

# Principles of social security and health insurance for farmers in Poland and Germany – a comparative assessment

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## Abstract

**Introduction and objective.** As landowners occupied with agricultural production comprise a sizeable part of the populations in mid- and western European countries, it seemed reasonable to assess the organization of health care systems concerning farmers and their families in Poland and Germany. Both countries have similar geographical conditions and rural environments. It so happens that in Poland the principles of the system of agricultural insurance (KRUS) is based on the experiences of Germany and France.

**State of knowledge.** Basically, both in Poland and Germany, the agricultural health insurance companies provide the same insurance cover as other health insurance companies. In both countries, under certain conditions, in the case of illness, the insured farmers receive instead of sickness benefit operational assistance and home help. In spite of the similarities that characterize both administrations, many particular differences are to be noted, e.g. the farmers' social insurance in Poland is subject to only one ministry, in contrast to Germany where two ministries are responsible for farmers' social insurance. In Poland, KRUS is a monopolistic organization, whereas in Germany, nine similar independent structures fulfil the task of a health insurance company. Needless to say, many more funds are available for prevention, treatment and rehabilitation in Germany than in Poland, due to obvious differences in the overall national income.

## Key words

agriculture-health, insurance-Poland-Germany, KRUS

## INTRODUCTION AND OBJECTIVE

A large part of Middle and West European countries is occupied by arable land. The population employed in agriculture accounts for a significant number of people, even in highly-developed countries such as Germany (about 2.5%), and, for obvious reasons, in still typically agricultural countries such as Poland (about 6%). Both countries account for large geographic, demographic and economic areas of Europe and despite different traditions of social security systems, both have developed organized distinct health insurance schemes in order to safeguard the social and health interests of farmers and their families.

The tradition of agricultural social insurance in Germany dates back to 1881, when it was developed as a part of a general agricultural accidents insurance system. In Germany in 1957, an agricultural pension insurance was introduced, in 1972 – health insurance, and in 1995 – chronic care insurance.

In Poland, the primary social insurance system for farmers was established in 1979, and prior to 1978, any benefits to farmers were only compensations and awarded only in case of

transferring the holding to the State. Based on the experiences of France and Germany, in Poland, the Agricultural Social Insurance Fund (Kasa Rolniczych Ubezpieczeń Społecznych, abbrev. KRUS) was formed by virtue of a law introduced on 20 December 1990. This institution was the only one among the countries of the European Union. It is directly related to the financial system of the Polish State which largely finances the fund [1].

The aim of this comparative assessment of social and health insurance systems of Polish and German farmers is to indicate the extent of the security of social, health, training, pension and compensation benefits in connection with work in agriculture, in these neighbouring countries, whose total population amounts to about 100 million people. Within this number, 5 million people are farmers, and an additional 10 million are their families.

## STATE OF KNOWLEDGE

**Polish legal basis and structure of the Agricultural Social Insurance Fund.** The Agricultural Social Insurance Fund is a State institution responsible for the social and health insurance of farmers [1, 2]. The farmers began to pay insurance premiums in June 1977, while the farmers' social security system itself was developed in 1979. Before

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1978, any benefits to farmers were only compensations and awarded only in the case of transferring the holding to the State [3]. The Agricultural Social Insurance Fund, based on the experiences of France and Germany, was formed by virtue of a law concerning the social insurance of farmers, introduced on 20 December 1990.

The Agricultural Social Insurance Fund (KRUS) operates on the basis of a Statute annexed to Decree No. 10 of the Ministry of Agriculture and Rural Development, dated 30 May 2008 [4]. KRUS is managed by a President who is subordinate to the minister responsible for agriculture. The President is appointed and dismissed by the Prime Minister, as requested by the Minister of Agriculture and Rural Development, after consultation with the Farmers' Council. The organizational structure of KRUS consists of the headquarters, located in Warsaw, 16 regional branches, 220 local divisions, as well as rehabilitation centres and other facilities for farmers. Directors of individual structures are accountable to the President of the Fund for the tasks assigned to their units [5].

**Types of insurances and social benefits for Polish farmers.** There are two types of social insurance for farmers: short and long term, and separately funded. Long-term benefits are pension insurance financed mainly by budget subsidies. Incomes are supplemented by contributions from insured farmers. The other type of insurance is short-term which includes accident, sickness and maternity insurance, funded only by contributions from farmers and collected in a contributory fund of KRUS, and has legal status. This fund is managed by the President of KRUS under the surveillance of the Farmers' Council. Farmers pay premiums for both types of insurances; currently, the premium depends on the conversion of hectares of arable land and up to 100 ha equals 12%, for between 100-150 ha – 24%, and between 150-300 ha – 36%, and above 300 ha – 48% of the minimum pension [6].

The basic objective of KRUS is to cover farmers with social insurance and provide services for paying the premiums. KRUS is also responsible for granting and paying old age pensions, accident, health and maternity benefits, as well as non-insurance supplements. Non-insurance supplements include the following allowances: constant attendance, war veterans', supplement for orphans, supplement for forced labour during World War II, a lump sum for electricity, cash benefits for people deported to forced labour and prisoners of labour camps of the Third Reich and the Soviet Union, cash supplements and privileges conferred upon the soldiers for supplementary military service, the refund of paid premiums for compulsory third party liability/AC and a supplement for people aged over 100 years. All of these supplements are paid in addition to pensions. Pensioners who are entitled to several benefits, such as pension benefits from Social Security and KRUS, are entitled to a given add-on to only one provision [7].

**Medical certification in KRUS.** KRUS utilises its own two-instance system of medical certification in order to award disability benefits or compensations. In the first instance, a doctor-expert evaluates a KRUS patient's health status, and the consequences of accidents associated with the farm work. In the second instance, farmers are surveyed by the Fund's medical boards. The tasks of KRUS also include carrying out activities aimed at preventing agricultural accidents, occupational diseases, and performing free-of-charge voluntary rehabilitation.

Under the current law, farmers who live in Poland and conduct agricultural activity on their own farms with an area equal to or greater than 1 hectare of arable land are subject to compulsory social insurance. Compulsory insurance applies also to the farmers who deal solely in special sections of agricultural production, or within a group of agricultural producers, as well as to the farmer's spouse and members of the family who permanently work on the farm. Foreigners who run holdings in Poland, who are spouses or household members of farmers, under certain conditions, may also be covered by KRUS. Insurance is valid if the above-mentioned persons are not subject to social insurance (for the work performed or other professional activity), do not receive unemployment benefits, and do not have an established right to a pension. Social Security is independent of the will of the person meeting the above criteria, and begins exactly on the day when the criteria are met and ceases the day after the criteria cease. Insurance may also cover some periods in the past. Those who do not meet the conditions to be covered by compulsory insurance, but for whom farming is an important permanent source of income, may insure themselves voluntarily [8].

**Polish farmers' health insurance.** When it comes to farmers' health insurance in Poland, since 1999, national health insurance is compulsory for all citizens. Therefore, the farmers, their spouses, household members and family members who are not otherwise insured, as well as agricultural pensioners, are subject to compulsory health insurance. Since 1999, KRUS has been the institution responsible for this insurance. The statutory health care benefits are financed from public funds. Contributions to the health insurance are monthly based and indivisible. The State budget finances the health insurance of farmers who are established on agricultural land. Their monthly contribution is one zloty per person per month, and conversion hectare and is paid every 3 months of the year. The State budget pays for farmers who own less than 6 conversion hectares of arable land. Farmers engaged in special sectors of agricultural production must pay individual contribution, the rate of which depends on the amount of income declared by the farmers. Since 1 January 2008, the lowest contribution is equal to 9% of the minimum wage (about 375 €). The contribution automatically collected from retirees and annuitants is equal to 1.25% of the net amount of the retirement pension or annuity. The health insurance includes benefits in the case of illness, injury, pregnancy, childbirth, postpartum, as well as general illness prevention actions, and the evaluation and adjudication of health. In addition, the insured person is entitled to benefits such as dental care, treatment in health resorts, health care, and curative institutions care, medical supplies, medical materials supplies, orthopaedic equipment, and transportation by the means of medical transport [9].

**Retirements and annuities in KRUS.** Any person who has reached the retirement age of 60 for women and 65 for men, and subject to retirement-annuity insurance for at least 100 quarters, is entitled to an agricultural retirement pension. Early retirement may be granted at the request of a farmer who has reached the age of 55 years for women, and 60 years for men, who were subject to retirement-annuity insurance for at least 120 quarters, and has given up agricultural production. Agricultural retirement and annuity consist of contributory and supplementary parts.

The supplementary part is suspended in whole or in part, if the pensioner continues agricultural work. Agricultural annuity for inability to work is accrued to the insured who is permanently or temporarily unable to work on a farm, and the incapacity is established within the period specified by the Act. A survivors' pension is granted to eligible family members of the deceased or annuitant who, at the time of death, met the conditions for obtaining the pension.

The following subjects are entitled to the family pension: one's own children, children of a spouse, adopted children, people taken for adoption before the age of maturity (grandchildren, siblings), or the spouse (widow, widower). All the afore-mentioned are eligible for only one survivors' pension [10, 11]. A new type of benefit from KRUS is a training pension, through which the insured individual may benefit if adjudicated for professional retraining due to permanent incapacity to work on a farm. The training pension is granted for a period of 6 months and may be extended to up to 36 months [12].

**Rehabilitation in Poland by KRUS.** For persons entitled for KRUS benefits who are threatened by total inability to work, or showing periodic total inability for agricultural work, KRUS offers complimentary, voluntary, medical rehabilitation. This is implemented in the form of fixed stays lasting 21 days in its own Centres and KRUS Farmers' Rehabilitation Centres. The patient undergoes rehabilitation during 17 days of treatment during which time medical and nursing care is provided. Additional medical tests are performed when necessary. Patients with locomotion system diseases and cardiovascular system disorders are rehabilitated in centres specializing in the rehabilitation of patients with locomotion system diseases. These centres are located in Iwonicz Zdrój, Horyniec Zdrój, Szklarska Poręba, Kołobrzeg, Jedlec, Świnoujście and Teresin. The above-mentioned centres can accommodate almost 1,200 patients at a time. In these KRUS rehabilitation centres, the following treatment procedures are performed: kinesotherapy, physiotherapy (electrotherapy, phototherapy, heat therapy, cryotherapy), hydrotherapy, and massage. People with cardiovascular disease are sent by KRUS to cooperating rehabilitation centres in Nałęczów, Duszniki Zdrój and Augustów. Rehabilitation is also conducted in the form of fixed treatment in rehabilitation facilities cooperating with KRUS, performed as day treatment, i.e. without accommodation and meals. Patients living in the vicinity of KRUS rehabilitation facilities benefit from this type of treatment in accordance with medical recommendations, and provided with the opportunity to rest. Approximately 14,500 people annually benefit from this type of treatment. In the years 1992-2007, the regional branches of the Fund received more than 340,000 referrals for rehabilitation.

The most important aim of rehabilitation provided by KRUS is to prevent and reduce disability and enable farmers to continue their work on farm. For those who completely lose the ability to work on a farm, KRUS attempts to restore the ability through rehabilitation. In order to be qualified for this type of rehabilitation, a farmer must be covered by the KRUS social insurance and must be subject to accident insurance, sick leave insurance and maternity insurance to the full extend continuously for at least 18 months prior to the application for rehabilitation. However, this period is not required if the person was injured while performing agricultural work.

The rehabilitation is targeted at women who are under 60 years of age and men who aged under 65. One can benefit from the rehabilitation every 12 months. Once every six months it may be granted to the sick who are entitled to sickness benefit due to the temporary work inability of more than 180 days, or have a temporary agricultural pension due to inability to work on a farm. If the state of health of a person requires re-rehabilitation for a shorter period of time, the waiting period may be reduced. The duration of rehabilitation may be extended if medically indicated. KRUS rehabilitation is granted at the request of the treating medical doctor. The application, which is valid for 6 months, is submitted by a farmer to the regional subsidiary or branch of KRUS. Applications are reviewed and accepted by the medical doctor of the regional medical inspectorate of KRUS. The insured person may also be directed to KRUS rehabilitation by the medical board. Priority for referral for medical rehabilitation is given to people whose disability is the result of an accident during agricultural work, and those who are entitled to sickness benefit due to the temporary work incapacity of more than 180 days. Participation in rehabilitation is the insured person's own decision. It does not restrict farmers rights to financial benefits from social insurance [13]. The sickness benefit is suspended for the period of stay in a rehabilitation facility. The rehabilitation stay is free of charge. The rehabilitation facility reimburses the cost of transport to the facility by means of the cheapest available public transport. After the end of the stay, the rehabilitation can be continued in an outpatient facility near to the farmer's home. Benefiting from the rehabilitation offered by KRUS does not deprive farmers of health resort treatment, funded by the National Health Fund (NFZ). Since 1994, there is a network of therapeutic improvements of units located in the rural areas. Until 2007, about 400 of these units were established throughout the country and were visited by over 3558 thousand patients, including approximately 1153 thousand entitled to KRUS benefits. More than 52 million treatments were performed.

Since 1993, rehabilitation stays for the children of farmers insured in KRUS are organized during the summer holidays. School-age children aged 7-15 years may benefit from it on the basis of an application completed by the primary care physician or a medical specialist, and submitted to the regional KRUS branch nearest to the individual farmer's place of residence.

Children who have the right to attendance benefit granted by the district disability evaluation board are accepted in the first place. KRUS farmers' rehabilitation centres and cooperating sanatoriums, provide children with full board, 24/7 medical and nursing care, and individual rehabilitation programme. Childcare are provided by the supervisors employed by KRUS. During children's spare time, cultural activities, sports and recreation are organized. Courses on safe work on the farm are also organized during each stay. Stays have a fix length of time and last 21 days. In 2007, expenses covered by parents were around 57 € for their child's stay and trip. In the years 1993-2011 about 24,000 children profited from this form of rehabilitation. They took part in the rehabilitation stays mainly due to faulty posture, and diseases of the locomotion and respiratory systems. Rehabilitation centres for children are located in Muszyna, Horyniec Zdrój, Jedlec, Iwonicz Zdrój, Piwniczna, Dąbki, Polańczyk and Szczawnica [14]. The Supreme Audit Office annually evaluates the implementation of tasks in terms

of prevention and rehabilitation carried out by KRUS [10]. Returning farmers to an active work life, and preservation and improvement of the ability to work on a farm are among the most important tasks performed by KRUS. Its activities in the field of medical rehabilitation are highly appreciated by farmers. In addition to the payment of cash benefits from the social security funds, the preventive-rehabilitative activities of KRUS are considered to be one of the most important areas of its involvement [13].

**Financial policy of KRUS.** KRUS holds independent financial management based on 3 targeted public funds: the Retirement-Annuity Fund (FER), Administration Fund (FA), Prevention and Rehabilitation Fund (FPIR) and Contribution Fund of Farmers' Social Insurance (FS), which is not financed by the State [15]. Expenditure on the tasks carried out by KRUS in 1999 amounted to 13.3 billion PLN (9.6% of the State budget), in 2005 – 4.4 billion € (7.4% of the State budget), and in 2008 – 4.5 billion € (5.1% of the State budget). Quarterly contributions to farmers' social security amounted to an average of 37 € in 1999, and to 48 € in 2005 and 53 € in 2008, respectively. Quarterly contributions for accident, maternity and health insurances equalled, on average, to 15 € in 1999, 19 € in 2005, and 22 € in 2008 [16]. In 1999, the number of beneficiaries of KRUS amounted to 1,928,914, in 2005 – 1,661,800, and in 2007 – 1,504,082. The number of those insured by KRUS in 1999 amounted to 1,428,172, in 2005 – 1,581,929, in 2007 – 1,598,197, and in 2011 – 1,516,308 [17].

## CHARACTERISTICS OF GERMAN AGRICULTURAL SOCIAL INSURANCE SYSTEMS

**Agricultural social insurance in Germany.** The Federal Republic of Germany has a special insurance system for the agricultural population. The agricultural social insurance in Germany is a part of the German national insurance system and since 1881 has included the agricultural employer's liability insurance association (accident insurance).

Since 1 January 2009, the Federal Association of the Agricultural Employer's Liability Insurance (BLB), Association of Old-age Insurance for Farmers (GLA), and the Federal Association of Agricultural Health Insurance Companies (BLK) have been integrated into the newly-established Main Organisation of Agricultural Social Insurance (LSV-SpV) [18]. In actual fact, there are 9 independent regional associations of administration below the LSV-SpV head organization:

- LSV Schleswig-Holstein and Hamburg,
- LSV Mid- and Eastern Germany.
- LSV Lower Saxony-Bremen
- LSV Northrhine-Westphalia.
- LSV Hesse, Rhineland-Pfalz and the Saar.
- LSV Baden-Württemberg
- LSV Franconia and Upper Bavaria.
- LSV Lower Bavaria, Upper Pfalz and Swabia.
- Social Insurance for the Gartenbau.

As the next step, the regional associations and the LSV-SpV head organization will be replaced by one countrywide agricultural social insurance organization to achieve further synchronization and cost advantages. This further organizational change has already been decided

by the German Federal Council (Bundesrat), and will be implemented on 1 January 2013 [19].

**Old-age insurance for farmers in Germany.** This insurance for farmers in Germany is also today covered by the independent agricultural social insurance system, and not by a statutory pension insurance system. The development of the old-age insurance for farmers began in Germany in 1957 with a donation of DM 60 for married farmers and DM 40 for unmarried farmers. It was developed as an actual independent provision for old-age in the following years [20]. In Germany, two ministries have different responsibilities for the old-age insurance of farmers. The Federal Ministry of Labour and Social Affairs takes care on the organisation, while the Federal Ministry of Food, Agriculture and Consumer Protection owns the Federal means for paying the agricultural social insurance. Therefore, this situation is different from that for the statutory pension insurance system, for which the Federal Ministry of Labour and Social Affairs alone is responsible [21]. Old-age insurance for farmers in Germany exist only due to the financial background of Federal funding. In 2006, the Federal funds paid them 2,343 billion € [22]. It was repeatedly reformed, and a separate protection for females on farms was included in the old-age insurance for farmers in 1995 when new regulations governing the contribution subsidy were added. The contribution subsidy is adapted to the more strongly economic capacity of the agricultural enterprises and the families concerned. In 2005, 38% of the insured (117,000 persons) received this subsidy [20].

Every farmer and his partner must pay a contribution to the farmers' old-age insurance if when they own more than 4-5 hectares of agricultural business land. This monthly contribution is identical for all farmers and their partners, voluntarily insured, and regulated by an annual statutory Act. In 2008, the contribution for the farmer amounted to 212 €, and for working family members – 106 € per month in western Germany. In eastern Germany, this contribution for the farmer amounted to 80 €, and for the working family members – 90 € per month. The contribution consists of a Federal subsidy and the amount paid by farmers. The amount paid by farmers depends on the income bracket: where the income is less than 8 220 € annually, he pays only 85 € towards the old-age insurance for farmers in western Germany, and 72 € in eastern Germany. Married couples who earn more than 31,000 € annually year do not receive any financial support. For unmarried farmers the limit is 15,000 € annually [23].

The old-age insurance grants for a farmer's performances are the same as those for the statutory pension insurance. Since the provision for old-age insurance for farmers as a partial relief was instituted, the pension level was lower than the pension for the statutory old-age insurance. In 2006, the peak of the old-age pension reached 425 € in western Germany after 35 contribution years [22].

Other measures, such as the life pension and income from the handing over of a farm, completes this system for old-age, and grants old-age pensions, disability insurance benefits, widower and widow's pensions, orphan's pensions, and rehabilitation procedures. In addition, the old-age insurance for farmers assumes the costs for additional labourers in an agricultural enterprise, housework and interim assistance, in order that the enterprise can continue to operate in the case of illness, or the death of the farmer [24].

**Agricultural health insurance.** There has been a legal health insurance for rural families since 1972. The agricultural health insurance promises more social security for its members and also makes a contribution towards income improvement of the farmers. Different from the statutory health insurance, the farmers have to pay only to a relatively small extent for the illness costs of pensioners, because the federation takes over a large part of these loads. Full-time farmers, their connected family members, and the retirement pensions from the provision for the old age of the farmers, constitute the greatest share of the members of the agricultural health insurance. For members of the agricultural health insurance, there is no free choice of health insurance company as exists in the general health insurance, because only the agricultural health insurance offers special services for farmers. At present, similar to social insurance companies, there are 9 agricultural health insurance companies, their location and responsibility follows the 9 agricultural employer's liability insurance associations (agricultural health insurance company in Schleswig-Holstein and Hamburg, Mid- and eastern Germany, Lower Saxony/Bremen, North Rhine-Westphalia/Hesse, Rhineland-Palatinate and Saarland, Baden-Württemberg, Franconia and Upper and Lower Bavaria, Upper Palatinate and Swabia, health insurance company for horticulture). In 2006, 904.890 persons were insured by the agricultural health insurance company against illness. This amounts to about 1.14% of all German citizens. Of these, 604,451 were contributors and 300,439 non-contributory family members. The revenue in 2006 from all the agricultural health insurance companies amounted to about 2.20 billion €: 0.90 billion € were from contributions by the members, including the pensioners, 1.13 billion € from the funds of the Federal Ministry of Food, Agriculture and Consumer Protection, and 0.03 billion € from other income, such as interest payments. 1.974 employees of the agricultural health insurance were granted benefits at the rate of 2.23 milliard € for the insured persons. From this, 327 million € was granted for medical treatment, 137 million € for dental-medical treatment, including sets of dentures, 375 million € for medications, 138 million for remedy and aid, 825 million for hospital treatment, and 52 million € for home help and farm help [25].

The agricultural health insurance companies provide basically the same insurance cover as other health insurance companies. They also provide for the support of health and the prevention of illnesses, early diagnosis of illnesses, sick person's treatment, sickness benefit, maternity assistance, family help and death benefit. Under certain conditions, in the case of illness the insured farmers receive instead of sickness benefit, operational assistance and home help. In 2006, more than 22,000 qualified operational assistants were assigned to farms. In 2007, nearly 17,000 insured persons of the agricultural health insurance companies took part in structural programmes for the treatment of a chronically sick person. These disease management programmes include, among others, the treatment of diabetes mellitus, heart diseases and certain forms of cancer. Among the programmes there are included treatments according to topical medical knowledge, the realisation of quality assurance measures, training of the doctors involved and the insured persons, documentation, and a cost overview. The agricultural health insurance companies inform the insured about disease management programmes [26].

The principle of solidarity financing applies to the agricultural health insurance. Because the income of farmers is difficult to determine, the health insurance companies have to fall back on substitute scales, e.g. economic value or land area value. According to these criteria, every health insurance company forms 20 contribution classes, and defines for every contribution class the contribution to be paid. The defining of these contributions is undertaken by farmer self-government, which means the members' representatives. The legislator gives for the contribution creation only one frame work. Contribution to the highest contribution class must amount to least six times the lowest contribution for a farmer. Furthermore, contribution to the highest contribution class must reach at least 90% of the average highest contribution of the regional medical insurance plans (Ortskrankenkassen).

In the agricultural health insurance an especially unfavourable relationship exists between active members and pensioners. Therefore, the federation takes over as much as possible a part of the health costs for the pensioners, which is not covered by their contributions; this amounts to more than 80%. Since 2005, the active members of the agricultural health insurance have reduced the Federal subsidies, and paid an additional solidarity contribution to finance the expenses of the pensioners. In 2005, with this additional solidarity contribution, they relieved the Federal budget of about 82 million € [27]. The agricultural health insurance companies and the old age insurance of farmers are directly concerned with the structural change in agriculture. The number of insured persons has clearly been reduced during recent years. Consequently, at the political level and in the agricultural self-government the decision was made to modify the organisational structure of the agricultural social insurance

**Rehabilitation for farmers in Germany.** Since 1965, the members of the old-age insurance for farmers can avail themselves of medical and supplementary treatments for rehabilitation. These rehabilitation procedures safeguard, improve or restore the fitness for work of farmers. Medical rehabilitation is also undertaken if the deterioration of already decreased fitness for work can be avoided through its implementation. The doctor checks on what the prerequisites for rehabilitation will be. The valid principle is 'Rehabilitation Before Pension', i.e. the performance of rehabilitation has priority over payment of pension benefits. In principle, the renewed medical rehabilitation care is not carried out before 4 years has expired. This is not valid if the care is urgently needed for health reasons, and the medical rehabilitation takes place in selected rehabilitation centres where the old-age farmers' insurance has contracts with these centres. The fixed period of a stay in the centres lasts 3 weeks, but it is possible to prolong a stay in justifiable cases. Back pains are the primary cause of most curative treatments. Cardiovascular illnesses, cases of cancer and psychiatric illnesses are also frequent reasons for medical rehabilitation.

A special form of in-patient curative treatment is connection curative treatment (AHB). The specialized medical facilities undertake these particular performances, and begin directly after admission or 14 days after hospital treatment. These performances take place, e.g. after heart operations, heart attacks, rheumatic illnesses, total hip replacement and knee prosthesis [20].

Medical rehabilitation of malignant tumours can also be performed, although no significant improvement or restoration of earning capacity is expected, but with a positive effect on health. The insured, pensioners, as well as uninsured married partners, registered life-partners, children of the insured or pensioners, can receive cancer after-care. The old-age insurance takes over the cost of cancer after-care within a year, and under certain prerequisites, also within two years after completion of primary treatment.

In 2006, the old-age assurance allowed over 7,000 rehabilitation measures and spent 17.7 million € for them. 3,571 permissions were allotted to stationary measures in rehabilitation centres; furthermore, 2,323 curative treatments were carried out after a stay in hospital, and 430 as an after-care. Almost  $\frac{3}{4}$  of all patients in the rehabilitation facilities were aged over 50. Additionally, there took place 343 stationary rehabilitation measures of children. The main reasons for these child curative treatments were respiratory tract ailments, allergic reactions, heart diseases and circulatory illnesses, inflammatory and non-inflammatory processes of the locomotor system, and overweight. On average, the stationary curative treatment of children lasted 4 weeks [20].

In 2007, 286,000 people still paid their contributions to the old-age insurance (184,000 agricultural enterprisers and 89,000 married couples). In 1958, the number of contribution payers was almost 800 000, whereas in 1997, they amounted to only 46,000. In 2006, 273,000 of the farmers and their spouses were exempt from the compulsory agricultural old age insurance. In contrast, the number of pensioners is continuously growing, and an end to these trends cannot be foreseen. In this respect, it will be necessary for an increase of the Federal subsidy for provision for the old age of the farmers. Structural and organizational measures must be carried out to further improve the efficiency and guarantee a reasonable costs-use-relationship [22].

**Long-term care insurance.** This covers the financial risk of the need for care and is intended to enable the person who needs care to nevertheless lead a self-determined life. On the 1 of January 1995, the agricultural long-term care insurance was introduced as a compulsory insurance in Germany. For every agricultural health insurance company an agricultural long-term care insurance company was formed. The Federal association of the agricultural health insurance is perceived as the main organisation with its duties as the long-term care insurance in nursing for farmers. The agricultural long-term care insurance companies grant nursing care benefits: non-cash benefits according to nursing care needs, which range from 450-1.550 € monthly, nursing allowance according to care levels from 235-700 € monthly, and a combination of cash allowances and non-cash benefits. Nursing aids, such as special beds, short-term care, full-stationary care according to care levels from 1.023-1.550 € monthly, benefits for the social protection of relatives and volunteer carers and nursing care courses for them, as well as additional support benefits. If the persons who provide long-term care at home goes on holiday, or is otherwise unable to care for the farmer, they are entitled to a stand-in for a maximum of 4 weeks per year. In the long-term care, special insurance rules for the contribution calculation are valid. Extra pay is raised to contribute to long-term to health insurance [28]. The amount of the extra pay to the health insurance is fixed

by the Federal Ministry of Health on the 1st of January every year. The contribution to long-term insurance is calculated as a 100<sup>th</sup> part of the contributory income. All insured persons, pension applicants, pensioners and others, and 65-year-old insured farmers must pay a contributions to the long-term insurance. This is 1.7% of the contributory income. The Federal Health Ministry fixes this supplement up to the 1st of January every year, and from January 2005, childless contribution payers are required to pay a supplement. Exempt from this are insured persons aged less than 23, or are older than 65, recipients of Unemployment Benefit II, and young men on military or civilian service. The Federal Ministry of Health also decide on this supplement on 1 January every year [29].

If the farmer requires long-term care, he is assigned one of 3 care levels that determine the benefits they receive. If classed as needing Level I care (considerable need of care), they require an average of at least 90 minutes every day of the week for basic care and help, with household chores. The carer must spend more than 45 minutes of this time providing basic care. If the requirement of Level II care (severe need of care), the help is for an average of at least 3 hours a day, with at least 2 of these hours being devoted to basic care. Care requirements at Level III (extreme need of care) add up to at least 5 hours a day, with at least 4 of these hours being spent on basic care. By the end of 2006, about 34,000 persons received benefits for ambulant long-term care. In addition, approximately 7,300 people have care in full-stationary facilities. Possibly a half of all ambulant care patients were in care Level I, approximately 35% of the patients were in care Level II, and 15% the care Level III [30].

The distribution of in-patients is different, with just 50% of these patients in care level 2, 30% in care level 1, and 20% in care level 3. In Germany, the costs for long-term-care for farmers add up about 340 million € per year [31].

## SUMMARY

The social insurance systems in Poland and Germany are similar. In the advanced form, both of them developed during approximately the similar period, i.e. in the 70s of the 20th century, with Poland partially inspired by the German social insurance system. The farmers' social insurance in Poland is subject to only one ministry, in contrast to Germany where 2 ministries are responsible for the farmers' social insurance. There is only one responsible institution in Poland – KRUS, while in Germany there are 9 of them. The Polish insurance covers farmers owning more than 1 hectare of land, whereas in Germany the insurance covers farmers whose farms have an area of above 4.5 hectares. This is due to the profile of farms in both countries. In both Poland and Germany, insurance is mandatory. Both insurance systems provide large scale free rehabilitation and preventive activities. In Poland, rehabilitation stays may be granted once a year; in Germany, however, they are available once every 4 years. Poland is the only country among new EU members that has farmers' social insurance. However, the Polish system does not provide sufficient benefits for living at subsistence level [29], which is why a reform of KRUS is expected. Due to obvious differences in national budgets, Germany spends a lot more funds per head for agricultural insurance.

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