plans included especially longer service periods required to obtain the right to a pension (at present soldiers can retire after just 15 years of service). A strong resistance from representatives of these forces led to a postponement of the plans. They have not been removed officially but there are no concrete proposals made either.

A similar situation concerns KRUS, the separate system for the individual farmers. The pensions for farmers are financed almost entirely from the state subsidy. The issue of "KRUS reform" has been on the agenda for many years now, with many discussions and plans, but no action. In the present political situation any reform is blocked from within the government, by the Polish Peasant Party (Polskie Stronnictwo Ludowe, PSL), the smaller coalition partner.

In the second half of 2009 a big debate started on a major change in the pension system, including a withdrawal from crucial structural elements of the new system. The debate continues and its outcome is still unclear (in May 2010). As some of these proposals have been raised by the government, the debate can also be interpreted as the end of a consensus on which the pension reform of 1999 had been based. In the following, main groups of proposals and discussions will be presented.

A basic issue raised has been the share of contribution directed to OFE. The Minister of Labour and Social Policy Jolanta Fedak presented a proposal to change the proportion of contributions directed to the funded and PAYG parts of the system. The contribution to OFE should be decreased from the present 7.3% to 3% and the remaining 4.3% should go to ZUS on a special account. This change would reduce the funded part of the system, thus decreasing the necessary subsidies from the state budget to ZUS. This was the reason why the proposal has been supported by the Ministry of Finance Mr Jerzy Rostowski as it should help to lower the transition costs resulting from the pension reform and thus decrease public debt and help to introduce Euro.

The proposal of Mrs Fedak was based on heavy criticism of OFE. The criticism included among others an accusation that OFE have used price conspiracy to maximize the profits with the disadvantage for members as competition has been limited in this way.

The Minister directed a formal question in this matter to the Office of Competition and Consumer Protection (Urząd Ochrony Konkurencji i Konsumentów, UOKiK). The answer announced in April 2010 stated that there has not been any unlawful price agreement between the pension funds. They simply have made use of the legal limit of contribution fee. According to the UOKiK there is no basis to start an antitrust legal case against OFE.

In January 2010 the Minister of Labour and Social Policy presented her proposals to the government. The proposals included:

- decreasing the share of contribution to OFE, from 7.3% to 3%

- introducing the possibility of lump-sum payments from the second pillar, instead of obligatory annuitisation,

- enabling members of OFE (especially those close to retirement age) to switch to ZUS by termination of their membership in OFE and directing their account entirely to ZUS.

The Minister Jolanta Fedak also declared that another proposal could be added, to make the membership in OFE voluntary.

The idea to introduce the possibility of lump-sum payments from the second pillar, instead of obligatory annuitisation has been explained by Mrs Fedak as leading to lower costs of the system and higher pensions.

The newly established Economic Advisory Council of the Prime Minister, led by the former Prime Minister Mr Jan Krzysztof Bielecki, criticised the idea. Instead, it proposed that a separate Fund of Funded Pensions should be created within ZUS, from which only pensions (annuities) could be paid, without lump-sum payments. The money accumulated in the Fund would be managed by private financial institutions, under strict state supervision.

The Council also opposed the idea to lower the contribution to OFE from the present 7.3% to 3%.

In the end of April 2010 the daily “Rzeczpospolita” informed that the date of a conference of ministers to discuss the proposals and to prepare a common statement has not been decided yet. Press announcement indicate that the support for the proposals of Mrs Fedak has been shrinking.

The internal differences of opinions within the ruling coalition have a clear political dimension. Mrs Fedak belongs to the Polish Peasant Party (PSL), the smaller coalition partner. The differences could lead to a conflict in the coalition. Maybe the debates have been deliberately slowed down by the ruling Civic Platform and the Prime Minister to avoid the conflict.

A proposal to transfer the present system into a scheme offering a flat-rate basic pension only has also been presented. The deputy Prime Minister Waldemar Pawlak raised the idea to introduce a system in which a flat-rate contribution (to ZUS only) gives an entitlement to a flat-rate pension. In a interview for the daily "Rzeczpospolita" in February 2010 Pawlak argued that the responsibility of the state should be only to guarantee its citizens a "necessary financial minimum". Everybody can save additionally voluntary for the old age. He even presented figures: 120 PLN monthly contribution should guarantee a monthly retirement pension of 1200 PLN. The proposal has been presented as "replacing ZUS by KRUS" – KRUS, the system for individual farmers, offers flat-rate pensions for flat-rate contributions.

The proposal met with many criticism. The calculations have been treated as completely unrealistic. Such a system would be a break with the Polish tradition of earnings-related pensions. The proposal did not present how to solve the transition problems from the present to the new system.

Many of the above mentioned proposals to restrict the role of open pension funds (OFE) in the Polish pension system have been made on the basis of worsening public perception of OFE. On the other hand, the proposals themselves, often including heavy accusations against OFE could have contributed to their lower reputation.

In 2009 the social perception of the open pension funds (OFE) clearly worsened. Only 10% of respondents declared they trusted OFE, compared to 15.5% in 2007. 46% answered they did not trust OFE (in 2007 29.0%), 44% did not have any opinion. Also trust in the Social Insurance Institution (ZUS) decreased recently: In 2009 22% answered they trusted ZUS (25% in 2007), 46% they did not trust ZUS (39% in 2007) (Czapiński, Panek 2009, p. 182-183).

There is also a European (EU) dimension of pension debates in Poland. There is a dispute between the European Commission and the Polish government concerning two solutions in the Polish pensions system, both related to the second, funded, pillar:

- Poland's position is that money directed from the state budget to cover the deficit in the pension system which emerged from creation of the second pillar should not be counted as increasing public deficit and debt;
- Poland also wants to keep the limits for foreign investment of the open pension funds (at present not more than 5% of assets). There is a legal case against Poland in the European Court of Justice since September 2009.

Poland argues that the second pillar of the pension system, although managed by private financial institutions, is a part of the public system.

2.1.3 Impact assessment

Labour market participation of the elderly

Employment rate of those aged 55 to 64 increased from 26.2% in 2004 and 31.6% in 2008 to 32.3% in 2009, still (after Malta) the lowest in the EU. The increase was mainly the result of economic growth, high until 2008 and much slower in 2009 (real GDP growth rates were

5.0% in 2008 and 1.7% in 2009), which led to the overall employment rate growth (52.8% in 2005, 59.2% in 2008 and 59.3%) (Eurostat database, access on 29 April 2010).

The main reason of the very low employment rates of older people were the early retirement rules, inherited from the old system. As described in ANR-PL-09, the early retirement possibilities were finally restricted in 2009, with effect from 1 January 2009. The majority of those entitled to early retirement in the old system lost the enitlement. For some groups of people who had worked under special conditions or in a special character, a new 'bridging pension' has been introduced instead.

The data for the average age of 'new pensioners' until 2008 show the picture before the changes. Whereas the standard retirement age is 65 for men and 60 for women, in 2008 new retirement pensions were awarded to people on average 59.0 years old (61.1 men and 56.2 women). There was a positive change in this respect in this period already, probably due to the positive situation on the labour market which led some people to stay in employment instead of retirement. The change was especially large between 2007 and 2008 – see Table 2.

Table 2: Average age of persons for whom new retirement pensions were granted, 2005-2008

	2005	2006	2007	2008
Total	56.8	56.6	57.1	59.0
Men	58.4	57.9	59.7	61.1
Women	56.0	56.0	55.8	56.2

Source: ZUS 2006, p. 31, ZUS 2007, p. 33, ZUS 2008, p. 31, ZUS 2009a, p. 29.

The impact of the restrictions of early retirement possibilities is visible in numbers of new retirement pensions granted. Whereas in 2008 340,5 thousand new retirement pensions were awarded by ZUS (ZUS 2009a, p. 26), in 2009 243.0 thousand new retirement pensions were granted (ZUS 2010b, p. 26). This positive development will have a positive impact on the finances of the pension system.

The development of replacement rate, adequacy of pensions

Once again it should be emphasised that all pensions currently paid in Poland are based on entitlements and rules of the old system. But even more, the old system will continue to influence the level of pensions for a longer period.

First, persons aged 50 or more at the start of the reform – 1st January 1999, i.e. born before 1st January 1949, were not covered by the new rules and they will have their pensions assessed according to the old rules. For example, a man who was born in 1948 and thus stayed in the old system, will reach the statutory retirement age in 2013. But, secondly, the old system will influence the level of pensions much longer, because of the 'initial capital'. All persons under 50 at the start of the reform, i.e. born after 31st December 1948, have been covered by the new system. For those who had earned any pension entitlements before the start of the reform, they were transferred to the notional account in the new NDC system according to the old benefit formula – as the 'initial capital'. Thus, even for a person who was for example 30 at 1st January 1999, the old system will (partly) influence his or her pension level, granted for example in 2034! Only for a person who has been covered by the new system entirely from the start of his/her working career, the pensions will be based on the new rules only and the consequences of the reform will be fully visible

Thus current replacement rates of pensions do not allow for any conclusions about the new system.

The old system guaranteed relatively high pensions. The most commonly used indicator to present the level of pensions in Poland has been the relation between pension and average earnings in the national economy. In 2008 the average old-age pension was equal to 57.1% of average earnings in the economy. It is high, especially taking into account the relatively short insurance period: in December 2008 pensioners receiving old-age pension from ZUS had an average insurance period of 33.9 years (36.9 years – men and 31.9 years – women) (ZUS 2009a, p. 20, 36). In 2009 the relation of the average old-age pension to the average earnings in the economy increased to 58.8% (ZUS 2010b, p. 25).

Thanks to high replacement rates and broad coverage by the pension system, poverty in old age is in Poland much lower than among other groups of population. Different statistics and studies illustrate that old age pensioners are much less often at risk of poverty than other groups of society, especially the youngest group. This issue is well documented within the Social Inclusion process in the EU. The at risk-of-poverty-rate for people aged 65 and more was only 12% in 2008, while it was 19% on average in the EU. It must be noted however that the situation has worsened recently – the rate was 8% in 2007 (Eurostat database, access on 29 April 2010).

The relatively good, albeit worsening, income position of the retirees, compared to other groups in Poland, is also illustrated by the recently published report on incomes and living conditions of the population in Poland, based on the EU-SILC survey of 2007 and 2008 – see Table 3.

Households of retirees, thus households in which old-age pensions were the main source of income, have income close to the national average. The incomes of retirees are higher than those of farmers, pensioners (disability or survivors pensions) and households living on unearned sources (like unemployment benefit or social assistance).

Table 3: Average yearly per capita net disposable income in households by socio economic groups (in PLN)

Year	Total	Households of					
		emp loyees	farmers	self-employed	retirees	pensioners	living on unearned sources
2007	10576	11360	6255	11132	10989	8375	5834
Total =100	*100.0*	*107.4*	*59.1*	*105.3*	*103.9*	*79.2*	*55.2*
2008	12164	13068	8008	13386	11804	9544	6269
Total =100	*100.0*	*107.4*	*65.8*	*110.0*	*97.0*	*78.5*	*51.5*

Source: GUS 2009b, p. 77, 123.

At-risk-of-poverty-rate was 17% for total population in 2008, but only 12% for people aged 65 years or more. It was 12% for all employed, and 10% for retired. (GUS 2009b, p. 147). However, between 2007 and 2008 the rate remained stable for total population and those employed, but increased for elderly (in 2007 it was 8% for those aged 65 and more and 6% for the retired – GUS 2009b, p. 101).

The replacement rates from the new system will be much lower than those from the old one. According to the projection in the Pension Strategy 2005, for the base case – an insured

whose earnings over the life-time were equal to the national average – will decrease from 63.2% to 35.7% (gross) or from 77.7% to 43.9% (net) between 2005 and 2050 – the replacement rates are calculated for pensions from both obligatory pillars (MPiPS 2005, p. 40).

The future level of pensions and thus their adequacy will be crucially dependent also on the rates of return of the open pension funds which receive more than 1/3 of the old-age insurance contribution. After the losses in 2008 due to the deep financial crisis (see chapter 3), they recovered in 2009 – see Table 4.

Table 4: Average yearly rates of return of the open pension funds 2004-2009 (%)

	2004	2005	2006	2007	2008	2009
Nominal rate of return	14.0	15.0	16.3	6.2	-14.3	13.7
Inflation rate	3.5	2.1	1.0	2.5	4.2	3.5
Real rate of return	10.5	12.9	15.3	3.7	-18.5	10.2

Source: Polish Financial Supervision Authority (http://www.knf.gov.pl/); Central Statistical Office (http://www.stat.gov.pl/); partly own calculations

The investment efficiency of OFE remains subject of analyses. An analysis published in 2009 shows several barriers of increasing the investment efficiency of the OFE: incentives for PTE (Powszechne Towarzystwa Emerytalne, the societies managing OFE) to increase membership rather than to increase investment efficiency, the mechanism of minimum required rate of return leading to a less risky strategy, strict investment limits, no subfunds, low pressure from members due to low level of "pension literacy" (Chybalski 2009).

Financial sustainability of the pension systems

The financial situation of the Social Insurance Fund, and especially of its part related to retirement pensions, has developed negatively since the start of reform (see chapter 2.1.4).

It has become one of the motivation for the radical reform proposals, especially from the Finance Minister (see chapter 2.1.2).

Information

Many times the fact has been stressed that people in Poland have a very limited knowledge and understanding of the pension system. The low 'pension awareness' or 'pension literacy' seems to be one of the barriers of improvement of the pension system (see, for example, Chybalski 2009).

On the other hand people are well aware of the role of social protection in their lives. In a survey conducted for the daily "Rzeczpospolita" in February 2010, asking for those institutions which have the biggest influence on the life of people in Poland, 42% pointed to the Social Insurance Institution (ZUS) and 40% to the National Health Fund (NFZ). The following institutions were further mentioned: the catholic church (38%), the tax offices (34%) and the government (31%).

2.1.4 Critical assessment of reforms, discussions and research carried out

The 10th anniversary of the major structural pension reform in Poland was an occasion for drawing a balance and making an assessment. Several publications appeared on this occasion (Chybalski, Staniec 2009, Wagner, Gajos 2009). Generally, a mixed picture has appeared. The reform objectives seem to have been realised to a large extent, but important problems remain or have emerged.

The old pension system in Poland secured relatively high pensions, in relation to earnings, thus achieving the first Open Method of Coordination (OMC) objective of 'adequacy' relatively well. It was however financially unsustainable – high expenditure was a combined result of quantity (early retirement!) and pension level. The system was not 'modern' either – it was not flexible and the entitlement was not individualised. For example, it was not constructed for a flexible labour market with frequent changes in employment (one general social insurance contribution paid exclusively by employer, no individual insurance record).

The radical pension reform which started in 1999 replaced the old system by a completely different one. The reform was based both on models of Latin America (a large obligatory privately managed funded system), as well as on the Swedish solution within the 'first pillar" (NDC).

The reform was based on the following principles:

- introduction of a mixed system, PAYG-funded, public-private,
- introduction of a strict relation between contributions and pensions (defined contribution),
- cancellation of early retirement,
- in the longer run decreasing expenditure,
- in the longer run lowering of replacement rates.

The reform concept had certainly advantages, concerning financial sustainability and modernity:

- 'diversity' (multi level) – PAYG/funding, state/market,
- positive economic incentives – the internal system's rationality,
- positive macroeconomic incentives: capital market, economic growth,
- in the longer run – guarantee of the financial sustainability of the pension system.

At the same time the new system included also problems, concerning adequacy of pensions and financial sustainability in shorter perspective:

- lower pensions, especially for those with lower earnings, unemployed, women, with the risk beared entirely by the insured,
- still high contribution for the obligatory pension system – with consequences for labour costs and limited scope for the development of supplementary voluntary provision,
- high costs of the transition period.

The problems have become even larger due to the postponement of the originally planned next reform steps, especially the prolongation of the early retirement possibilities.

The financial situation of the Social Insurance Fund, and especially of its part related to old-age pensions, has developed negatively since the start of reform (see Table 5) for several reasons, and mainly:

- the reform itself, creating a large funded pillar out of a part of a previously entirely pay-as-you-go system which created a big deficit for the expenditure on current pensions,
- not completing the reform especially through continuing the costly early retirement,
- due to unfavorable economic development (slower economic growth) in the first years after the reform.

Table 5: Sources of revenues of the Social Insurance Fund 1999-2008 (billion PLN)

	1999	2004	2005	2006	2007	2008	2009
Total revenues *= 100 %*	73.7 *(100.0)*	107.7 *(100.0)*	111.0 *(100.0)*	120.9 *(100.0)*	129.6 *(100.0)*	136.1 *(100.0)*	138.4 *(100.0)*
Social insurance contributions *(as % of total revenues)*	64.1 *(86.9)*	74.0 *(68.7)*	78.2 *(70.4)*	81.3 *(67.3)*	89.4 *(69.0)*	82.7 *(60.8)*	86.5 *(62.5)*
Other revenues *as % of total revenues*	0.2 *(0.2)*	0.1 *(0.1)*	0.1 *(0.1)*	0.1 *(0.1)*	0.2 *(0.2)*	0.3 *(0.2)*	0,2 *(0.2)*
Dedicated subsidy for non-insurance benefits *(as % of total revenues)*	3.2 *(4.3)*	3.5 *(3.3)*	3.6 *(3.3)*	3.5 *(2.9)*	0.2 *(0.2)*		
Supplementary subsidy covering the deficit of contributions *(as % of total revenues)* of which	6.2 *(8.4)*	30.1 *(27.9)*	29.1 *(26.2)*	35.9 *(29.7)*	39.9 *(30.8)*	53.1 *(39.0)*	51.6 *(37.3)*
subsidy to cover the deficit resulting from directing contributions to pension funds *(as % of total revenues)*	2.3 *(3.1)*	10.6 *(9.9)*	12.6 *(11.3)*	14.9 *(12.3)*	16.2 *(12.5)*	19.9 *(14.6)*	21.1 *(15.2)*

Source: Social Insurance Institution (ZUS), Warsaw, http://www.zus.pl/statyst; authors' estimates.

The "OFE debate" (see chapter 2.1.2) deserves a very critical assessment. Before addressing the contents of the proposals made, some general remarks should be made.

Many proposals have been made by high representatives of government, making them 'official'. At the same time, there have been clear differences between, for example, various ministers, which has made the impression that there has not been a coherent government policy towards the pension system reform.

Some proposals have been mainly politically motivated and also showed tentions and political differences between coalition parties. The proposal of deputy Prime Minister Pawlak to 'replace ZUS by KRUS' can be interpreted as a tool to prevent a reform of KRUS (Pawlak is the leader of Polish Peasent Party which has successfully opposed a reform of KRUS for many years now).

Typical for Polish political debate, proposals are often made without any details, calculations or analyses. These are often 'loose ideas' rather than serious reform proposals.

As far as the contents of proposals is concerned, questioning of basic principles of social insurance, like its obligatory character, paying pensions and not lump-sums or earnings-relation of pensions, deserves a very critical assessment. Safety, stability and trust are basic values on which a social protection system is based and they should not be threatened.

A major pension reform had been made in Poland in 1999, based on a broad political consensus. Corrections are needed, but basic principles should not be touched.

The crucial reform element, almost missing from the present debates, is the legal retirement age. Increasing the retirement age for women and equalising it with the retirement age for men, an issue which had been included in the original reform concept and had emerged several times before, should be approached again with the arguments of improving future adequacy of women' pensions and improving financial sustainability of the pension system. After that step the legal retirement age should be raised, alongside increasing life expectancy.

The special systems for the armed forces and KRUS should be reformed. In the second pillar, the subfunds should be introduced. Incentives for additional voluntary old-age provision should be increased.

Additional individual old-age security - the 'third pillar' of the pension system has been developing very slowly. On 17 May 2010 1,105 Occupational Pension Schemes (PPE) were registered, covering about 340 thousand members (www.knf.gov.pl) . To compare, there were almost 14.6 million members of OFE at the end of April 2010. At the end of 2009 about 809 thousand Individual Retirement Accounts (IKE) existed, by 45 thousand (5.2%) less than a year ago – clearly a consequence of the crisis.

2.2 Health

2.2.1 Overview of the system's characteristics and reforms

Between January 2009 and April 2010 only some minor legal changes were introduced into the health care system in Poland.

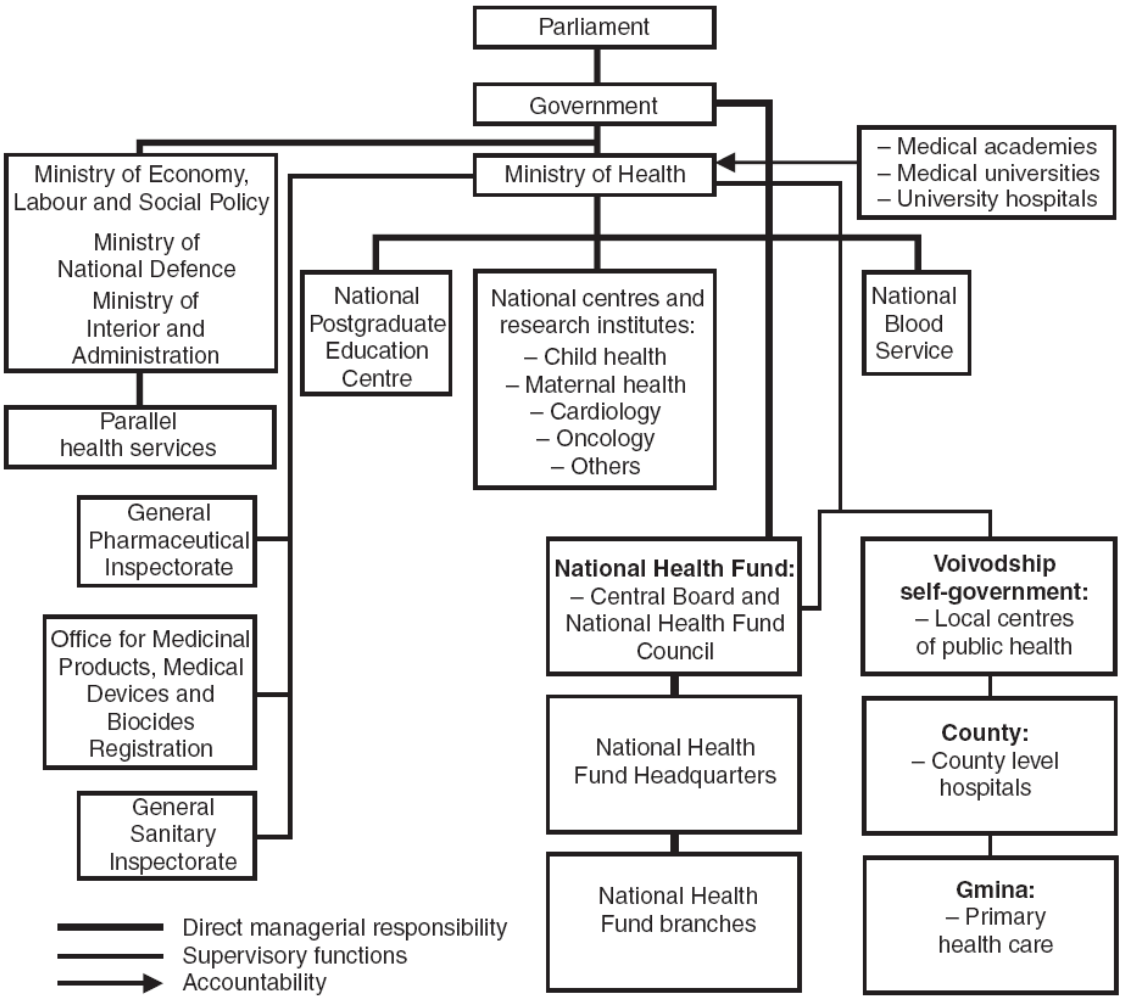
In the following, the basic characteristics of the health care system in Poland will be repeated from ANR-PL-09.

The present health care system in Poland results from the reform introduced in January 1999 with the 1997 General Health Insurance Act. With this reform, Poland changed from a National Health Care - type system, financed from the state budget to a health insurance type, with regional insurance funds financing the direct costs of health services to patients through contracts with service providers. In 2003, regional insurance funds have been replaced by one National Health Fund (Narodowy Fundusz Zdrowia, NFZ).

The health care system in Poland is financed mainly from health insurance contributions and partly from taxes - from the state budget and self-government budgets.

The main source of health care financing are insurance contributions. There is a general universal health insurance system, covering all categories of employed, including individual farmers, civil servants and others, beneficiaries of social security benefits, unemployed, students. Also dependant family members are covered. All social groups are practically covered by obligatory health insurance. There is no possibility to opt-out from the system.

Figure 2: Overview of the health care system in Poland



Source: Kuszewski, Gericke 2005, p. 10.

From the state budget a part of health care in Poland is financed, like public health targets, health insurance premiums for specific groups of the population (the unemployed receiving social security benefits, persons receiving social pensions, farmers, war veterans and others), investments in public health care institutions, highly specialised procedures and very expensive drugs.

The management structure of the health care has not changed since 2004. The National Health Fund (NFZ) is responsible for contracts with health care providers – public or private, they are concluded and accounted for on the level of voivodship branches of the Fund. There are 16 regional offices (branches) of the NFZ that coincide with the administrative division of the country (one branch in every voivodship). The supervision over the National Health Fund is exercised by the Minister of Health (see Figure 2).

Beneficiaries have the right to guaranteed health benefits, with the exception of benefits mentioned in a list of health benefits non-financed from public means (the so called negative basket). The law on health benefits financed from public means defines a wide range of health care benefits under the insurance scheme. It includes health care aiming at maintaining and restoring human health and preventing diseases and injuries; early diagnosis; medical treatment; prevention and alleviation of disabilities. Insured persons are entitled to medical examinations and consultation; diagnostic examinations, preventive care, out-patient health care, medical emergency services, medical rehabilitation, nursing, supply of drugs and

medical devices, supply of orthopedic devices and aids, perinatal care during pregnancy, palliative care and certification of temporary or permanent disability (see Tyszka 2010 for the legal situation in 2010).

Beneficiaries have the right to choose a doctor, a nurse, midwife of the primary health care, a dentist and specialist benefits' provider within the framework of out-patient health care, as well as the hospital, from among providers who signed contracts with the National Health Fund.

In April 2009 the Polish Parliament passed the new law on patients' rights and the Patients Ombudsman. On 2nd October the first Ombudsman (Mrs Barbara Kozłowska) was nominated by the Prime Minister. Her duties include, among others, dealing with legal cases of breaching patients' rights, clearing cases in which there is a suspicion that patients'rights were breached, preaparing legal acts concerning patients' rights, publications and eductaional activity concerning patients' rights.

A big project of informatisation of health care, financed partly from EU funds is going on. In April 2010 it was announced that the Government Centre of Information Systems in Health Care put a contract to prepare a system of e-prescriptions out to tender. In this system all data on medicines prescribed to every patient should be collected. Ten big IT-companies have shown interest. The whole system should be introduced within the coming years.

2.2.2 Overview of debates/ political discourse

Compared to the previous year, there was little debate on health care in 2009. As was mentioned in ANR-PL-09, the package of government's plans, including the obligatory transformation of public hospitals into commercial law corporations, was blocked by the President's veto. After this defeat and under the circumstances of the crisis, the government was not able to mobilise for a new reform programme.

Instead, the government has been trying to motivate public hospitals to a voluntary restructiring into commercial corporations. Motivation includes both public subsidies and relief from hospitals's debt repayment. Individual cases have been reported of agreements reached, for example in the Gdańsk region, with the approval of trade unions, which have been promised a 'social package'.

As in other countries, the new flue AH1N1 caused big interest in Poland. The Minister of Health Mrs Kopacz decided not to buy vaccines against it, explaining this with lacking confidence in its effectiveness and with possible risks for patients. The opposition and a big part of the public thought that the reason was rather of the financial nature. Finally, probably rather by accident, Mrs Kopacz proved to be right in this respect (Włodarczyk 2010).

Although the financial situation of the health care system has deteriorated clearly because of the crisis (see 2.2.3 below), there is almost no debate on this issue either in politics or resarch, unlike in the area of pensions (see 2.1.2).

2.2.3 Impact assessment

Financial development

As described in ANR-PL-09, the financial situation of the health sector in Poland had improved in recent years. It was partly the result of increasing health insurance contribution rate until 2007 (up to 9%) and partly a consequence of the high economic growth, leading to higher employment and thus – higher contribution revenues. However, the expenditure on

health care remained almost unchanged as proportion of GDP – public expenditure on health care is about 4.5% of GDP, clearly below the EU average. On the other hand, the share of private expenditure on health care is relatively high in Poland, especially taking into account the fact that Poland's GDP per capita belongs to the lowest in the EU – Table 6. Whereas the expenditure on pensions are relatively very high in Poland and thus decreasing expenditure in the long run was the priority of pension reform in 1999, health care is rather underfinanced in Poland. This of course does not mean that there is no problem of sustainability of health care in Poland, especially in the longer perspective.

Table 6: Expenditure on health care, % of GDP, 2006-2007

	2006	2007
Public expenditure	4.33	4.55
Private expenditure	1.86	1.87
Total expenditure	6.20	6.43

Source: GUS 2009d, p. 185.

Due to the crisis, in Polish circumstances meaning decreasing economic growth, the situation clearly deteriorated in 2009. It was also caused by the resignation from the earlier government plans to to increase the contribution rate for health insurance from 9% to 10%.

Both in 2009 and 2010 the National Health Fund received less money than in previous periods. The problems in 2009 could be mitigated by reserves from previous years. However, in 2010 the situation further deteriorated - the budget for 2010 is lower compared to 2009 by about 2.71%.

Thus the limits of funding set by the National Health Fund were very low in 2009 and are low also in 2010. Many hospitals did nevertheless offer services to patients even without getting finance from NFZ. They are now claiming the money from NFZ. The level of the claims for services done over the limits in 2009 is estimated at 0.5 billion PLN. It is not clear yet how successful the hospitals may be.

Management, institutional change

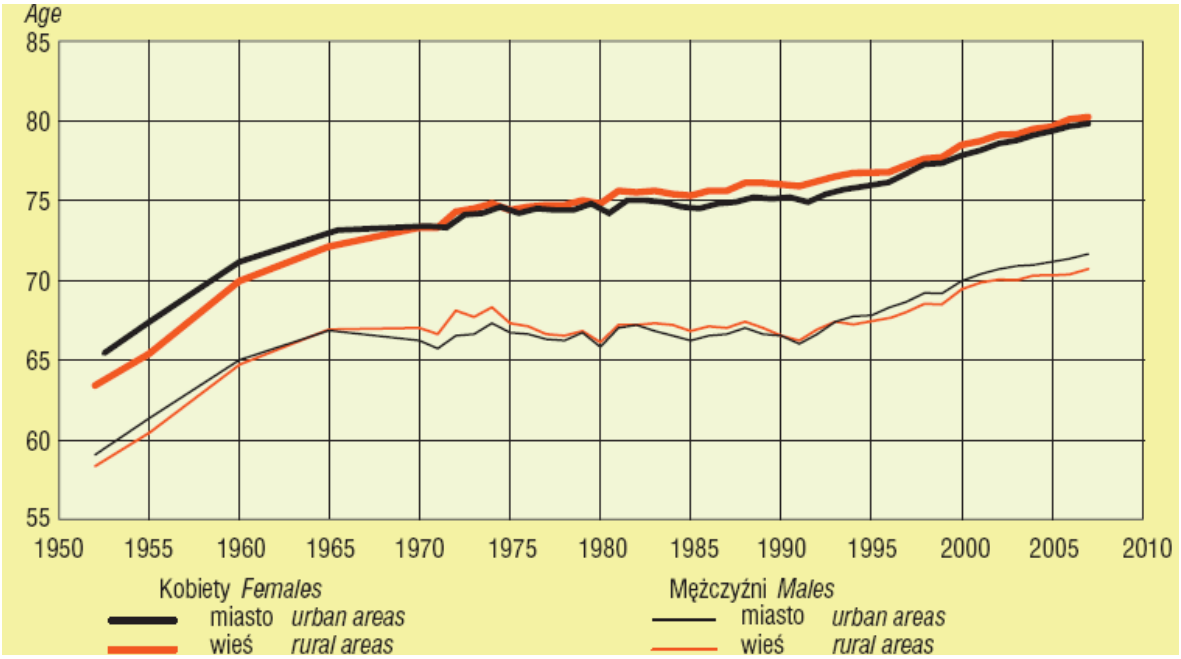
Low assessment of the health care system in Poland concerns mainly its governance. The system is often described as dysfunctional (Kowalska 2009). It's weaknesses are deficient regulations (not complete, not precise, often changed, not based on proper knowledge). Implementation has deepened these problems, and especially lack of coordination between institutions responsible for health care: central administration, local administration and NFZ. The author (Kowalska 2009) suggests that the NFZ should play such a coordination role, including, among others, planning of health care, prevention, supervision of quality of services, financial supervision.

The private sector is still a clear minority of the Polish health care but it has grown in recent time. Two studies have shown the process through the case of Gdańsk (Buliński 2009a, Buliński 2009b).The Gdańsk model assumed the workers' privatisation, under which the team had the right to establish partnerships in establishing non-public health care institutions or creating individual specialist practices. Even though it is not devoid of defects and shortcomings, the changes presented in the studies show a positive development trend relating to health service reforms. Market economy promotes processes for a more effective and rational management system.

Health outcomes and inequalities

Life expectancy started to grow in Poland since the start of transition after more than twenty years of stagnation in the last period of the communist Poland (Figure 3). The stagnation may be treated as an indication of the system's failure.

Figure 3: Life expectancy in Poland, 1952-2007



Source: GUS 2009c, p. 520.

Also, the difference in life expectancy between women and men decreased a little during the transformation period, although it is still higher than in the old EU-member states. The relative worse health status of men in Poland is attributed to gender differences in lifestyle (alcohol, smoking etc.).

Health of children and youth seems to be a "forgotten priority" in the Polish health care. Children are much more often in Poland than on average in the EU at risk of poverty which adversely affects their state of health and decreases their educational and developmental opportunities, particularly in the case of the youngest children. Although mortality rates of infants and children decreased clearly since 1990, this has limited value for an assessment of the health situation in relation to the population of developmental age. In recent years in Poland, there has been observed a deterioration in the access afforded to pregnant and parturient women and newborns to prophylactic and therapeutic care adequate to their needs, which results from an undervaluing of the role of investment in the health of the youngest generation.

The health of youths is the most neglected, marginalised and ignored area of medicine and health policy even though this period of life decides about the health capital with which young people enter adult life. There exists an urgent need for fundamental re-evaluations in the health policy of the state in order to improve the health care of mothers, children and youths, which demands the undertaking of systemic activities in the field of health promotion, the prophylaxis of diseases and risks and the restoration of health (Szymborski 2009).

Access to and satisfaction with the health care

According to the major survey "Social diagnosis", 94% of households used health care services during the year proceeding the recent survey in 2009. 92.2% used services financed by the National Health Fund, 48.9% paid for some services from their own pockets and 5.1% used services financed by their employers. There is little socio-demographic differentiation of use of services financed by the NFZ. There are however differences in making use of privately financed health care – it was used by 67.8% of self-employed and only by 29.7% of disability pensioners (Czapiński, Panek 2009, p. 108).

A higher differentiation concerned the share of households which, because of financial problems, did not use health care services they needed. For example, 52.3% of households maintained from non-earned income and only 11.6% of households of self-emplyed did not make use of dental care. 47.6% of households maintained from non-earned income had to resign from buying medicines, but only 7.5% of households of self-emplyed (Czapiński, Panek 2009, p. 112).

Access to dental care is assessed as unsatisfactory. Only basic treatment is covered by the health insurance scheme and the NFZ has been limiting financing of dental care in recent years. According to some estimates, almost two thirds of expenditure for dental care in Poland is financed from private forces. It is again leading to a large extent of unmet needs: People cannot afford dentist's services. This is a serious problem as it is concerning young people very often.

A recently published study presented results of a survey on impact of social differences on self-perception of health, conducted in Warsaw in 2002 and 2003. The differentiation of health status, documented in the survey, was not large. It does show however influence of factors leading to future differences in life and health situation, and especially of education level. Low differences found in Warsaw should not however be generalised for the whole country, as Warsaw is characterised by the highest level of income and the best access to health care in Poland (Ostrowska 2009).

Poland has become a popular destination of the 'medical tourism'. According to estimates of the Polish Association of the Medical Tourism, about 300 thousand foreigners made use of Polish private health care institutions in 2009. The main reason of this development are of course lower prices in Poland, due especially to lower remuneration of Polish medical staff, with similiar quality. The main services used are dental care, including implants, plastic surgery, orthopedic treatment. Also spa treatment in Poland is popular among foreigners. The biggest national groups using health care in Poland are citizens of Germany, Ireland and UK.

The Association has applied for recognition of medical tourism to Poland as an export specialisation which would enable to make use of promotion programmes, financed from EU funds within the operational programme "Innovative Economy".

The crisis caused however some decrease of visits of foreigners in Polish health care institutions by 10-20% ("Rzeczpospolita", 25 March 2010).

The public hospitals cannot offer commercial services to foreigners. If a foreigner is using a treatment in a Polish public hospital, the NFZ is paying the same amount like for a Polish patient. In 2009 93 thousand of EU citizens made use of Polish public health care system, within the EU coordination of social security systems. It was almost 20 thousand more than the number of Polish citizens who used health care in another EU member state ("Rzeczpospolita", 1 March 2010).

2.2.4 Critical assessment of reforms, discussions and research carried out

The assessment about the deficiencies of the health care system in Poland from the ANR-PL-09 may be almost entirely repeated.

Access to health care, formally equal for all, is a problem especially because for many people there is a financial barrier. Private financing is relatively high in Polish health care, both in form of official payments as well as under-the-table payments. According to the OECD health data 2009, out-of-pocket payments amounted to 24.3% of total expenditure on health in Poland in 2007, compared eg. to 13.1% in Germany. Public spending is low. Unlike for pensions, public expenditure for health care is very low in Poland in terms of GDP share. Health care clearly needs more public financing. Decreasing economic growth, as a result of the financial crisis clearly worsened the financial situation of the health care system.

Health care needs are growing, due to many factors, including ageing of the population, increasing living standards, medical technology development. Thus, the biggest problem in the Polish health care system is the discrepancy between growing demand and unsatisfactory supply. Additionally, there is a growing problem of medical staff shortage (especially of nurses), due to insufficient expenditure on health staff education and emigration (described in ANR-PL-09).

The health care also still needs a better coordination. The systems needs better mechanisms of effective allocation of resources: human, capital and material.

Unlike education, health care seems to be underestimated as a human capital investment in Poland. Health promotion and prevention to improve the health status of the population and reduce sickness burdens, increase labour productivity and allow for prolonged working lives, are not adequately addressed in the government policy.

2.3 Long-term care

2.3.1 Overview of the system's characteristics and reforms

Long-term care is not a separate social protection part, there is no separate long-term insurance or protection in Poland. An informal care plays major role: In most cases, long term care is in Poland provided by family members at home. There are several explanations of that:

- traditionally strong family relations,
- insufficient institutional offer of publicly financed care,
- low income not sufficient for paying for private care.

The institutionalised long term care in Poland operates within both the health and social assistance sectors – see Table 7.

Table 7: Providers of long-term care in Poland

Benefits	Social assistance	Health care	Informal care/ Private sector
Home care	Nursing services Specialist nursing services Cash benefits	Nursing services, family doctors	Family care, informal groups (family, neighbours, friens), care paid by the person or his/her family, home for care)
Semi-residential care	Day centres Support centres		
Institutional (residential) care	Social assistance centres (homes) (6 types)	Care and treatment facilities (Zakład opiekuńczo-leczniczy, ZOL) Nursing and care facilities (Zakład pielęgnoacyjno-opiekuńczy, ZPO) Geriatric hospitals/ units	Private care centres

Source: Błędowski, Wilmowska-Pietruszyńska 2009, p. 12.

The six types of social assistance centres are those for:
- elderly people,
- chronically somatically ill people,
- chronically mentally ill people,
- mentally disabled ill people,
- mentally disabled adult people,
- mentally disabled children and young people,
- physically disabled people.

2.3.2 Overview of debates/ political discourse

As mentioned in ANR-PL-09, in recent years several plans to introduce obligatory long term care insurance were prepared. They were mainly based on German experience.

The most recent proposal of a long-term care insurance was presented in April 2009. It was prepared by a special committee of the Senate (the upper chamber of the Polish parliament), created in June 2008. The committee, including also specialists in this area, proposed an additional long-term care insurance, with contribution between 1 and 1.5% of income. The new insurance would cover all those currently insured by the health care insurance. A new fund would be created, managed by the National Health Fund.

The proposal met with critics, especially pointing to the fact that this new contribution would mean 'rising taxes'. Especially in the context of the crisis, the proposal seemed to have little prospect of success. And it was really not realised. There is no sign that the government would like to come back to this idea in the near future.

As under the circumstances of crisis increasing public expenditure or increasing taxes seem very unlikely, the issue of introducing a long term care insurance in Poland will be probably postponed.

However, it is still present in the professional debate (Błędowski, Wilmowska-Pietruszyńska 2009, Jurek 2009).

Jurek (2009) discusses problems related to long-term care insurance, as high costs, weakening of family tighs, intergenerational conflicts, moral hazard. Nevertheless, he argues that the long-term care insurance is still the best possible solution, better than its alternatives. It would cover the growing needs for long-term care, introduce the transparency of financing the needs.

Błędowski, Wilmowska-Pietruszyńska (2009) argue that the long-term care insurance should provide adequate coverage and service quality. The premiums for the insurance should be paid by everyone who receives incomes. Benefits may be awarded in the form of care for people in their homes or in institutions or in the form of allowances, from which the dependent can finance the help provided by the families and informal groups.

2.3.3 Impact assessment

Distribution of care services across the country is uneven. Access is especially difficult in smaller and rural areas.

As mentioned in ANR-PL-09, the quality of long term care has become a public issue in 2008 and continues to draw attention both of media and authorities.

One possibility of improving the quality of long term care services is seen in education of non-professionals (family, direct care person) taking care of the person at home as well as education in the profession of medical care person. In the political discussion the idea has also been raised that volunteers could support the caring families.

There is the traditional gender division of informal care at home in Poland – it is clearly women's responsibility. However, as mentioned in ANR-PL-09, the attitude has started to change. The growing share of the society, especially the younger generation, does not accept this traditional gender inequality and supports equality in care responsibilities and balance between professional and family life. Many proposals have been made to support these changes, including legal changes and development of institutional care.

2.3.4 Critical assessment of reforms, discussions and research carried out

Again, the assessment from ANR-PL-09 is valid.

Long-term care is a very weak element in the Polish social protection system. In most cases, long-term care needs are covered by family and no formal institutions are used. An absolute majority of non-professionals taking care of family members at home are women.

For these reasons, spending on institutionalised long-term care is low at present. It should grow substantially, in order to cover growing needs, especially in face of rapid ageing of the population.

Access to long-term care is a problem. A study of the situation of persons aged 60 and more who are waiting for admission to social welfare homes in Łódź reveals that in some cases people waiting for a place in a social welfare home in reality do not need care but are just anticipating future problems of dependency. On the other hand people who should find care often still wait for a place. This shows weakness of the admission procedures (Szweda-Lewandowska 2009).

In Poland the main concept how to solve the problem of growing long-term care needs is the introduction of social long-term care insurance. Although this is in most cases treated as necessary, also disadvantages are pointed out. For example, Jurek (2009) discusses such problems as high costs, weakening of family tighs, intergenerational conflicts, moral hazard.

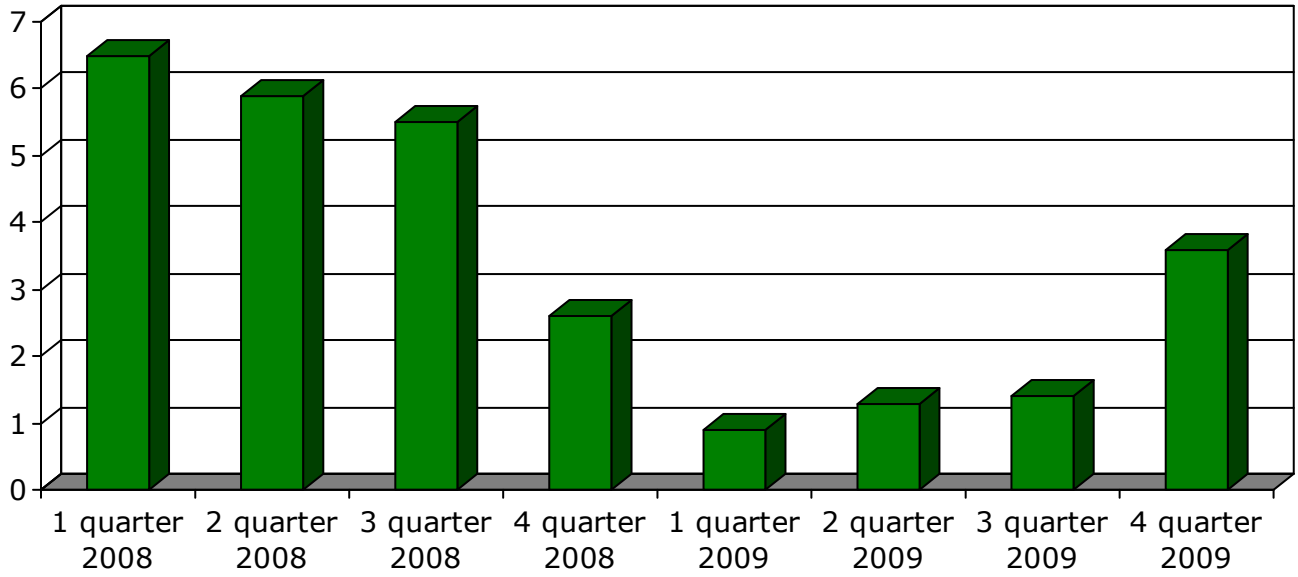
Nevertheless, the author. like most other in this field, argues that the long-term care insurance is still the best possible solution, better than its alternatives. It would cover the growing needs for long-term care, introduce the transparency of financing the needs.

However, it must be repated that under the circumstances of crisis an increase of public expenditure or increasing taxes seems very unlikely, thus the issue of introducing a long term care insurance in Poland will be probably postponed.

3 Impact of the Financial and Economic Crisis on Social Protection

Poland has been relatively modestly hit by the financial and economic crisis, compared to the rest of Europe. As the only EU member state, Poland experienced a positive economic growth in 2009 – according to the recent estimates from April 2010 the GDP grew by 1.8% in 2009 (GUS 2010a) – see Figure 3.

Figure 3: GDP - percentage change with respect to the same quarter of the previous year



Source: Eurostat, accessed on 27 April 2010.

However, as can bee seen from Figure 3, growth rates have declined in Poland clearly due to the world crisis. The declining growth has led to growth of unemployment rate. Due to the positive economic development between 2004 and 2008, the unemployment rate in Poland had fallen from 19.0% in 2004 to 7.1% in 2008, reaching the lowest level of 6.8% just before the outbreak of the crisis in July and August 2008. Since the summer 2008 the rate started to rise again, quicker at the beginning of 2009, and since June 2009 by 0.1 p.p monthly (see Table 8).

Table 8: Seasonally adjusted unemployment rate, %, January 2008-March 2010

Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2008	8.0	7.7	7.5	7.6	7.5	7.3	6.8	6.9	6.8	6.8	6.9	7.0
2009	7.1	7.4	7.9	8.0	8.0	8.1	8.3	8.4	8.5	8.6	8.7	8.8
2010	8.9	9.0	9.1									

Source: Eurostat, access on 30 April 2010.

Even if the growth of unemployment has been less dramatic than in many other EU member states, and the rate for Poland has stayed below the EU average for the last year, the rising unemployment has caused problems for the social protection system, especially through decresing contribution and taxes revenues and thus deteriorating state budget situation and situation of social protection budgets (ZUS, NFZ etc.).

The issue has been mentioned in the chapters on pension system and health care.

The difficult financial situation, especially of the pension system, has also contributed to the proposals of structural changes, aiminig at decreasing the size of contribution directed to the funded part of the system and thus decreasing the public deficit (see chapter 2.1.2). As these proposals may be interpreted as an end of political connsensus, around which the pension reform of 1999 had been made, it may be argued that the crisis has contributed to the big change in the public attitude towards the pension system (see chapter 2.1.4 for the critical assessment of these proposals).

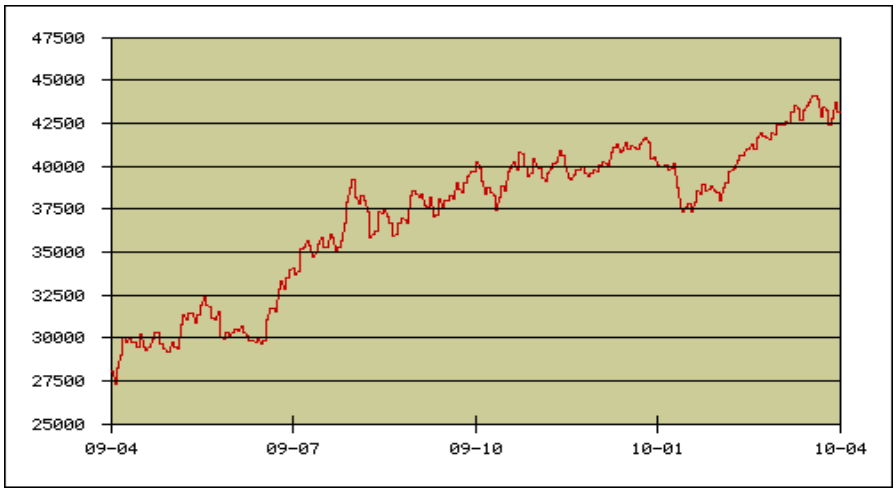
As was described in ANR-PL-09, the Warsaw Stock Exchange Index (Warszawski Indeks Giełdowy, WIG) had experienced a very negative development between May 2008 and March 2009 (see Figure 4). This had negative consequences for open pension funds, which, for the first time since the start of the pension reform in 1999, reached a nagative rate of return: -18.5% in 2008 (see Table 4).

Figure 4: Warsaw Stock Exchange – WIG index 21 April 2008-24 April 2009

Source: Warsaw Stock Exchange - http://www.gpw.pl/, accessed on 25 April 2009.

Due to the recovery of the Warsaw Stock Exchange during the last year (see Figure 5), a high positive rate of return has returned. In 2009, the OFE achieved 10.2% real rate of return.

Figure 5: Warsaw Stock Exchange – WIG index 27 April 2009-27 April 2010



Source: Warsaw Stock Exchange - http://www.gpw.pl/, access 27 April 2010.

Also, as described before, some reforms have been postponed due to the crisis, like increasing health insurance contribution, or introduction of a long-term-care insurance.

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4 Abstracts of Relevant Publications on Social Protection

[R] Pensions

[R1] General trends: demographic and financial forecasts
[R2] General organisation: pillars, financing, calculation methods or pension formula
[R3] Retirement age: legal age, early retirement, etc.
[R4] Older workers activity: active measures on labour market, unemployment benefit policies, etc.
[R5] Income and income conditions for senior workers and retired people: level of pensions, accumulation of pensions with earnings from work, etc.

[H] Health

[H1] Health expenditures: financing, macroeconomic impact, forecasting, etc.
[H2] Public health policies, anti-addiction measures, prevention, etc.
[H3] Health inequalities and access to health care: public insurance coverage, spatial inequalities, etc.
[H4] Governance of the health system: institutional reforms, transfer to local authorities, etc.
[H5] Management of the health system: HMO, payments system (capitation, reimbursement, etc.)
[H6] Regulation of the pharmaceutical market
[H7] Handicap

[L] Long-term care

[R1; R2] CHYBALSKI, Filip (ed.), Otwarte fundusze emerytalne w Polsce. Analiza działalności inwestycyjnej, finansów oraz decyzji członków, Wydawnictwo C.H. Beck, Warszawa, 2009, 291 pp.
"Open pension funds in Poland. Analysis of investment activity, finances and members decisions"

The book was written by a multidisciplinary team from Universities in Łódź, Opole and Wrocław. A broad analysis of open pension funds (OFEs) as an institution of the Polish pension system has been conducted. Main part concerns the efficiency of investment activity of the OFEs. Also, finances of the OFEs and their managing companies (PTEs) are analysed, as well as decisions taken by the members.
The analysis shows several barriers of increasing the investment efficiency of the OFEs: incentives for PTEs to increase membership rather than to increase investment efficiency, the mechanism of minimum required rate of return leading to a less risky strategy, strict investment limits, no subfunds, low pressure from members due to low level of "pension literacy".

[R1; R2] SOWIŃSKI, Tomasz, Finanse ubezpieczeń emerytalnych, Wolters Kluwer Polska, Warszawa, 2009, 367 pp.
"Finance of old-age insurance"

The book is based on a PhD thesis, defended at the Law Faculty of the University of Gdańsk. The book starts with the definition and legal character of old-age insurance. The second chapter presents evolution of old-age insurance in Poland. The most comprehensive third chapter analyses all funds of all three pillars of the old-age insurance in Poland: in the first pillar, in open pension funds, employee pension programmes and individual pension accounts. In chapter four, contributions in the old-age insurance are analysed. Finally, solutions and reforms in some other countries are described. The book is a first attempt to analyse the whole new system of old-age insurance in Poland, both its obligatory and voluntary parts, from the perspective of financial law.

[R1; R2; R3; R4; R5] WAGNER, Barbara, GAJOS, Jerzy (eds.), Dziesięć lat reformy emerytalnej w Polsce, Polskie Stowarzyszenie Ubezpieczenia Społecznego, Kudowa Zdrój, 2009, 159 pp.

"Ten years of the pension reform in Poland"

A collection of 8 articles prepared for a conference of the Polish Association of Social Insurance, on 10 years of the pension reform in Poland, written mainly by social insurance law specialists.

The realisation of the reform objectives is analysed, as well as its individual parts or aspects, like the open pension funds, supplementary arrangements, transitory solutions, role of the Social Insurance Institution. Also, the functioning of the pension systems in Chile and Argentina, on which the Polish reform was modelled, is analysed.

Generally, a balanced assessment has been presented, including both achievements as well as weakenesses or remaining problems.

[R1; R2; R3; R4; R5] CHYBALSKI, Filip, STANIEC, Iwona (eds.), 10 lat reformy emerytalnej w Polsce. Efekty, szanse, perspektywy i zagrożenia, Wydawnictwo Politechniki Łódzkiej, Łódź, 2009, 189 pp.

"10 years of the pension reform in Poland: Effects, chances, perspectives and threats"

Various aspects of the functioning of the pension system in Poland 10 years after start of the 1999 reform have been analysed in this book by a wide team of authors. The book is a result of a conference under the same title held at the Technical University in Łódź in November 2009. The first part analyses the entire system, the second part concentrates on the funded part and the third on the supplementary voluntary arrangements. Inter alia, the low "pension awareness" has been stressed and the necessity to educate people as consumers. Also, innovative solutions have been proposed, like subfunds with different risk strategies or 'reverse mortgage' as the 'fourth pillar' of the Polish pension system.

[R2] CHYBALSKI, Filip (ed.), Funded part of Polish pension system: selected problems, Technical University of Lodz, A series of monographs, Lodz, 2009, 100 pp.

The book, in English language, was edited by a pension fund expert from the Technical University of Łódź. In the first chapter, the overall structure of the pension system is described, and the process of liberalisation of the pension schemes in Central and Eastern Europe is discussed. Chapters 2-5, devoted to the open pension funds in Poland, focus on analysis of investment performance of the OFEs and the problem of managing investment risk. In chapter 6, the impact of financial crisis on the activities of the occupational pension schemes is discussed, including the specific allocation of various risks and the safety of savings accumulated in the schemes. The last chapter is devoted to marketing activities of insurance companies offering pension products in Poland.

[R2; R3; R5] RATAJCZAK-TUCHOŁKA, Joanna, Emerytury kobiet w ubezpieczeniowych systemach emerytalnych w Niemczech i w Polsce, Wydawnictwo Uniwersytetu Ekonomicznego w Poznaniu, Poznań, 2010, 205 pp.

"Women's retirement pensions in insurance-type pension systems in Germany and Poland"

The book, based on a PhD thesis written at the University of economics in Poznań, and published by the University's publishing house, is an analysis of pensions of women in pension systems which are earnings-related. Taking current circumstances into account, such systems lead to lower pensions of women. In the first chapter, the author describes theoretical and practical arguments for and methods of correcting the pension level of

women in pension systems. The second chapter describes the pension system and women's pensions in Germany. The third chapter analyses the same elements in application to Poland. The author uses a new approach in analysis of correcting the pension level, suggesting its division into two groups: widening of the system's scope and correcting mechanisms.

[H] Health

[H1; H2; H3; H4; H5] SUCHECKA, Jadwiga, Ekonomia zdrowia i opieki zdrowotnej, Wolters Kluwer Polska, Warszawa, 2010, 303 pp.
"Economics of health and health care"

A book written by a professor of economics, specialising in numerical methods in socio-economic science, with an application especially to health and health care. The book presents definitions and theories applied in economics of health sector, methods of health measurement, problems with demand for and supply of health care, production function of health and market equilibrium. In the following chapters methods of economic evaluation in health care are analysed and finally some theoretical problems related to health insurance, including the moral hazard problem. The book is addressed to lecturers and students of economics, management, public health and health science, as well as all dealing with health care.

[H3] SZYMBORSKI, Janusz, Zdrowie dzieci – zapomniany priorytet, Polityka Społeczna 9/2009, pp. 46-51.
"Children's health – the forgotten priority"

The main source materials of this article were information from the activity of the Commissioner for Civil Rights Protection and data from the Central Statistical Office. The study concentrates on perinatal and on health of children and youths of school age. In Poland, there has been noted an over-representation of children among poor people, which adversely affects their state of health and decreases their educational and developmental opportunities, particularly in the case of the youngest children. In the period 1990-2006, both infant mortality and mortality of children and youths from 1 to 19 years old fell very heavily, which however does not allow to draw positive conclusions about the health situation of the population of developmental age. In recent years in Poland, there has been observed a deterioration in the access to health care of mothers and children. The health of youths is the most neglected, marginalised and ignored area of medicine and health policy. The author argues for fundamental re-evaluations in the health policy of the state in order to improve the health care of mothers, children and youths, which demands the undertaking of systemic activities in the field of health promotion, the prophylaxis of diseases and risks and the restoration of health.

[H3] OSTROWSKA**,** Antonina, Zróżnicowanie społeczne a zdrowie. Wyniki badań warszawskich, Instytut Pracy i Spraw Socjalnych, Seria Opracowania PBZ, Warsaw, 2009.
"Social differentiation and health. Results of Warsaw research"

The study, published in 2009, presents results of a survey on impact of social differences on self-perception of health, conducted in Warsaw in 2002 and 2003. The survey used subjective data. The differentiation of health status, documented in the survey, was not large. It does show however influence of factors leading to future differences in life and health situation, and especially of education level. Low differences found in Warsaw should not however be generalised for the whole country, as Warsaw is characterised by the highest level of income and the best access to health care in Poland.

[H4] BULIŃSKI, Leszek, Instytucjonalne zmiany w służbie zdrowia – Gdański przykład, Polityka Społeczna, 5 - 6/2009, pp. 19-23.
"Institutional changes in the health service: Gdańsk example"

Health service sector has undergone a range of changes within the last few years due to the political situation of the country, including Poland's accession to the EU in 2004. As a result of the changes to the system, socio-economic development processes were based on the principle of freedom for market mechanisms as opposed to the regulatory activities of the state function. The appearance of health care changes in the city of Gdańsk is closely linked both to the legislative and socio-political conditions. The Gdańsk model assumed the workers' privatisation, under which the team had the right to establish partnerships in establishing non-public health care institutions or creating individual specialist practices. Even though it is not devoid of defects and shortcomings, the changes presented in this article show a positive development trend relating to health service reforms. There is no doubt that the departure from the centralised management and administration of health care to that of a market economy promotes processes for a more effective and rational management system.

[H4] BULIŃSKI, Leszek, Polityczne uwarunkowania zmian w ochronie zdrowia – Sektor niepubliczny: Przykład Gdańsk, CeDeWu.Pl, Warszawa, 2009, 160 pp.
"Political determinants of health care changes – Private sector: Gdańsk example"

The book describes development of the private health care sector in Poland in the context of national health policy. Also the EU public health programme is analysed. Tha author describes the case study of private health care in Gdańsk between 2003-2007, based on own research. The book can be useful for managers of private health care institutions, showing possibilities and problems of their functioning.

[H4; H5] KAUTSCH, Marcin, Zarządzanie w opiece zdrowotnej. Nowe wyzwania, Wolters Kluwer Polska, Warszawa, 2010, 465 pp.
"Management in health care. New challenges".

The book describes various problems of the health care management. The authors put stress on functioning and effectiveness of described activities.

The analysis is based on the assumption that the current challenges of the health care systems require more market solutions. This means that the health care institutions have to build a strong position, based on a bigger involvement of employees and their responsibility for health care institutions. Organisations should face the problems and solve them. Health care is not the only branch facing problems. Basic management rules are universal and do not depend on specific sector.

[H4] WŁODARCZYK, W. Cezary, Wprowadzenie do polityki zdrowotnej, Wolters Kluwer Polska, Warszawa, 2010, 225 pp.
"Introduction to health policy"

The book, written by a professor of law and economics, an expert in health care policy and reforms, presents the concept of health policy, its models and relations with research. The book describes new tendencies in health policy in various countries. The author analyses 'good governance' in health care and its opposite – corruption. he argues for a cooperation with research world and experts, whose supports is crucial for decisions in health policy. Although based on a deep theoretical knowledge, the book is also intended for practicioners dealing with health policy. The author has also practical experience in reforming health care systems.

[H4] KOWALSKA, Iwona, Odpowiedzialność samorządu lokalnego za zdrowie – podstawowa opieka zdrowotna. Oczekiwania a rzeczywistość, Polityka Społeczna, 11 - 12/2009, pp. 44-48.

"The local government responsibility for health – Primary care. Expectations and reality"

The article concerns the aspects of the local government responsibility for health care with the special importance of primary care development. The author identified recent events connected with the decentralisation of health care powers as well as those which influenced current functions of primary health. To identify the real problems of primary care functioning and its relation with local authority and National Health Found (the payer institution) the Ministry of Health, Supreme Chamber of Control and The Main Statistic Office documents have been used. Also the legal analysis concerning the aspects of local government and primary care qualifications in the health care system has been done.

[H4; H5] KOWALSKA, Katarzyna, Koordynowana opieka zdrowotna. Doświadczenia polskie i międzynarodowe, Uniwersytet Warszawski, Wydział Nauk Ekonomicznych, Badania Ekonomiczne, Warszawa, 2009, 420 pp.

"Managed health care – Polish and international experiences".

A study based on a PhD thesis prepared at the Faculty of Economics of the University of Warsaw. In the first part the theory is presented: health care systems in times of a dynamic expenditure growth and pressure to improve quality, as well as contracting relations in institutional approach. The second part is an overview of experiences with managed care in the world, especially in USA and UK. The third part is an empirical analysis of a pilot programme in two Polish regions, where innovative solutions of organisation and financing of health care have been introduced. An excellent study very well placed in the contemporary economic theory.

[H5] GŁOWACKA, Maria Danuta, MOJS, Ewa, Profesjonalne zarządzanie kadrami w zakładach opieki zdrowotnej, Wolters Kluwer Polska, Warszawa, 2010, 293 pp.

"Professional human resource management in health care institutions"

One of a series of Wolters Kluwer publications on various aspects of management in health sector institutions. The book is addressed mainly to managers in health care.

Various issues of human resource management in health care are described, including: professional and personal competencies, motivation, quality assurance, responsibility, project building, missions and objectives of the institutions, work satisfaction, recruitment and selection, carreer planning, work appraisal.

[H5] MRUK, Henryk, Przywództwo w zakładach opieki zdrowotnej, Wolters Kluwer Polska, Warszawa, 2010, 204 pp.

"Leadership in health care institutions"

A book of a leading expert on marketing, pharmaceutical market and leadership, professor at the Poznan University of Economics and Poznan University of Medicine. The book is addressed mainly to those fulfilling or wishing to fulfill the role of leaders in institutions on the health market. Tasks of a leader have been presented, in building a long-run market position of a medical institution, including mainly the strategic activities, recruiting and motivating staff, decision-making, leadership under the crisis conditions. Specific problems of women as leaders have also been analysed, barriers in leadership as well as ethics in leadership. The book is one of a series of Wolters Kluwer publications on various aspects of management in health sector institutions.

[H5] ROGOZIŃSKI, Kazimierz, Zarządzanie profesjonalną praktyką medyczną, Wolters Kluwer Polska, Warszawa, 2009, 312 pp.
"Management of a professional medical practice"

A book of a leading expert on services, service management and relation marketing in services, professor at the Poznan University of Economics.
The authors declares that the book is written for medical professionals who would like to analyse and improve their medical practice from the perspective of professional services. The book is based on a reinterpretation of professionalism. The author develops his concepts of marketing of service relations – relation marketing of medical services. The book analyses among others the issues of quality of health services, management of an institution offering medical services, culture of service institution.

[L] Long-term care

[L] BŁĘDOWSKI, Piotr, KUBICKI, Paweł, Pomoc społeczna – główna instytucja socjalna na szczeblu lokalnym, Polityka Społeczna 11-12/2009, pp. 40-44.
"Social assistance – main social institution on a local level"

The paper synthetically shows the role and tasks of social assistance on a local level, here primarily understood as the lowest level of local administration - gmina. The text first presents a brief summary of legal basis for social assistance as well as explains gmina's tasks. Next the paper describes available social security benefits. Finally those issues which can challenge and undermine the whole system are discussed, for example integration of social assistance initiatives, labour market and national health service.
Social assistance is one of the two sectors providing the long-term care in Poland (the other is health care sector). Its weaknesses, described in the article, also mean weaknesses of long-term care.

[L] BŁĘDOWSKI, Piotr, WILMOWSKA-PIETRUSZYŃSKA, Anna, Organizacja opieki długoterminowej w Polsce – Problemy i propozycje rozwiązań, Polityka Społeczna 7/2009, pp. 9-13.
"Organising long-term care in Poland - Main problems and possible solutions"

The increasing number of the oldest people increases the number of people who need long-term care. Since the ability to provide such benefits by the household is smaller than in the past, and an increasing share of the elderly leads single households, health care and social assistance increasingly have to participate in the organisation of proper care for these dependents. Currently, public funds spent for these benefits are false allocated and do not fulfill their assignments. The long-term care insurance should provide adequate coverage and service quality. The premiums for the insurance should be paid by everyone who receives incomes. Benefits may be awarded in the form of care for people in their homes or in institutions or in the form of allowances, from which the dependent can finance the help provided by the families and informal groups

[L] JUREK, Łukasz, Społeczne ubezpieczenie pielęgnacyjne. Wady i zalety, Polityka Społeczna 7/2009, pp. 14-17.
"Social long-term care insurance – Advantages and disadvantages"

Nowadays due to demographic and social changes, ensuring long-term care services for dependent elderly is important and urgent challenge for social policy. In Poland dominant conception how to solve this problem is enforcement social long-term care insurance. This solution, although seems to be necessary, above many advantages, has also many disadvantages. The author, from the University of Economics in Wrocław,

discusses such problems as high costs, weakening of family tights, intergenerational conflicts, moral hazard.
Nevertheless, the article argues that the long-term care insurance is still the best possible solution, better than its alternatives. It would cover the growing needs for long-term care, introduce the transparency of financing the needs.

[L] SZWEDA-LEWANDOWSKA, Zofia, Domy pomocy społecznej i sieci wsparcia seniorów, Polityka Społeczna 7/2009, pp. 17-21.
"Social welfare homes and senior's support networks"

The ongoing process of population ageing poses new challenges to elderly care. The objective of this article is to present the most important factors determining the necessity for the elderly to use social services, and in particular their institutional dimension - social welfare homes as well as the support system available to senior citizens. To attain this goal, the article explores the situation of persons aged 60 and more who are waiting for admission to social welfare homes in Łódź. Furthermore, the source of support these persons receive is studied. The study shows that in some cases people waiting for a place in a social welfare home in reality do not need care but are just anticipating future problems of dependency. On the other hand people who should find care often still wait for a place. This shows weakness of the admission procedures.

5 List of Important Institutions

Important scientific and other institutions which influence the scientific and political debate on social protection reforms - if not mentioned otherwise, all the following institutions are public.

Instytut Gospodarstwa Społecznego, Szkoła Główna Handlowa – Institute of National Economy, Warsaw School of Economics

Contact person:	Piotr Błędowski
Address:	ul. Wiśniowa 41, 02-520 Warszawa
Phone:	0048 (0) 22 5649112
Webpage:	http://www.sgh.waw.pl/instytuty/igs-kes

The Institute was created in 1920 and it was led until 1941 by the famous Polish sociologist Ludwik Krzywicki. Reestablished in 1957, now led by Professor Piotr Błędowski, concentrates on research concerning, inter alia: situation of older persons, unemployment and poverty, meeting social and medical needs in local societies, social policy on regional, national and international level.

Instytut Polityki Społecznej, Wydział Dziennikarstwa i Nauk Politycznych, Uniwersytet Warszawski – Institute of Social Policy, Faculty of Journalism and Political Science, Warsaw University

Contact person:	Maciej Duszczyk
Address:	ul. Nowy Świat 67, 00-927 Warszawa
Phone:	0048 (0) 22 8266652, 0048 (0) 22 5520286
Webpage:	http://www.ips.uw.edu.pl/

Institute of Social Policy at the Warsaw University is one of the leading research and teaching institutions in the area of social policy in Poland. It offers study of social policy at all levels. The Institute, now led by Professor Cezary Żołędowski, employs many leading scholars in this area. Research carried out at the Institute concerns such areas like theory of social policy, social problems, labour market and unemployment, social security, local social policy, social economy, European social policy, migrations and migration policy, comparative social policy.

Instytut Pracy i Spraw Socjalnych – Institute of Labour and Social Studies

Contact person:	Ewa Gimalska
Address:	ul. Bellottiego 3B, 01-022 Warszawa
Phone:	0048 (0) 22 53 67511
Webpage:	http://www.ipiss.com.pl/

The Institute of Labour and Social Studies, now led by Professor Bożena Balcerzak-Paradowska is a leading research institute in this area in Poland. The Institute has been operating for forty years serving not only government administration and policy makers, but also taking active part in academic research works, tutoring and supervising series of publications. The research covers such topics as: labour market policy, migration, human resource management, labour law, collective labour relations, social security, family policy, social exclusion, etc.
The publishing house of the Institute prepares numerous publications (for Polish and international markets) that are useful in the teaching process. The Institute publishes the monthly scientific journal "Social Policy".

The Institute also organises seminars and conferences. It takes part in numerous EU funded research activities.

Instytut Spraw Publicznych (ISP) – Institute of Public Affairs (IPA)

Contact person: Katarzyna Renaud
Address: ul. Szpitalna 5, 00-031 Warszawa
Phone: 0048 (0) 22 5564260
Webpage: http://www.isp.org.pl/

The Institute of Public Affairs, led by Professor Lena Kolarska-Bobińska, is an independent, non-partisan public policy think tank. The IPA was established in 1995 to support modernisation reforms and to provide a forum for informed debate on social and political issues. It conducts research as well as societal analysis and presents policy recommendations. The IPA has prepared reform proposals for the key areas in society and politics. The Institute has a network of associates, which consists of scholars from different academic institutions as well as numerous social and political actors. The IPA publishes the results of its activities in the form of books and policy papers. It also organises seminars, conferences and lectures.
One of the IPA's programmes is The Social Policy Programme which monitors social consequences of the systemic transformation in Poland and other East and Central European countries. The projects which are implemented within the programme's framework concern:

- *strategies for preventing unemployment and social marginalisation,*
- *health care and social security reforms,*
- *the status and needs of particular social groups,*
- *trade unions and social dialogue,*
- *the role of non-governmental organisations in social policy.*

Instytut Zdrowia Publicznego, Wydział Nauk o Zdrowiu, Uniwersytet Jagielloński – Institute of Public Health, Faculty of Health Care, Jagiellonian University

Contact person: Katarzyna Czabanowska
Adress: ul. Grzegórzecka 20, 31-531 Kraków
Phone: 0048 (0)12 4241360
Webpage: http://www.izp.cm-uj.krakow.pl/

The Institute of Public Health in the Faculty of Health Care at the Jagiellonian University Medical College is the former Cracow School of Public Health, established in 1990 as the first school of public health in Poland.
The Institute conducts research and development activities as well as training within the broadly understood field of public health: health organisation and health economics, social aspects of health care systems, administration and management, epidemiology, health promotion, issues of community health, managing pharmaceuticals and medical materials, computerisation and issues relating to the dissemination of information within health care.
The Institute was led by Professors Cezary Włodarczyk (1997-2002), Stanisława Golinowska (2002-2007) and now is led by Professor Andrzej Pająk.

Izba Gospodarcza Towarzystw Emerytalnych (IGTE) – Polish Chamber of Pension Funds

Contact person: Ewa Lewicka
Address: Al. Jana Pawła II 34 lok. 7, 00-141 Warszawa
Phone: 0048 (0) 22 62067 68; 0048 (0) 22 6206738
Webpage: http://www.igte.com.pl/

Established in 1999 as an organisation of economic self-government of general pension societies, the Polish Chamber of Pension Funds is managing the open pension funds, the funded obligatory tier of the universal pension system in Poland. It is now an association of

12 out of 14 open pension funds operating in Poland. The Chamber represents the interests of these pension funds. It enables them to prepare common opinions about issues vital for them.

Katedra Polityki Społecznej i Gospodarczej, Wydział Ekonomii, Akademia Ekonomiczna w Katowicach – Department of Social and Economic Policy, Faculty of Economics, University of Economics in Katowice

Contact person: Andrzej Rączaszek
Address: ul. Bogucicka 14 40-287 Katowice
Phone: 0048 (0) 32 2577565
Webpage: http://www.ae.katowice.pl/?contentid=874

The Department of Social and Economic Policy at the University of Economics in Katowice was led by Professor Lucyna Frąckiewicz, and since her retirement it is led by Professor Andrzej Rączaszek. It is researching and teaching, among others, on social security, including retirement and disability pensions and long-term care. It is organising yearly big conferences on social policy, integrating various research centres in this area.

Katedra Pracy i Polityki Społecznej, Wydział Ekonomii, Uniwersytet Ekonomiczny w Poznaniu – Department of Labour and Social Policy, Faculty of Economics, Poznań University of Economics

Contact person: Piotr Michoń
Address: Al. Niepodległości 10, 61-875 Poznań
Phone: 0048 (0) 61 8543883
Webpage: http://www.kpips.ue.poznan.pl/

The Department of Labour and Social Policy at the Poznań University of Economics is led by Professor Józef Orczyk. It is researching and teaching, among others, on social security, including retirement pensions in Poland and in the EU, family policy, education, human resource management. It is known for integrating research on labour and on social policy.

Katedra Prawa Ubezpieczeń Społecznych i Polityki Społecznej, Wydział Prawa i Administracji, Uniwersytet Łódzki – Department of Social Insurance and Social Policy Law, Faculty of Law and Administration, University of Łódź

Contact person: Wiesława Rychter
Address: ul. Kopcińskiego 8/12, 90-232 Łódź
Phone: 0048 (0) 42 6354604
Webpage: http://www.wpia.uni.lodz.pl

The Department of Social Insurance and Social Policy Law at the University of Łódź, led by Professor Teresa Bińczycka-Majewska, is doing research of various problems of labour and social law. The Department is best known from law expertise on social security law, including social security coordination in the EU and the health care law and systems.

Katedra Socjologii i Polityki Społecznej, Wydział Nauk Ekonomicznych, Uniwersytet Ekonomiczny we Wrocławiu – Department of Sociology and Social Policy, Faculty of economic Sciences, Wrocław University of Economics

Contact person: Anna Dolińska
Address: ul. Komandorska 118/120, 53-345 Wrocław
Phone: 0048 (0) 71 3680192
Webpage: http://www.ksips.ue.wroc.pl/

The Department of Sociology and Social Policy at the Wrocław University of Economics, led by Professor Zdzisław Pisz, is conducting research on various areas of social policy, including social protection on national and local level. The specialisations are, among others, education, labour market, health care, social inclusion, disability insurance, civil society.

Katedra Ubezpieczenia Społecznego, Szkoła Główna Handlowa – Department of Social Insurance at the Warsaw School of Economics

Contact person: Dariusz Stańko
Address: ul. Wiśniowa 41 p. 35 02-520 Warsaw
Phone: 0048 (0) 22 5648603
Webpage: http://www.sgh.waw.pl/katedry/kus

The Department of Social Insurance at the main Polish university of economics: Warsaw School of Economics was created in 1995, i.e. when interests in insurance issues had been increasing considerably due to development of insurance market and the reform of social security system.
The Department does teaching and scientific activities in the field of comprehensively defined insurance with particular focus on social aspects of insurance theory and insurance practice.
The Department is led by Professor Tadeusz Szumlicz, one of the best experts in insurance, especially social insurance, in Poland.

Komisja Nadzoru Finansowego (KNF) – Polish Financial Supervision Authority (PFSA)

Contact person: Marzena Borowiec
Address: Plac Powstańców Warszawy 1, 00-950 Warszawa
Phone: 0048 (0) 22 3326600
Webpage: http://www.knf.gov.pl/

Since 2006 the Polish Financial Supervision Authority (PFSA) is the governmental supervisory body over all financial institutions in Poland: banks, insurance companies, capital market institutions, electronic money institutions and pension funds and schemes. The aim of financial market supervision is to ensure regular operation of this market, its stability, security and transparency, confidence in the financial market, as well as to ensure that the interests of market actors are protected.
The Authority, dealing generally with financial market, is connected to the social protection - the funded tier of the pension system (open pension funds), it also supervises voluntary employee pension programmes.

Komitet Nauk o Pracy i Polityce Społecznej Polskiej Akademii Nauk – Committee on Labour and Social Policy Sciences, Polish Academy of Sciences

Contact person: Lucyna Machol-Zajda
Address: Bellotiego 3b, 01-022 Warszawa
Phone: 00048 (0) 22 5367521
Webpage: http://www.knopips.pan.pl/

A scientific committee of the Polish Academy of Sciences, constituting an independent body, cooperating with the Academy's division; nation-wide representation of disciplines dealing with labour and social policy. Members are chosen by all professors in those disciplines nationwide. The chairman is now Professor Józef Orczyk. The Committee organises conferences and seminars, awards prizes for outstanding research results and also is the editor of the journal „Problems of social policy".

Ministerstwo Pracy i Polityki Społecznej – Ministry of Labour and Social Policy

Address: ul. Nowogrodzka 1/3/5, 00-513 Warszawa
Phone: 0048 (0) 22 661 10 00
Webpage: http://www.mpips.gov.pl

The Ministry of Labour and Social Policy is subdivided in various departments to deal with their tasks in the fields of Economic Analyses and Forecasts, Social Dialogue and Partnership, Women, Family and Counteracting Discrimination, Funds, Social Assistance and Integration, Public Gain, Labour Law, Labour Market, Family Benefits, Social

Insurance, Implementing the European Social Fund, International Cooperation, Office of the Government Plenipotentiary for Disabled People.

Ministerstwo Zdrowia – Ministy of Health

Address:	ul. Miodowa 15, 00-952 Warsaw
Phone:	0048 (0) 22 634 96 00
Webpage:	http://www.mz.gov.pl

Since 1989 the Ministry of Health experienced profound changes, but still remains the main responsible public entity for legislation and provision of all health-related topics. It is responsible for the national health policy including the approval of National Health Plans, major capital investments and medical science and education, with administrative responsibility for those health care institutions that it directly finances. Medical academies, university hospitals and research institutes are semi-autonomous but ultimately accountable to the Ministry of Health.

Narodowy Fundusz Zdrowia (NFZ) – National Health Fund

Address:	ul. Grójecka 186, 02-390 Warsaw
Phone:	0048 (0) 22 5726 000
Webpage:	http://www.nfz.gov.pl

The National Health Fund finances the health services provided to insured persons from social contributions through its regional branches. Furthermore, the NHF contracts service providers for the supply of health services. It publishes periodical and occasional information bulletins and relevant statistical data.

Polska Izba Ubezpieczeń (PIU) – Polish Chamber of Insurance

Contact person:	Andrzej Maciążek
Address:	ul. Wspólna 47/49, 00-684 Warszawa
Phone:	0048 (0) 22 4205105
Webpage:	http://www.piu.org.pl/

Established in 1990, the PIU was a voluntary association of insurers. Under the Insurance Law of 8 June 1995, the Chamber was transformed into an organisation of insurance economic self-government with the obligatory membership.
The Chamber associates all the insurers active in the Polish market, representing the insurance sector. It enables to prepare common opinions about issues vital for insurers as well as policyholders. It integrates the insurance sector and lays the foundations for establishing an active and efficient insurance lobby.
As the Polish social security system has been based on social insurance principles, and there are close links to private insurance (e.g. in the 'second pillar' of the pensions system), the Chamber also deals with issues of social security, especially lobbying for more market (insurance) solutions.
It publishes the bimonthly magazine "Wiadomości Ubezpieczeniowe" ("Insurance Issues").

Polskie Stowarzyszenie Ubezpieczenia Społecznego (PSUS) – Polish Association of Social Insurance

Contact person:	Antoni Malaka
Address:	Zarząd Główny PSUS ul. Reymonta 4/6 pok. 402 50-225 Wrocław
Phone:	0048 (0) 71 3606251
Webpage:	http://www.psus.pl/

The Association is a forum of cooperation of lawyers, doctors, economists, sociologists and representatives of other disciplines, dealing with social insurance either as their research

theme or as practitioners in social insurance administration. Many employees of ZUS are members of the Association.
The main objectives are:

- *developing and popularising the social insurance ideas,*
- *improving the social insurance system through supporting research and contacts between researchers and practitioners,*
- *raising the importance of social insurance in research and teaching,*
- *popularising knowledge in the area of social insurance.*

The main activities are conferences, organised yearly. The papers prepared for the conference are published in a book. The Association is organising also lectures and training.

Polskie Towarzystwo Polityki Społecznej (PTPS) – Polish Society for Social Policy

Contact person:	Justyna Godlewska
Address:	Zarząd Główny PTPS, ul. Pandy 13, 02-202 Warszawa
Phone:	0048 (0) 22 8236623
Webpage:	http://www.ptps.org.pl/

An association of people researching and interested in social policy matters. It is following the traditions of the pre-war association. The association is now chaired by Professor Julian Auleytner. The main aims are: promoting the ideas of social policy, promoting and supporting research in this area, integrating the society of people dealing with this area. It is organising conferences, supporting research, disseminating information on social policy.

This publication is financed by the European Community Programme for Employment and Social Solidarity (2007-2013). This programme was established to support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields. The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA and EU candidate and pre-candidate countries. The Programme has six general objectives. These are:

(1) to improve the knowledge and understanding of the situation prevailing in the Member States (and in other participating countries) through analysis, evaluation and close monitoring of policies;
(2) to support the development of statistical tools and methods and common indicators, where appropriate broken down by gender and age group, in the areas covered by the programme;
(3) to support and monitor the implementation of Community law, where applicable, and policy objectives in the Member States, and assess their effectiveness and impact;
(4) to promote networking, mutual learning, identification and dissemination of good practice and innovative approaches at EU level;
(5) to enhance the awareness of the stakeholders and the general public about the EU policies and objectives pursued under each of the policy sections;
(6) to boost the capacity of key EU networks to promote, support and further develop EU policies and objectives, where applicable.

For more information see:
http://ec.europa.eu/social/main.jsp?catId=327&langId=en