

Workers' Compensation Act

NB: Unofficial translation, legally binding only in Finnish and Swedish

459/2015

PART I

GENERAL PROVISIONS

Chapter 1.

General provisions

Section 1

Purpose of the Act

This Act lays down provisions on the employee's right to compensation for occupational accidents and occupational diseases, and the self-employed person's right to insurance cover against occupational accidents and diseases.

Section 2

Definitions

For the purposes of this Act:

- 1) *employee* refers to a person to whom this Act applies under sections 8 and 9;
- 2) *self-employed person* refers to a person to whom this Act applies under sections 188-190;
- 3) *damage* refers to the consequence of the claim event referred to in section 15;
- 4) *uninsured work* refers to work performed by an employee who is not insured by the employer contrary to section 3(1) and work performed by an employee whom the employer is not obliged to insure under section 3(2);
- 5) *compulsory insurance* refers to an insurance policy laid down in section 3;
- 6) *injured person* refers to a person who has suffered the claim event referred to in section 15;
- 7) *EU social security regulations* refer to Regulation (EC) No 883/2004 of the European Parliament and of the Council on the coordination of social security systems, and Regulation (EC) No 987/2009 of the European Parliament and of the Council laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems;
- 8) *third country* refers to a country not subject to the EU's social security regulations or the Convention on Social Security binding on Finland and laying down provisions on occupational accidents and diseases;

9) *old-age pension* refers to the old-age pension under the acts referred to section 1 of the Employees Pension Act (395/2006), the old-age pension under previous legislation referred to in section 1(2) of the Act implementing the Employees Pension Act (396/2006), the old-age pension referred to in the National Pensions Act (568/2007), and the corresponding pension paid by other states;

10) *disability pension* refers to a full disability pension granted for an indefinite period under the acts referred to in section 3 of the Employees Pensions Act; a disability pension referred to in the National Pensions Act and granted for an indefinite period, a full disability pension provided under the earlier legislation referred to in section 1(2) of the Act implementing the Employees Pensions Act; a disability pension provided under the earlier legislation referred to in section 1(3) of the Act on the implementation of the national pensions act (569/2007) including any corresponding pension paid by other states; and the farmers' early retirement aid, referred to in section 24(2) of the Act implementing the employees pensions act, which is taken into account as the pension referred to in section 92(2) of the Employees Pensions Act.

The provisions of this Act on a disability pension also apply to the statutory workers' compensation pension and the loss of earnings compensation under the Traffic Insurance Act (279/1959), including the corresponding pensions paid abroad, granted for an indefinite period. The provisions of this Act on the European Union Member States apply correspondingly to the Member States of the European Economic Area and Switzerland.

Section 3

Employer's insurance obligation

The employer is obliged to insure their employees against occupational accidents and diseases, as provided in this Act.

The employer does not have an insurance obligation if the wages and salaries paid, or agreed to be paid, by the employer for the work commissioned in a calendar year do not exceed EUR 1,200.

The state has no insurance obligation, however the compensation for occupational accidents or diseases

resulting from central government work is paid from state funds, as provided in this Act.

Section 4

Voluntary insurance

The provisions on a self-employed person's right to obtain insurance against occupational accidents and diseases and leisure-time accidents are set out in Part VI. The provisions on the integration of voluntary leisure-time insurance in compulsory insurance and the voluntary working hours insurance for employees working abroad are set out in Part VI.

Section 5

Compensation priority

The right of the injured person to compensation or benefit under another Act does not reduce the compensation the party is entitled to under this Act, unless otherwise provided in this Act.

Section 6

Execution

Functions to be performed in order to implement the Act are carried out by insurance companies that under section 205 are entitled to practise insurance business referred to in this Act, the Treasury and the Finnish Worker's Compensation Center (*insurance institution*). The Finnish Worker's Compensation Center shall process the compensation case if the claim event has occurred in the course of uninsured work.

Section 7

Ruling on the application of the Act

Upon application by the employee, the person performing the work, the employer, the person commissioning the work or the insurance institution, the

Finnish Worker's Compensation Center shall decide whether this Act applies to the work. If the application of the Act generates controversy after the institution of the compensation case, the case shall be settled by the insurance institution in connection with the compensation case.

Chapter 2.

Scope of application regarding individuals

Section 8

Work performed as an employee

Unless otherwise provided hereinafter, this Act shall apply to a person who is working:

- 1) in an employment relationship referred to in section 1 of the Employment Contracts Act (55/2001);
- 2) in an employment relationship referred to in section 1 of the Seafarers' Employment Contracts Act (756/2011);
- 3) in a public-service employment relationship under the Public Servants Act (750/1994);
- 4) in a public-service employment relationship referred to in the Act on local government officers (304/2003);
- 5) in a public-service employment relationship under the Church Act (1054/1993);
- 6) in a public-service employment relationship referred to in the Act on parliamentary officers (1197/2003);
- 7) as the President of the Republic, Member of the Government, public servant in the President's Office, the Parliamentary Ombudsman, the Deputy Ombudsman or a Member of Parliament;
- 8) in other statutory employment relationships governed by public law.

Section 9

Work performed by persons in leading positions

Persons who work for remuneration in a limited company or other corporate body in leading positions are comparable to employees even though they are not in an employment relationship with the limited company or other corporate body if:

1) a shareholder working for a limited company in a leading position personally owns no more than 30 per cent of the company shares or him or her and his or her family members together own no more than 50 per cent of the company shares and of these his or her personal share is no more than 30 per cent or he or she personally owns no more than 30 per cent or him or her and his or her family members together own no more than 50 per cent of the voting rights arising from the ownership of the shares and of these his or her personal voting rights no not exceed 30 per cent; or

2) a person working in a leading position in another corporate body have control, either alone or together with family members, over the corporate body equivalent to that referred to paragraph 1.

A leading position refers to the managing director, member of a board of directors or equivalent positions or equivalent factual powers in a limited company or other corporate bodies.

A partner in a general partnership or a partner in another corporate body or group who is personally responsible for the liabilities and commitments of the corporate body or group is not comparable to an employee.

A family member refers to a spouse, a cohabiting partner or a relative in the direct line of descendance or ascendance of the person referred to in subsection 1 and living in the same household. A cohabiting partner refers to a person living in conditions resembling marriage in the same household with the person working in a leading position in the company.

In calculating the ownership share referred to in subsection 1, indirect ownership through other corporate bodies or groups is also taken into account if the person alone or together with family members owns more than half of the said other corporate body or group or they have the corresponding control in the same.

Section 10

Work performed by self-employed persons

The provisions on the application of this Act on work performed by self-employed persons are laid down in Part VI.

Section 11

Work performed by farmers and grant recipients

This Act does not apply to the work performed by farmers referred to in the Farmers' Accident Insurance Act (1026/1981) or work performed by grant recipients.

Section 12

Work performed by athletes

This Act does not apply to sports activities. The provisions on athletes' right to compensation for an accident are laid down in the Act on athletes' accident and pension cover (276/2009).

Chapter 3.

Territorial scope of application

Section 13

Work performed in Finland

This Act applies to work performed in Finland, unless otherwise provided below.

This Act does not apply to work performed by an employee in Finland if the employee is not subject to Finnish legislation under the EU social security regulations or the Convention on Social Security binding on Finland.

This Act does not apply to work performed by an employee arriving from a third country in Finland if: 1) the work comprises road transport work which the employee mainly performs outside Finland; 2) the employee does not reside in Finland; 3) the employer is not domiciled in Finland; and 4) Finnish legislation does not apply to the work under EU social security regulations.

This Act does not apply to an employee who has arrived in Finland to participate in a meeting, carry out a performance or undertake any other similar short-term visit, the purpose of which relates to the employee's work abroad. The further conditions laid down in the Act are that the employee does not live in Finland, the employer is not domiciled in Finland, and Finnish

legislation does not apply to the work under the EU social security regulations.

Section 14
Work performed abroad

This Act applies to work performed by employees outside Finland if they are subject to Finnish legislation on the basis of the EU social security regulations or the Convention on Social Security binding on Finland.

This Act also applies to work performed by employees posted by a Finnish employer to a third country, provided that: 1) the employee is either employed by the posting Finnish employer or by a foreign company belonging to the same economic entity employed; 2) the employee's employment relationship with the posting Finnish company continues during the work performed abroad; and 3) the employee is covered by Finnish social security legislation when he or she leaves for work abroad.

This Act does not apply to employees referred to in subsection 2 if the insurance company is, upon application by the employer, issued a decision to confirm that the employee is no longer covered by the employer's insurance. A prerequisite for this decision is that working abroad is no longer temporary and the work has been continuing for more than two years. The decision shall apply from the beginning of the calendar year following its entry into force.

PART II
COMPENSABLE CLAIM EVENTS

Chapter 4.

General provisions

Section 15

Compensable claim events

Occupational accidents and diseases shall be compensated for as *claim events* in accordance with this Act as provided hereinafter.

Date of the claim event refers to the day when the occupational accident occurred and the day when the

occupational disease, referred to in section 31, manifested.

Section 16
Medical causality assessment

Compensation for the claim event is conditional upon probable medical causality between the claim event and the injury or illness, unless otherwise provided hereinafter. In particular, the causality assessment will take into account medical findings and observations, the type of occurrence and previous injuries and illnesses.

Chapter 5.

Provisions on occupational accidents

Section 17

Accident

An accident refers to a sudden and unforeseen event arising from an external factor that causes the employee to be injured or develop an illness.

Section 18

Other injuries and illnesses considered to have been caused by an accident

The provisions on accidents also apply to:

- 1) skin abrasions caused by friction;
- 2) injury or illness caused by contact with a corrosive substance;
- 3) injury or illness caused by breathing a gas, vapour or fumes;
- 4) frostbite, hypothermia, thermal burn, and heat-related illnesses caused by abnormal thermal conditions;
- 5) injury or illness caused by radiation; and
- 6) injury or illness caused by significant variation in physical pressure.

This is conditional upon exposure to the factors referred to in subsection 1 to have taken place within 24 hours prior to the injury or onset of illness and the matter not concerning an occupational disease.

Section 19

Material aggravation of injury or illness caused by accident

Material aggravation of injury or illness, other than those referred to in this Act, arising from an accident is compensated for insofar as it corresponds to the attributable fraction of the accident. When assessing the attributable fraction, the factors taken into account are the accident mechanism, strength of injury energy, and temporal association of the accident with the aggravation, and contributory factor of the previous injury, illness or tissue damage. Compensation is not paid for aggravation in case of minor attributable fraction of the accident.

Compensation for aggravation is paid for a maximum period of six months from the accident. Compensation payment may be extended beyond the maximum period insofar as the recovery has apparently been delayed mainly due to reasons related to the selected treatment option or being on a waiting list for treatment.

Section 20
Occupational accident

Occupational accident refers to an accident that has happened to an employee at work, in the location of the working area, or outside the location of the working area as provided in sections 21-25.

Section 21
Accident at work

Accident at work is considered an accident that has happened to an employee during the course of work. Performance of the duties of a local union representative, occupational safety representative or other employee representative in accordance with law or a collective agreement and performance of work-related tasks assigned by the employer are comparable to work. Travel related to a work assignment is also comparable to work. A minor deviation from the itinerary referred to in section 23(1) is also considered travel.

Section 22
Accident in the location of the working area

Accidents that take place in the location of the working area but not in the course of work are considered occupational accidents if they occur during the course of activities normally associated with being in the working area.

Section 23
Accident outside the location of the working area

An accident that happens to an employee outside the location of the working area is considered an occupational accident in the course of activities normally associated with the following conditions: 1) the travel between home and the workplace associated with normal commuting to work, which is deemed to include a minor deviation from the itinerary due to childcare, visit to a grocery store or any other similar reason; 2) a meal or recreational break normally associated with work and taking place in the vicinity of the location of the working area.

Section 24
Accident in special circumstances

Accidents that are not subject to compensation under sections 21 or 22 are considered occupational accidents if they have happened to an employee in the following circumstances:

- 1) activities carried out in the course of work-related training if the event is provided by the employer or the employer has approved the participation;
- 2) activities carried out in the course of work-related recreation if the event is provided by the employer or the employer has approved the participation;
- 3) activities that the employer has provided to maintain ability to work under the Act on Occupational Health Care (1383/2001) in accordance with good occupational health care practice and together with the occupational health service;

- 4) activities related to a health care appointment provided that the reason for the appointment is the damage or alleged damage referred to in this Act;
- 5) activities related to a health care appointment provided that the reason for the appointment is a sudden illness during the working day, occupational health care provided by the employer under the Act on Occupational Health Care, other obligations arising from work, or the employer's order;
- 6) exercise during working hours if the exercise is approved by the employer and its purpose is to meet specific requirements regarding the employee's physical condition;
- 7) return journey from home or the location of the working area to an event or activity referred to in paragraphs 1-6, as provided in section 23(1); or
- 8) employee's accommodation in conditions of exceptional accident risk provided that the accommodation is necessary for the employee's work and the accident is caused by a factor related to these conditions.

An occupational accident, however, is not considered a patient injury, referred to in the Patient Injury Act (585/1986), that has occurred in connection with examination or treatment referred to in subsection 1, paragraph 5.

Section 25

Accident at home and in the course of work performed in an unspecified place

The provisions laid down in sections 22 and 23 on compensation for accidents that have taken place in the location of the working area, in the course of travel between home and the workplace or during a meal or recreational break will not apply when the employee works at home or in a place other than that provided and specified by the employer.

Chapter 6.

Provisions on occupational disease

Section 26

Occupational disease

Occupational disease refers to an illness that is likely to be primarily caused by the employee's exposure to a physical, chemical or biological agent in the work referred to in section 21, in the location of the working area referred to in section 22, or in the training referred to in section 24(1)(1). If the employee in question is that referred to in section 25, working at home or in a working area other than that provided by the employer, the exposure must be caused by the employee's work assignments.

For an illness to be substantiated as an occupational disease, a medical examination with sufficient information available on the employee's working conditions and exposure at work is required.

Section 27

List of occupational diseases

A Government Regulation lays down provisions on the list of occupational diseases which includes the diseases referred to in section 26 considered to have a likely causal link, as demonstrated by medical examinations, to the physical, chemical or biological agents identified in the Regulation. Compensation is paid for such illnesses as an occupational disease if the employee is shown to have been exposed to the agent referred to in the Regulation in the circumstances referred to section 26 to such an extent that the exposure could be the primary cause of the illness and the illness is clearly not caused by any other reason.

Section 28

Compensation for tendinitis in the upper extremity and humeral epicondylitis as an occupational disease

Notwithstanding the provisions of section 26(1), compensation is paid for tendinitis of fingers, wrist and forearm and humeral epicondylitis as an occupational disease caused by a physical agent, if the employee before the onset of the symptoms has regularly in the course of his or her work performed repetitive motions that strained the upper extremity and were monotonous

or new to the employee. However, the compensation is not paid if the inflammation is caused by factors not related to work.

Section 29

Compensation for carpal tunnel syndrome as an occupational disease

Notwithstanding the provisions of section 26(1), compensation is paid for carpal tunnel syndrome as an occupational disease caused by a physical agent, if before the onset of the symptoms the employee has performed, in the course of his or her work and over a long period of time, repetitive work-related motions constricting the carpal tunnel and requiring significant compression force. Work-related motions constricting the carpal tunnel refer to bent postures of the wrist combined with motions that require the use of compression force. However, the compensation is not paid if the carpal tunnel syndrome is caused by factors unrelated to work.

Section 30

Injury or illness materially aggravated by work

Compensation is paid for material aggravation of an injury or illness, other than those referred to in this Act, as an occupational disease, if it is likely to have been caused primarily by the employee's exposure to a physical, chemical or biological agent as provided in sections 26-29. This is conditional upon the exposure agent being the one that has caused the other injury or illness referred to above. Compensation is paid for the period of material aggravation.

Section 31

Date of manifestation of an occupational disease

The date of manifestation of the occupational disease is the date on which the injured person first sought medical attention due to an illness that was later substantiated as an occupational disease, unless otherwise provided on special grounds.

Section 32

Determination of compensation liability for occupational disease

On the date of manifestation of the occupational disease, if the injured person is no longer performing the work that may have caused the occupational disease, compensation liability is determined on the basis of the work in the course of which exposure primarily occurred. If the origin of primary exposure cannot be settled, the compensation liability is determined on the basis of the work in which the exposure could have last resulted in an occupational disease.

Chapter 7.

Work-related pain, assault and other intentional acts, and mental shock reaction

Section 33

Work-related pain

The provisions on occupational accidents shall also apply to acute muscle or tendon pain that has occurred without an accident when the employee has been performing a straining work-related motion in the course of the work referred to in section 21 or during the exercise referred to in section 24(1)(6) (work-related pain). Compensation is paid until the pain has healed, but not exceeding a period of six weeks from the onset of pain. No compensation is paid if the pain is caused by a previous injury or illness or by tissue damage that can only be attributed to an accident.

Section 34

Damage caused by assault and other intentional acts

Notwithstanding the provisions of sections 21-25 and subsection 3, compensation is paid to the employee for damage caused by assault or by an intentional act committed by another person, if the injured person's work assignment is the reason for the act.

Compensation is not paid under this Act for damage caused by assault or by an intentional act committed by

another person, if the injured person's family relations or other matters related to his or her private life are the main reason for the act.

Compensation is not paid under this Act for damage caused by assault or by an intentional act committed by another person, if the injured person has suffered the assault or act in the course of activities referred to in section 23(2) or section 24(1)(2-8).

Section 35

Mental shock reaction as a result of occupational accident

Compensation is paid to the injured person for a mental shock reaction that has occurred as a result of an occupational accident, subject to the conditions laid down in this section. Compensation is paid for a mental shock reaction in the following cases:

- 1) acute stress reaction developing as a response to an event that has caused exceptional physical or mental strain and involved serious loss of safety or physical integrity, or the threat of losing the same;
- 2) post-traumatic stress disorder developing as a response to a stressful, exceptionally threatening or destructive event that would be likely to cause strong feelings of anxiety in most people; and
- 3) personality change occurring after a destructive experience and developing as a long-term or permanent response to an event that has caused extremely strong mental strain.

Compensation is paid for post-traumatic stress disorder and personality change after a destructive experience provided that the injured person has been diagnosed with symptoms compatible with post-traumatic stress disorder within six months of the event.

Compensation for mental shock reaction is also subject to the provisions that the injured person has been directly involved in the event referred to in subsection 1 and the event is closely and objectively connected to the circumstances referred to in sections 21-25.

However, compensation is not paid for mental shock reaction if the employee has experienced it in the course of activities referred to in section 23(2) or section

24(1)(2-7), unless the matter concerns damage intentionally caused by another person and arising from the injured person's work assignment, referred to in section 34(1).

PART III

BENEFITS

Chapter 8.

Compensation for medical treatment

General provisions

Section 36

Compensation for medical treatment costs

Compensation is paid for the cost of the necessary medical treatment arising from the damage and provided through public health care under the Primary Health Care Act (66/1972), the Act on Specialized Medical Care (1062/1989) or the Health Care Act (1326/2010) or as a service referred to in the Act on Private Health Care (152/1990) or by a health care professional referred to in the Act on Health Care Professionals (559/1994) as provided hereinafter.

The provisions on the right to receive medical treatment and the liability to organise the provision of medical treatment are given in other acts.

Section 37

Compensable medical treatment

Compensation is paid for the following medical treatments:

- 1) emergency care, examination, diagnosis and treatment of the injury or illness provided or prescribed by a physician or a dentist or another licensed health care professional or, within his or her competence, a person who is entitled to perform the tasks of a licensed professional;
- 2) medications and treatment supplies;
- 3) medical rehabilitation provided as medical treatment; Medical rehabilitation provided as medical treatment includes:

- 1) rehabilitation counselling and rehabilitation guidance;
- 2) assessment of functional ability and ability to work and rehabilitation needs;
- 3) rehabilitation examination to establish the patient's rehabilitation options;
- 4) therapies aimed at improving and maintaining functional capacity and other necessary measures to promote rehabilitation;
- 5) medical rehabilitation aids, including fitting, modification, trial, teaching the use of and monitoring of rehabilitation aids, transport of rehabilitation aids on reasonable grounds, and maintenance and repair of rehabilitation aids;
- 6) adaptation training;
- 7) episodes of rehabilitation in institutional or outpatient care consisting of the measures referred to in paragraphs 1-6.

Medical rehabilitation aid refers to a standard-level appliance, device, supply, programme or a similar solution that supports, maintains or improves the injured person's ability to work or functional ability in the activities of daily living or prevents deterioration of the ability to work or functional ability. However, compensation can be paid for the cost of aids that are above the standard level if their use enables the restoration of the ability to work or materially reduces the need for personal assistance.

Further provisions on the meaning of measures, services and aids covered by medical treatment in this section may be given by a decree of the Ministry of Social Affairs and Health.

Section 38

Compensable examination costs

Compensation is paid for the costs of a medical appointment necessary for the damage to be investigated and of the examination performed and prescribed by the physician, even if there is no compensation due for the damage under this Act. In addition, compensation is paid for the necessary costs of obtaining information on the working conditions in order to determine if the

employee's illness is work-related. The provisions laid down in sections 36 and 37 apply to medical appointments and the examination performed and prescribed by the physician.

Compensation for medical treatment provided through public health care

Section 39

Compensation for medical treatment costs incurred by the injured person

The injured person is compensated for the client fee applicable to medical treatment provided through the public health care system under the Act on client fees in social welfare and health care (734/1992), hereinafter referred to as the Client Fees Act.

If a service voucher referred to in the Act on social and health care service vouchers (569/2009) has been provided for the purpose of medical treatment, the injured person is compensated for the customer's responsibility referred to in section 3(4) of the said Act

Section 40

Right of municipalities or joint municipal authorities to claim the fee for the actual cost of medical treatment

If the injured person is entitled to claim compensation for medical treatment, the insurance institution shall pay the fee for the actual cost of medical treatment to the municipality or the joint municipal authority providing the treatment. This is conditional upon the public health care unit that provided the medical treatment to have complied with its reporting requirement laid down in section 41.

The fee for the actual cost of medical treatment is not paid for long-term institutional care arising from the damage. Long-term institutional care refers to treatment and care administered after the therapeutic effect of the treatment of the injury or illness has been achieved but no later than when a permanent disability can be determined. Institutional care cannot be considered long-term until the treatment has continued for an uninterrupted period of at least three months.

The fee for the actual cost of medical treatment is equal to the amount that the municipality or joint municipal authority responsible for the provision is required to compensate under section 58 of the Health Care Act for the cost of treatment of a patient who is not a resident of the municipality operating the unit or of a member municipality of the joint municipal authority for the hospital district, less the client fee paid under the Client Fees Act by the injured person for the care. If a service voucher referred to in section 39(2) has been given for the medical treatment, the fee for the actual cost of medical treatment shall be equal to its value.

Section 41

Public health care unit's reporting requirement

Notwithstanding the provisions on secrecy and other restrictions on access to information, in order for compensation to be paid for the fee for the actual cost of medical treatment, the public health care unit shall furnish the insurance institution with the necessary information on the treatment appointments, referred to in section 12 of the Act on the Status and Rights of Patients (785/1992), in order for the compensation liability referred to in this Act to be investigated and the fee for the actual cost of medical treatment to be paid. The information shall be made available without delay after the injured person has sought medical treatment due to the claim event. The insurance institution shall be informed concurrently of the employer in whose service the claim event was reported to have occurred. The information may also be included in the report referred to in subsection 2.

If, in the course of seeking treatment or during a subsequent treatment visit, a decision is made concerning a measure for which a plan, referred to in section 4a of the Act on the Status and Rights of Patients, is drawn up or a decision on a measure is made in another manner, the health care unit shall send the same to the insurance institution within four working days from the date on which patient document entries are to be recorded pursuant to the provisions of the Act on the Status and Rights of Patients. If a plan has not been

drawn up, the insurance institution must be sent the medical statement or the medical report describing the terminated treatment. If the municipality or the joint municipal authority is planning to organise the treatment as an outsourced service or using a service voucher, the insurance institution shall be informed of this concurrently. If it is not possible to send the report in the above period of time due to a major accident, disease outbreak or other comparable force majeure, the report shall be made as soon as the said impediment has ceased. The reporting requirement provided above in subsection 2 does not apply to the following:

- 1) urgent medical treatment, meaning the need for immediate treatment assessment and treatment that cannot be postponed without substantial aggravation of the injury or illness;
- 2) appointment at a public health care unit and an X-ray examination, ultrasound examination and other comparable minor examination and medical interventions carried out during the appointment.

Section 42

Right of the insurance institution to designate a treatment unit for the injured person

The insurance institution is entitled to use a payment commitment to designate a treatment unit for the injured person for the treatment referred to in section 41(2). The treatment unit must be able to provide the injured person with the treatment required by the damage to be compensated.

The injured person shall be issued a decision on the payment commitment promptly and a notice of the same shall be given to the health care unit that submitted the treatment notification to the insurance institution, and to the public health care unit where the injured person has been transferred or is due to be transferred for treatment in accordance with the aforementioned notification.

If the treatment is given in a public health care unit, even when the insurance institution has used a payment commitment to designate a private health care unit for the injured person, the insurance institution is only

obliged, notwithstanding the provisions of section 40, to compensate for the client fee referred to in section 39(1).

Compensation for medical treatment provided through private health care

Section 43

Compensation for the cost of medical treatment provided through private health care

The injured person is compensated for the cost of medical treatment which has been given, avoiding unnecessary costs, as a service under the Act on Private Health Care or as a service provided by a health care professional referred to in the Act on Health Care Professionals (private health care), as provided in sections 44 and 45.

Section 44

Compensation for the cost of medical treatment without a payment commitment

Without a payment commitment, the injured person is compensated for the medical treatment provided through private health care in the case of:

- 1) urgent medical treatment, meaning the need for immediate treatment assessment and treatment which cannot be postponed without substantial aggravation of the injury or illness;
- 2) appointment and an X-ray examination, ultrasound examination and other comparable minor examination and medical intervention carried out during the appointment, at a cost of up to EUR 300.

Notwithstanding the provisions on secrecy and other restrictions on access to information, the private health care provider shall furnish the insurance institution with the necessary information referred to in section 12 of the Act on the Status and Rights of Patients (785/1992) on the treatment appointment referred to in subsection 1.

Section 45

Compensation for the cost of medical treatment requiring a payment commitment

Compensation is paid for the costs incurred by the injured person in relation to a treatment other than that referred to in section 44 and provided by a private health care service, provided that the insurance institution has issued the injured person a payment commitment for the treatment. The insurance institution is entitled to use a payment commitment to designate a treatment unit for the injured person. The treatment unit must be able to provide the injured person with the treatment required by the damage to be compensated.

If the treatment referred to in subsection 1 is to be provided by a treatment unit other than that designated in the payment commitment or the insurance institution has not issued a payment commitment under subsection 1, the compensation paid to the injured person may not exceed the client fee which the injured person would have been liable to pay under the Client Fee Act for an equivalent treatment provided by public health care.

Prior to commencing treatment, the provider of private health care shall inform the injured person seeking treatment of the requirement for a payment commitment and submit to the insurance institution the plan accompanying the request for a payment commitment, referred to in section 4 of the Act on the Status and Rights of Patients.

Compensation for medical treatment provided abroad

Section 46

Compensation for medical treatment provided in the European Union

In addition to section 36, the provisions of the EU social security regulations apply to the compensation for costs of medical treatment provided in another Member State of the European Union.

Section 47

Compensation for the cost of medical treatment provided in a third country

The injured person is compensated for the cost of medical treatment that has been provided, avoiding unnecessary costs, in a third country. Compensation is

paid for costs provided that the insurance institution has issued the injured person a payment commitment for treatment.

The injured person shall be compensated for the costs of medical treatment provided without a payment commitment in the case of:

- 1) urgent medical treatment, meaning the need for immediate treatment assessment and treatment which cannot be postponed without substantial aggravation of the injury or illness;
- 2) appointment and an X-ray examination, ultrasound examination and other comparable minor examination and medical intervention carried out during the appointment.

If the insurance institution has not issued a payment commitment and the medical treatment does not comply with the provisions of subsection 2, the compensation paid to the injured person may not exceed the client fee which the injured person would have been liable to pay under the Client Fee Act for an equivalent treatment provided by public health care.

Compensation for pay for periods of examination and physiotherapy

Section 48

Compensation for pay for the period of examination

Employees are compensated for the loss of earnings for a maximum of seven days for the period of examination referred to in section 38 and for the inability to work caused by the same. The amount of the compensation equals the amount the employee would have received in pay for the period of examination and for the inability to work caused by the same. For this period, employers are compensated the amount of which equals the employee's pay.

If the damage later proves to be compensable and the injured person is paid compensation for the loss of earnings pursuant to Chapter 10 for the period laid down in subsection 1, the compensation referred to in subsection 1 is deducted from the loss of earnings compensation.

Section 49

Compensation for pay for a period of physiotherapy

Under section 37, the injured person is paid a compensation for loss of earnings for a maximum of 30 days per calendar year for a period of physiotherapy. No compensation is paid for days for which the injured person receives the loss of earnings compensation in accordance with Chapter 10. The amount of the compensation equals the amount the injured person would have received in pay for the period of physiotherapy. For this period, employers are paid compensation, the amount of which equals the injured person's pay.

Chapter 9.

Compensation for other costs

Section 50

Compensation for travel and accommodation costs

The injured person is compensated for the necessary travel costs arising from medical treatment referred to in section 37. The necessary travel costs refer to the cost of a return journey using public transport to a treatment unit which is either the nearest or the one designated in the payment commitment. If a private car is used for the journey, the injured person is paid compensation as travel costs for half of the tax-free mileage allowance annually confirmed by the Tax Administration.

The injured person is compensated for the costs other than those incurred by use of the vehicle referred to in subsection 1 if the injury or illness of the injured person or the transport conditions require the use of the vehicle in question.

Compensation is paid for the necessary accommodation costs incurred by the injured person if the injured person is required to stay overnight during a journey compensable under this Act for reasons attributable to examination, medical treatment or transport conditions.

Compensation is paid for the travel and accommodation costs incurred by an escort in accordance with

subsections 1-3 as part of the injured person's travel costs if the escort was necessary during the journey.

Section 51
Care allowance

The injured person is paid a care allowance if he or she is in need of care, assistance, supervision or guidance due to injury or illness. If the need is regular or nearly regular in some everyday activities, a basic care allowance of EUR 8.70 per day is paid. If the need is regular and daily, an increased care allowance of EUR 19.55 per day is paid. If the need is continuous, time-consuming and daily, the maximum care allowance of EUR 23.41 per day is paid.

A blind person is paid the maximum care allowance for a period of two years from the time blindness occurred and half of this amount after that.

The care allowance is, however, not paid for a period during which the injured person is treated in a hospital or other institution.

Section 52
Clothing supplement

A clothing supplement is paid to the injured person if he or she as a result of the damage uses an aid made of soft materials, a support or dressing for the body to be used in a small area or any other aid or appliance that is likely to cause wear and tear of clothing. The clothing supplement amount is EUR 0.58 per day.

The injured person is paid an increased clothing supplement if he or she has had, as a result of the damage, double amputation or he or she uses a thigh or leg prosthesis, long support bandage for a lower extremity, body support vest or corset made of a hard material or any other aid or appliance which, due to its structure, purpose or high usage is likely to cause exceptional wear and tear of clothing comparable to those referred to above. The amount of increased clothing supplement is EUR 2.31 per day.

Section 53

Compensation for additional housekeeping costs

An injured person who, as a result of the damage, is unable to perform housekeeping is paid a reasonable compensation for the unavoidable additional costs of housekeeping, however not exceeding a period of one year from the occurrence of the claim event. In assessing reasonableness, the starting point is the fee charged for a corresponding service in accordance with the provisions of the Client Fee Act.

Housekeeping refers to house cleaning, laundry, shopping, child care and other such routine maintenance at home.

Section 54
Compensation for certain personal objects

The injured person is compensated for spectacles, hearing aids, dentures, orthopaedic dressings, back braces and artificial limbs, joints and organs used by the injured person and damaged in connection with the claim event. In addition, the injured person is compensated for torn clothes or broken rings during medical treatment.

Chapter 10.

Compensation for the loss of earnings

General provisions

Section 55

Compensation for the loss of earnings

Compensation for the loss of earnings under this Act refers to the daily allowance, worker's compensation pension and rehabilitation allowance.

Daily allowance

Section 56

Right to claim daily allowance

The injured person is entitled to claim a daily allowance for one year from the date of the claim event if, due to

the damage, he or she is incapable of performing his or her work in part or in full.

The injured person, however, is not entitled to claim the daily allowance if his or her ability to perform his or her work has deteriorated by less than 10 per cent. The allowance cannot be granted unless the injured person's earnings have reduced by at least a twentieth of the minimum annual earnings referred to in section 79.

The daily allowance is paid for each calendar day, excluding the date of the claim event. Daily allowance is only paid, however, if the injured person has been partially or completely incapable of performing his or her own work for a period of at least three consecutive days, excluding the date of the claim event.

If at the time of manifestation of the occupational disease the injured person was claiming an old-age or disability pension, and the exposure occurred before retirement, the right to claim a daily allowance shall be assessed on the basis of the work which the injured person performed last before retirement. In this case, by derogation from section 58, the amount of the allowance is based on the annual earnings determined in accordance with section 74.

Section 57

Daily allowance on the basis of partial disability

If the injured person is partially unable to perform his or her work, the daily allowance shall correspond to a proportion, determined by deterioration of the ability to work, of the full amount of the daily allowance referred to in sections 58-60, subject to the provisions of section 58. The relative proportion of deterioration of the ability to work is rounded to the nearest five per cent.

Deterioration of the ability to work is determined by identifying causality between the injured person's loss of earnings and the claim event.

Section 58

Daily allowance determined on the basis of pay earned during the sick leave

The daily allowance equals the pay earned during the sick leave for a maximum period of 28 days from the date of the claim event, excluding the date.

The daily allowance is determined on the basis of the injured person's earnings for 28 days immediately prior to the date of the claim event or, if the employment relationship has continued for a shorter period of time, during the employment relationship if:

- 1) the injured person was not paid during sick leave;
- 2) only part of the pay was earned during sick leave; or
- 3) pay during sick leave was earned for shorter working hours due to lay-off or other similar reason.

If the injured person has two or more jobs on the date of the claim event, the daily allowance is determined separately on the basis of each employment relationship. If the injured person also performs work insured under the Farmers' Accident Insurance Act or other self-employed work insured under this Act, with respect to these the daily allowance shall correspond to 1/360 of the annual earnings determined for the insurance coverage taken under the Farmers' Accident Insurance Act or the voluntary working hours insurance under this Act on the date of the claim event. The daily allowance is the aggregate amount of the aforementioned daily allowances.

Section 59

Daily allowance based on annual earnings

The daily allowance shall be based on annual earnings after 28 days have elapsed from the date of the claim event, excluding the date. The daily allowance based on annual earnings corresponds to 1/360 of the injured person's annual earnings under sections 71-78.

Section 60

The minimum daily allowance amount

If the full daily allowance determined in accordance with sections 58 or 59 is lower than it would be on the basis of the minimum annual earnings under section 79, the daily allowance shall be paid on the basis of the minimum annual earnings. The daily allowance,

however, will not be increased if the injured person at the time of the claim event was receiving old-age or disability pension, with the exception of the cases referred to in section 56(4).

Section 61

Reducing the daily allowance due to the injured person's contribution

The daily allowance may be reduced if the main reason for the claim event was the injured person being: 1) under the influence of alcohol or narcotics or abusing medication; 2) guilty of intentionally or grossly negligent conduct at work in violation of safety regulations; or 3) guilty of any other conduct, where there has been gross negligence or criminal activity.

The assessment of the conditions and the amount of the reduction will take into account whether the reduction can be regarded as reasonable considering the nature of the injured person's injury or illness caused and other particularly compelling reasons. The reduction may not exceed half of the amount of the daily allowance.

Section 62

Deducting employee payments from the daily allowance

60 per cent of the total amount made up by the daily allowance portion of the health insurance referred to in Chapter 18, section 21(1) of the Health Insurance Act (1224/2004), the earnings-related pension contribution for those under 53 years of age referred to in section 153(1) of the Employees Pensions Act, and the unemployment insurance contribution referred to in section 18(1) of the Act on the financing of unemployment benefits (555/1998) is deducted from the daily allowance.

No deduction is made from a daily allowance which is: 1) paid to the employer; 2) based on the self-employed person's annual earnings or on work insured under the Farmers' Accident Insurance Act, 3) based on the minimum annual earnings referred to in section 79.

The provisions of subsections 1 and 2 on the daily allowance also apply to the rehabilitation allowance which corresponds to the amount of daily allowance

Workers' compensation pension

Section 63

Right to claim a workers' compensation pension

The injured person is entitled to claim a workers' compensation pension after one year from the date of the claim event, if his or her ability to work is assessed to have deteriorated by at least 10 per cent due to the injury. The allowance cannot be granted unless the injured person's earnings have reduced by at least a twentieth of the minimum annual earnings referred to in section 79. The assessment of deterioration of the ability to work takes into account the injured person's remaining ability to earn income in such available work that the injured person reasonably can be expected to perform. In this case, the injured person's education, previous activities, age, place of residence and other comparable factors are taken into account.

The causality between earnings and the claim event is investigated in determining deterioration of the ability to work. When comparing the injured person's earnings after the claim event and the injured person's annual earnings, the latter is adjusted to the level of the reference period, using the wage coefficient referred to in section 96 of the Employees Pensions Act.

Section 64

Workers' compensation pension on the basis of partial disability

If the injured person's ability to work has partially deteriorated, the workers' compensation pension shall correspond to the proportion of the pension amount under section 66, relative to deterioration of the ability to work. The relative proportion of deterioration of the ability to work is rounded to the nearest five per cent.

Section 65

Granting the workers' compensation pension for a fixed period or indefinitely

The workers' compensation pension is granted either for a fixed period as provided in section 136 or indefinitely. The workers' compensation pension may not be granted indefinitely before the need and opportunities for rehabilitation have been investigated.

Section 66

Amount of the workers' compensation pension

The maximum workers' compensation pension is 85 per cent of the annual earnings in accordance with sections 71-79 until the injured person turns 65 years of age, after which it will be 70 per cent of the annual earnings, however, subject to a one-time increase pursuant to section 67.

The workers' compensation pension is adjusted each calendar year using the earnings-related pension index referred to in section 98 of the Employees Pensions Act.

Section 67

One-time increase of the workers' compensation pension

The basic amount of the workers' compensation pension payable is increased at the beginning of the calendar year by which five years have elapsed from the beginning of the calendar year following the year in which the accident occurred (the year of increase).

The increase percentage is determined by the injured person's age at the beginning of the year of increase. The rate of increase is 16 per cent, provided that the injured person is under 31 years of age at the beginning of the year of increase. The rate of increase decreases by 0.457 percentage points per each year over 30 years of age, so that the rate of increase is 0.462 per cent if the injured person is 64 years of age at the beginning of the year of increase.

The increase is not carried out if the injured person is over 64 years of age at the beginning of the year of increase.

Section 68

The right to claim workers' compensation pension on the basis of a claim event that occurred during old-age pension entitlement

If old-age pension has been received since the injured person reached 63 years of age and the claim event occurred in work which the injured person was performing during retirement, the right to claim a workers' compensation pension shall cease when three years have elapsed from the date of the claim event or, if earlier, when the injured person reaches 68 years of age.

Rehabilitation allowance

Section 69

Rehabilitation allowance

The injured person has the right to claim a rehabilitation allowance during vocational rehabilitation pursuant to sections 89 and 90. The injured person is not entitled to claim daily allowance or workers' compensation pension for this period.

The rehabilitation allowance corresponds to the full amount of the daily allowance for one year from the date of the claim event, irrespective of any deterioration of the ability to work. After that, the rehabilitation allowance shall correspond to the full amount of a workers' compensation pension, irrespective of any deterioration of the ability to work. However, if rehabilitation does not prevent the injured person from engaging in suitable gainful employment, the rehabilitation allowance is determined in accordance with sections 56 and 57 or sections 63 and 64.

The amount of the rehabilitation allowance also corresponds to that referred to in subsection 2 during a holiday included in the curriculum of the training pursuant to section 89(3)(4).

Compensation for a student's loss of earnings during impediment to studies

Section 70

Impediment to full-time studies

If the claim event happens to a full-time student, the daily allowance pursuant to section 59 or the workers' compensation pension are paid for full disability if the injury primarily impedes studies. The daily allowance or the workers' compensation pension corresponds to half of the compensation for loss of earnings in accordance with disability if the injury significantly limits studies. If the daily allowance or the workers' compensation pension is paid under subsection 1, compensation will not be paid for loss of earnings from work performed during studies.

Determination of annual earnings

Section 71

Annual earnings

The annual earnings are considered to be the injured person's annualised earnings at the time of the claim event. Earnings are calculated on the basis of the earnings from the employment relationships, valid at the time of the claim event, for a period of one year preceding the claim event, based on the earnings received.

If the earnings calculated in accordance with subsection 1 differ by at least 20 per cent from the average earnings received in the three years preceding the claim event (reference period), the annual earnings are considered to be the average value calculated on the basis of the earnings received for the reference period and the earnings calculated pursuant to subsection 1.

The reference period earnings are taken into account as they would be without any extraordinary reasons affecting their amount, and the annual earnings are increased to the level of the year when the claim event occurred using the wage coefficient referred to in section 96 of the Employees Pensions Act. An exceptional reason refers to family leave, job alternation leave, military or civil military service, part-time retirement, sick absence, temporary unemployment and other reasons temporarily affecting the earnings. Unemployment is not considered to be temporary with respect to the least amount of unemployment which the

injured person had in each of the three calendar years preceding the claim event.

Section 72

Annual earnings determined on the basis of a permanent change

The annual earnings are determined under subsection 2 of this section if the difference in the earnings referred to in section 71 is caused by a change that has been assessed to be permanent. The assessment of a permanent change takes into account the duration of work performed by the injured person at the time of the claim event and how likely such work is to continue as well as other factors affecting the continuity of earnings. The annual earnings determined on the basis of a permanent change are calculated under section 71(1) for the year preceding the claim event based on received earnings. However, if to a major extent these earnings are based on commission pay, the annual earnings are assessed to a level matching the average annual earnings of a person performing similar work.

Section 73

Annual earnings on the basis of a claim event that occurred during old-age pension entitlement

If the injured person has claimed an old-age pension since he or she reached 63 years of age and the claim event occurred during work which the injured person was performing during retirement, the annual earnings are annualised to correspond to such earnings at the time of the claim event, which he or she could be estimated to be likely to receive continuously.

The determination of the annual earnings takes into account the nature, duration and earnings of the work performed during the old-age pension entitlement, continuation of the work, and other factors affecting the continuity of work while claiming an old-age pension.

Section 74

Annual earnings in the event of an occupational disease during retirement

If a person is receiving old-age or disability pension at the time of the manifestation of the occupational disease and the exposure occurred before retirement, the date of the claim event is considered to be the retirement date for the purpose of determining the annual earnings. Earnings are adjusted to the index level of the year of the manifestation of the occupational disease using the wage coefficient referred to in section 96 of the Employees Pensions Act.

Section 75

Adding self-employed person's confirmed income to the annual earnings

If at the time of the claim event the injured person also performed self-employed work covered by a voluntary insurance policy pursuant to sections 188-190, the confirmed income under the said insurance policy is added to the annual earnings.

If at the time of the claim event the injured person also performed work insured under the Farmers' Accident Insurance Act, the confirmed income under the said Act is added to the annual earnings.

Section 76

Annual earnings of full-time vocational students

If at the time of the claim event the injured person is engaged in full-time vocational studies, the annual earnings are considered to be the earnings which he or she would probably receive after three years of work experience in a job corresponding to his or her qualifications.

The annual earnings referred to in subsection 1 are used for annual earnings also when the claim event occurs within a year of the completion of studies referred to in the said subsection and the injured person's earnings at the time of the claim event remain below the annual earnings referred to in subsection 1.

Section 77

School children's annual earnings

The annual earnings of an injured person engaged in education provided under the Basic Education Act (628/1998) and the Upper Secondary Schools Act (629/1998) are considered to be at least twice the amount of the minimum annual earnings, laid down in section 79, at the time of the claim event.

Section 78

Young person's annual earnings

The injured person's annual earnings are considered to be the earnings which he or she would probably receive after three years of work experience in a job he or she was performing at the time of the claim event, provided that: 1) section 76 cannot be applied to the injured person; 2) the injured person has completed education pursuant to the Basic Education Act no later than five years before the date of the claim event; and 3) the injured person does not have established earnings due to unemployment, temporary nature of work, or some other similar reason.

Section 79

Minimum annual earnings

If the annual earnings determined under the provisions of this Chapter are less than EUR 13,680, they shall be increased to EUR 13,680. The annual earnings, however, are not increased if the injured person in the event of the claim event has been claiming an old-age pension or disability pension, with the exception of persons claiming an old-age or disability pension to whom the provisions of section 74 are applied.

Section 80

Authority to issue decrees

Further provisions on the determination of the annual income are given by government decree.

Earnings determining the compensation for loss of earnings

Section 81

Earnings determining the compensation for loss of earnings

The determination of the earnings on which the compensation for loss of earnings is based takes into account pay, performance bonus or other remuneration that is paid or agreed to be paid as compensation for work. Such remuneration shall be considered earnings, even when it is paid to the employee by a bankruptcy estate, an authority in charge of pay security referred to in the Pay Security Act (866/1998) or another payer instead of the employer. The earnings also include remuneration paid for work which has been agreed in part or in whole for compensation by:

- 1) service charges or donations received from the public, which are taken into account as the amounts they were declared in the last completed tax return, if no other reliable evidence of their amount is presented;
- 2) the allowance paid by the contributory sickness fund referred to in the Insurance Fund Act (1164/1992), which the employee receives instead of the pay laid down in legislation or collective agreement or other agreement; or
- 3) the private care allowance paid in accordance with the Act on child home care and private care allowance (1128/1996) or similar other allowance, paid by the state or a municipality

Fringe benefits are not taken into account in determining the daily allowance under section 58(2).

The remuneration referred to in subsection 1 does not include, inter alia:

- 1) employee benefit received from the employer;
- 2) interest benefit from a loan received on the basis of the employment relationship;
- 3) benefit from the employee's right to subscribe to shares or holdings in corporate bodies for less than their market value, if the benefit is available to the majority of the employees;
- 4) benefit from using the employee share option referred to in section 66(3) of the Income Tax Act (1535/1992) or payment based on the employment relationship that is determined on the basis of a change in value of the company's shares;

5) bonus given as shares of the employing company or a company belonging the same group or to another similar financial consortium that is listed in a stock exchange supervised by an authority, or as investment deposit or in any other similar manner or, instead of shares, partly or wholly in cash, provided that the value of such benefit received as a fee depends on the development of the share value over a minimum period of one year after the fee has been promised.

6) daily allowance received for a business trip or other compensation for costs;

7) pay for waiting time referred to in Chapter 2, section 14(1) of the Employment Contracts Act.

8) compensation for the termination of an employment contract or other compensation for damages;

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

10) the personnel fund contributions and their supplements, referred to in the Act on Personnel Funds, which have been withdrawn in cash under section 37 of the Act on Personnel Funds as fees determined in accordance with the rules of the fund, provided that the contribution has been calculated on the basis of the company's profitability or other criteria measuring the performance of the company's operations or in accordance with a performance-related pay system adopted by a government agency or municipality.

11) contributions that are paid to the employee, based on a decision by the annual general meeting, as distribution of profits or in cash as profit bonuses, provided that the cash profit bonus is paid to all employees and it is not intended to replace the pay system laid down in the collective agreement or employment contract, and that the cash fees are determined in accordance with paragraph 10 and section 2, paragraphs 2 and 3 of the Act on Personnel Funds, and that the company's unrestricted equity is greater than the combined cash profit bonus, decided by the annual general meeting, and the dividends paid to shareholders;

12) profit share or dividend withdrawn by a company shareholder.

In the situation referred to above in subsection 3, paragraph 11, the further conditions are that a contract binding the employer has not been concluded concerning the payment of a cash bonus, and that the shareholders make a binding decision regarding the payment of a cash bonus in the annual general meeting at the end of the financial year, and that the profit bonuses are paid after this. A further condition is that the issue will be treated in accordance with the Act on Co-operation within Undertakings (334/2007) or in a similar manner.

Section 82

Earnings from work that falls outside the scope of this Act

Earnings defined in section 81 and received from work other than that falling within the scope of application of this Act are taken into account in determining the annual earnings and the reduction in earnings, however, excluding the earnings referred to in section 12 received from sports.

Chapter 11.

Compensation for functional limitation

Section 83

Compensation for functional limitation

Compensation for functional limitation is paid to an injured person who suffers a general permanent functional limitation as a result of an injury or illness caused by a claim event. Compensation for functional limitation does not compensate for deterioration of the ability to work caused by the claim event, costs arising from the need of care or assistance, or other injuries for which separate provisions on compensation are laid down in this Act.

General functional limitation refers to deterioration of functional ability caused by the claim event (functional limitation). Functional ability is compared to that of a healthy person of the same age. In this case, the injury or illness, taking into account its nature and degree of severity, is assessed in terms of the constraints it

generally causes in everyday life. The assessment of functional ability does not take into account the injured person's occupation, living and housing conditions or other individual circumstances. The assessment of functional ability does take into account improvement in functional ability achieved through the use of an artificial joint, prosthetic or other aids. A functional limitation is considered permanent when based upon medical probability the condition of the injury or illness will no longer improve, however, assessment should happen no earlier than one year after the date of the claim event.

For the purpose of assessing the degree of general functional limitation, the disabilities caused by different injuries and illnesses are considered proportionally by classifying them into 20 disability categories based on their medical characteristics and degree of severity. The disability categories are determined by using labels that describe as closely as possible one or more injuries or illnesses, or more general labels describing a functional limitation of an extremity, sense or other functional entity, or labels describing general functional limitation resulting from an injury or illness. Unless otherwise specified in the disability category criteria, the category includes pain normally associated with the disability or illness according to general medical experience.

Section 84

Determination of disability category

The disability category is determined by identifying in the disability classification a label describing as closely as possible one or more injuries or illnesses and the corresponding disability category. If an appropriate label does not exist or if the disability category using a certain label does not correspond to the actual disability due to the special characteristics, extent or degree of the injury or illness, the disability category is determined on the basis of a more general label describing the functional limitation of the entire extremity, sense or other functional entity. The disability category can be determined in the above-described manner also when a

number of injuries or illnesses affect the same extremity, sense or other functional entity.

The disability category is increased if specific pain causes more severe functional limitation than the characteristics of the injury or illness normally would otherwise.

On the basis of moderate pain, the disability category is increased by at least one, and no more than two categories. On the basis of severe pain, the disability category can be increased even more. The category is not increased if pain can be considered otherwise as a factor affecting the disability category in accordance with an applicable label.

The disability category is increased, taking into consideration the characteristics and degree of the injuries and illnesses, if the injury or illness compensable under this Act affects an organ or function which had exceptional importance to the injured person already before the claim event due to an earlier injury or illness.

The disability categories of two or more injuries or illnesses are combined to determine the overall disability using the following formula:

$$K = A + B - \frac{A \times B}{20}$$

In the formula, K represents the overall disability category, A represents a higher and B a lower or same-level category. The combined disability category of three injuries and illnesses is calculated so that A is the disability category combining two injuries and illnesses in the above-described manner and B is the lowest or the third same-level disability category. If there are more than three injuries or illnesses, the calculation is repeated in the same manner, B always representing the next lowest disability category. In the formula, the figure representing the disability category is rounded to the nearest whole number.

The aforementioned formula laid down in subsection 4 is not used in combining disability categories for injuries and illnesses that affect the mutually compensatory

organs of which there are two of each, or both the sense of sight and hearing.

If the disability cannot be determined using the descriptions laid down in this section or the disability category thus determined materially differs from the disability caused by the claim event when assessed on the basis of general functional limitation, the disability category shall be assessed on the basis of the general functional limitation. The overall disability resulting from the claim event cannot be greater than 20.

Section 85

Disability classification

Further provisions regarding the assessment of disability caused by injuries and illnesses and the disability categories are given in a disability classification issued by government decree.

Section 86

Amount of compensation for functional limitation

The amount of the compensation for functional limitation is determined on the basis of the disability category of the injury or illness, based on the basic amount of EUR 12,440, according to the table below.

| Disability category | The percentage of the basic amount |
|----------------------------|---|
| 1 | 1.15 |
| 2 | 2.27 |
| 3 | 3.36 |
| 4 | 4.42 |
| 5 | 5.45 |
| 6 | 6.45 |
| 7 | 7.42 |
| 8 | 8.36 |
| 9 | 9.27 |
| 10 | 10.15 |
| 11 | 13 |
| 12 | 16 |
| 13 | 19 |
| 14 | 22 |
| 15 | 25 |

| | |
|----|----|
| 16 | 32 |
| 17 | 39 |
| 18 | 46 |
| 19 | 53 |
| 20 | 60 |

Section 87

Payment of compensation for functional limitation

The compensation for functional limitation is paid as a lump sum for the injuries and illnesses in disability categories 1-5. The compensation for functional limitation is paid as a continuous provision for the injuries and illnesses in disability categories 6-20.

In the case of injuries and illnesses which, according to medical experience, are characterised by rapid deterioration leading to death, the amount of the compensation for functional limitation equal to that of category 10 is paid as a lump sum. If the disability category is higher than 10, continuous compensation for functional limitation is paid in accordance with the category which, according to medical experience, is foreseeable taking into account the deterioration of the injury or illness. The capital value of the lump sum of the compensation for functional limitation is not deducted from continuous compensation for functional limitation.

The lump sum of the compensation for functional limitation is considered capital that is equivalent to the level of the capital value of the compensation for functional limitation, taking into account the injured person's average remaining life expectancy estimated on a statistical basis at the time of the claim event.

The calculation of capital value is based on estimates made on the basis of public statistics for the expected remaining lifetime of persons belonging to each age and birth year group. The interest rate in the calculation of capital values is the estimated future long-term risk-free interest. Further provisions on the determination of the capital value of the lump sum of compensation for functional limitation are given by a Decree of the Ministry of Social Affairs and Health for a maximum period of three calendar years.

If the disability category subsequently increases by at least one category due to the aggravation of the injury or illness, compensation for functional limitation is paid in accordance with the changed circumstances. In such cases, however, an amount of compensation for functional limitation equal to the capital value previously paid out is deducted from subsequent compensation for functional limitation, with the exception of the derogation referred to in subsection 2. If the disability category of the continuous compensation for functional limitation subsequently decreases by at least one category, the compensation for functional limitation is paid in accordance with the changed circumstances from the date on which the change has been reliably shown to have occurred.

Chapter 12.

Compensation for rehabilitation

Section 88

General conditions for rehabilitation

Compensation for the costs of rehabilitation are paid to the injured person, whose ability to work or functional ability or opportunities for earning a living have deteriorated because of the damage. Compensation for the cost of rehabilitation is also paid if it is probable that the injured person's ability to work or functional ability or opportunities for earning a living could deteriorate later materially.

Section 89

Vocational rehabilitation

The injured person is compensated for reasonable costs of vocational rehabilitation involving measures, required as a result of the damage, to help the injured person continue in his or her previous work or occupation, or to transfer to new work or an occupation which can become the injured person's main source of earnings despite the limits imposed by the injury or illness.

The assessment of the need for rehabilitation takes into account the injured person's age, occupation, previous activities, education, housing conditions, limitations caused by the injury or illness and the injured person's chances of securing work or an occupation in the labour market at the end of the rehabilitation under generally accepted terms.

The measures referred to in subsection 1 are:

- 1) investigations to establish the need and opportunities for rehabilitation
- 2) work and training trials;
- 3) job coaching in the former or new work;
- 4) education and training appropriate for the work or occupation, and the basic training to complete such education and training;
- 5) grant or interest-free loan for the acquisition of equipment and machinery and the creation or modification of the injured person's own business in order to support the ability to pursue a trade or occupation
- 6) aids and equipment for the use of the injured person and similar structures necessary for performing work assignments, taking into account the functional limitations caused by the injury or illness;
- 7) grant or interest-free loan to acquire a vehicle for commuting between home and work, if the vehicle is necessary due to the limited ability to use public transport as a result of the injury or illness;
- 8) costs of studying and learning tools for the education and training defined in paragraph 4.

The time taken to investigate the need and opportunities for rehabilitation and the time taken to wait for the beginning of rehabilitation are also included in vocational rehabilitation, when such periods of time arise from the measures listed in subsection 3.

Further provisions on the compensation for costs arising from training and education and learning tools are given by government decree.

Section 90

Vocational rehabilitation abroad

The provisions provided by section 89 also apply to vocational rehabilitation given in another European Union Member State.

Vocational rehabilitation referred to section 89 given in a third state is compensable only if the rehabilitation could not be provided in Finland or there is another special reason for providing it abroad.

Compensation is paid for the costs of vocational rehabilitation given abroad up to the amount for which compensation would be paid if the rehabilitation were provided in accordance with this Act in Finland. If the injured person has received compensation abroad for the same costs of rehabilitation for which he or she would be entitled to receive as compensation in Finland, the injured person is paid compensation under this Act only insofar as to cover the amount of the compensation which exceeds that paid abroad.

Section 91

Insurance coverage against occupational accidents and diseases in vocational rehabilitation

The insurance company or the Finnish Workers' Compensation Center, which pays compensation for the cost of vocational rehabilitation under sections 89 or 90, shall insure the injured person on an insurance policy defined in section 3(1) against claim events occurring during work and training trials, job coaching and work experience placements. If the Treasury pays compensation for the costs of vocational rehabilitation, the injured person shall have corresponding cover in accordance with subsection 3.

With regard to the claim event referred to in subsection 1, the annual earnings mean the annual earnings for the claim event on the basis of which compensation is paid for vocational rehabilitation, adjusted to the level of the year of the claim event using the wage coefficient referred to in section 96 of the Employees Pensions Act. By derogation from sections 58 and 59, the daily allowance is 1/360 of the annual earnings.

Section 92

Rehabilitation allowance after vocational rehabilitation

At the end of the vocational education and training for which compensation has been paid under section 89(3)(4), the injured person shall be entitled to rehabilitation allowance for a maximum period of six months following the training if the injured person's annualised earnings are less than his or her annual earnings. When comparing earnings and the annual earnings, the latter is increased to the level of the reference period, using the wage coefficient referred to in section 96 of the Employees Pensions Act.

The amount of the rehabilitation allowance is the relative proportion of the full daily allowance corresponding to the reduction in earnings that took place one year from the date of the claim event. After this, the rehabilitation allowance shall amount to the relative proportion of the full workers' compensation pension corresponding to the reduction in earnings.

The relative proportion is rounded to the nearest five cents.

Section 93
Assisted living

A maximum compensation of EUR 46.82 per day is paid to the severely injured person for the additional costs arising from assisted living.

Section 94
Aids required in the activities of daily living

A severely injured person who necessarily requires an aid to perform normal activities of daily living is compensated for the necessary and reasonable costs of the acquisition of aids other than those referred to in section 37(3). An aid refers to a standard-level appliance or device used in daily activities, which the injured person needs for moving around, personal performance at home or in leisure activities.

Section 95

Property alterations

Compensation is paid to a severely injured person for costs of alterations to the permanent place of residence and the necessary and reasonable costs of acquiring aids and appliances for the said residence provided that the severely injured person needs such measures in order to perform normal activities of daily living. Compensation is not paid for the costs if the injured person's care cannot be secured by non-institutional means. Compensation is paid for the costs not more often than once every five years, unless particularly compelling reasons are established for earlier alterations.

Section 96
Interpretation services due to sight, hearing or speech impairment caused by the claim event

Compensation is paid for interpretation services if the injured person requires interpretation services due to a severe sight, hearing or speech impairment caused by the claim event. Compensation is paid for interpreting services up to the amount which the Social Insurance Institution of Finland provides under the Act on interpretation services for persons with disabilities (133/2010).

Section 97
Compensation for family members who join in adjustment training

In addition to the provisions of section 37 on medical rehabilitation, a family member or the de facto caregiver of the injured person is compensated for his or her necessary travel and accommodation costs and loss of earnings incurred in joining the injured person for the adjustment training.

Section 98
Compensation for the travel and accommodation costs of rehabilitation

The injured person is compensated for the rehabilitation provided under section 98, the acquisition of an aid referred to in section 94 and the necessary travel costs incurred with respect to participation in the adjustment training of a family member referred to in section 97. The necessary travel costs refer to the cost of a return journey using public transport. If a private car is used for the journey, the injured person is paid compensation as travel costs for half of the tax-free mileage allowance annually confirmed by the Tax Administration.

The injured person is compensated for the costs other than those incurred by use of the vehicle referred to in subsection 1 if the injury or illness of the injured person or the transport conditions require the use of the vehicle in question.

Compensation is paid for the necessary accommodation costs incurred by the injured person if the injured person is required to stay overnight during a journey compensable under this Act for reasons attributable to rehabilitation or transport conditions.

Compensation is paid for the travel and accommodation costs incurred by an escort in accordance with subsections 1-3 as part of the injured person's travel costs if the escort was necessary during the journey.

Further provisions on the compensation for travel costs arising from studies are given by government decree.

Chapter 13.

Compensation paid on the injured person's death

Section 99

Survivors' pension and funeral assistance

Survivors' pension and funeral assistance shall be paid if the claim event referred to in this Act has resulted in the injured person's death. The survivors' pension comprises the surviving spouse's pension and child's pension.

The survivors' pension is also paid when the injured person has gone missing and has probably encountered a claim event referred to in this Act, which has caused immediate danger to his or her life and there is no reason to believe the injured person survived. In this case, the survivors' pension is granted for a fixed period of one year, not to exceed the date when the decision issued by

the court under the Act on declaring the missing person legally dead (127/2005) has gained legal force.

The death of an injured person in disability category 18 or higher is considered to be caused by the claim event referred to in this Act unless it can be thought probable that the injury or illness caused by the claim event did not significantly contribute to the injured person's death.

Section 100

Surviving spouse's pension entitlement

The injured person's spouse is entitled to a surviving spouse's pension.

A person who permanently cohabited with the deceased injured person in conditions resembling marriage in the same household without entering into matrimony and who has or had a child with the deceased injured person or has a notarised agreement with the deceased injured person on joint maintenance is entitled to a surviving spouse's pension. The pension entitlement also arises in cases where the mutual child was born after the injured person's death.

In addition to the provisions of subsection 2, the person referred to in the said subsection is entitled to the survivors' pension provided that the injured person was not married at the time of his or her death. If at the time of death the injured person cohabited in conditions resembling marriage with a person referred to in subsection 2 while being separated from his or her spouse and an application for dissolution of marriage was pending, the person referred to in subsection 2 is entitled to a surviving spouse's pension instead of the spouse.

Section 101

Child's pension entitlement

A child of the injured person who was under 18 years of age at the time of the injured person's death is entitled to a child's pension. A child of the injured person who has reached the age of 18 is also entitled to a child's pension if he or she studies full time or at the time of the injured person's death was unable to support himself or herself

due to disability arising from illness, defect or injury, for as long as the said criteria are met, however not to exceed the date when the child reaches the age of 25.

A child of the spouse or person referred to in section 100(2), entitled to a surviving spouse's pension on the injured person's death, is also entitled to a child's pension on the injured person's death under subsection 1 if he or she was supported by the injured person.

A child surviving his or her parent is always entitled to a child's pension. However, the child's pension is not paid on the death of more than two persons at the same time. If a child who has survived two deceased persons and is receiving a child's pension is subsequently granted a child's pension on the death of his or her own parent, the child's pension granted first shall discontinue from the date on which the pension granted on the death of his or her own parent begins.

Section 102

Survivors' pension entitlement on the basis of marriage or cohabitation which began after the claim event

If the marriage dates from after the claim event which subsequently resulted in the injured person's death, the spouse is entitled to a surviving spouse's pension if a child is born from the marriage or the marriage has continued for at least three years.

The provisions of subsection 1 on marriage and spouse shall also apply to the conditions resembling marriage referred to in section 100(2) and to the person cohabiting in the said conditions in the same household with the injured person at the time of his or her death.

If the spouse or the person referred to in section 100(2) is not entitled to a surviving spouse's pension pursuant to subsections 1 or 2, his or her child is not entitled to a child's pension upon the injured person's death.

Section 103

Commencement and termination of survivors' pension entitlement

The survivors' pension entitlement begins on the day after the date of death or disappearance, or later when the criteria laid down in section 100(1) are met.

The right to claim a surviving spouse's pension ends when the person entitled to such pension enters into marriage or begins to continuously cohabit in conditions resembling marriage with another person in the same household as referred to in section 100(2), and the criteria laid down in the said subsection for the right to a surviving spouse's pension are met.

The right to a child's pension ends when the criteria for claiming the pension laid down in section 101(1) are no longer met, or if before that the child is adopted by a person other than the one who has claimed a surviving spouse's pension on the injured person's death or his or her spouse.

If an old-age pension has been claimed since the injured person reached 63 years of age and the claim event occurred in work which the injured person was performing during retirement, the right to claim a survivors' pension shall cease no later than when three years have elapsed from the date of the claim event or, if earlier, when the injured person reached 68 years of age.

Section 104

Amount of the survivors' pension

The maximum annual amount of the survivors' pension is 70 per cent of the injured person's annual earnings.

The maximum amount of the surviving spouse's pension of the injured person's annual earnings is:

- 1) 40 per cent if there are no persons entitled to a child's pension;
- 2) 35 per cent if one of the beneficiaries is also entitled to a child's pension;
- 3) 30 per cent if two of the beneficiaries are also entitled to a child's pension;
- 4) 20 per cent if three of the beneficiaries are also entitled to child's pension; and
- 5) 15 per cent if four or more of the beneficiaries are also entitled to child's pension.

When determining the amount of the surviving spouse's pension, the earnings or pension income of the person entitled to the surviving spouse's pension is taken into account in accordance with section 107.

The aggregate amount of the child's pension of the injured person's annual earnings is:

- 1) 25 per cent if one person is entitled to child's pension;
- 2) 40 per cent if two persons are entitled to child's pension;
- 3) 50 per cent if three persons are entitled to child's pension; and
- 4) 55 per cent if four or more persons are entitled to child's pension.

The aggregate amount of a child's pension is divided evenly between the beneficiaries. If there are orphans without both parents among the beneficiaries, a further 15 per cent of the injured person's annual earnings is added to the aggregate child's pension, however not exceeding an amount which would make the aggregate amount of a child's and surviving spouse's pension exceed the maximum amount of the survivors' pension laid down in subsection 1. The additional amount is divided evenly between the said fully orphaned beneficiaries.

If the number of beneficiaries entitled to a survivors' pension changes or a child entitled to a child's pension loses the remaining parent, the amount of the survivors' pension and its division between the beneficiaries shall be revised from the beginning of the month following the change of circumstances, taking into account the provisions of section 108(2).

In the case of a child entitled to a child's pension under the National Pensions Act, the basic amount of a child's pension under the said Act is deducted from the child's pension paid under this Act. The deduction is equal to the basic amount of a child's pension under the National Pensions Act at the beginning of the year during which the right to pension under this Act arises. When calculating the deduction, the basic amount of a child's pension under the National Pensions Act is adjusted from the level of the year during which the right to pension arose to the level of the year during which the claim event occurred, using the earnings-related pension

index referred to in section 98 of the Employees' Pensions Act.

Section 105

Impediments to the payment of a survivors' pension

A survivors' pension is not paid to a person who has intentionally caused the death of an employee.

The provisions of subsection 1 shall not affect the amounts of survivors' pensions payable to others pursuant to section 104.

Section 106

Discontinuation and lump sum of surviving spouse's pension

The person entitled to a surviving spouse's pension, whose right to pension ends under section 103(2) on the grounds of marriage or cohabitation in conditions resembling marriage under section 100(2), receives a lump sum payment of an amount equal to his or her surviving spouse's pension entitlement for a period of three years. The amount is derived from the monthly pension last paid. However, if the person entitled to the surviving spouse's pension is entitled to a survivors' pension under the Employees' Pensions Act based on the same death in spite of the new marriage or cohabitation, the lump sum payment will only equal the amount exceeding the said survivors' pension over a period of three years.

Section 107

Income adjustment of surviving spouse's pension

When the amount of a surviving spouse's pension is determined, the earned or pension income of the person entitled to the surviving spouse's pension is taken into account through income adjustment. Income adjustment means that the surviving spouse's pension under section 104 is reduced if the earned or pension income of the person entitled to the surviving spouse's pension exceeded the threshold of income adjustment at the time of the injured person's death. The reduction is 30 per

cent of the difference between the earned or pension income and the threshold amount.

The threshold is 2.15 times the minimum annual earnings under section 79, at the time of the injured person's death. For the purpose of income adjustment, an assessment is made of the earned or pension income of the person entitled to the surviving spouse's pension at the time of the injured person's death. The provisions of sections 71-78 on the annual earnings of the injured person apply to the determination of earned income.

Pension income to be taken into account includes continuous pensions paid in accordance with the acts specified in section 3 of the Employees' Pensions Act and the corresponding survivors' pensions, the basic amount of farmers' early retirement aid under the Act on the farmers' early retirement aid (1293/1994), the basic amount of the closure pension under the Act on farm closure aid (612/2006), the reduced closure pension under the Farm Closure Act (16/1974), as well as workers' compensation pension, annuity, survivors' pension and assistance pension granted indefinitely under this Act, the Farmers' Accident Insurance Act, the Military Accidents Act (1211/1990), the Military Injuries Act (404/1948) and other acts under which compensation is determined in accordance with this Act, and the comparable compensation under the Traffic Insurance Act and the pension granted indefinitely under sections 6 and 14 of the Act on athletes' accidents and pension provision. However, a survivors' pension or comparable compensation to which the person with a right to claim a surviving spouse's pension is entitled, on the basis of death compensable here, is not taken into account in income adjustment. If the person entitled to a surviving spouse's pension received less than the full amount of pension or other comparable compensation based on disability, the full amount of such a benefit is used in income adjustment. Part-time pension claimed by a person entitled to a surviving spouse's pension is also taken into account as the full amount of an old-age pension.

If the person entitled to a surviving spouse's pension receives a survivors' pension, assistance pension, annuity, the basic amount of farmers' early retirement

aid or the reduced closure pension under the Farm Closure Act, referred to in subsection 3, his or her earned or pension income based on disability or part-time pension are also taken into account in income adjustment, by derogation from subsection 1.

Benefits paid by foreign states and comparable to those specified in subsections 3 and 4 above are taken into account on the same basis as pension income.

Section 108

Timing of the income adjustment of a surviving spouse's pension

Surviving spouse's pension payments are income-adjusted from the beginning of the thirteenth calendar month after the injured person's death. However, if the person entitled to a surviving spouse's pension supported one or more children entitled to a child's pension on the injured person's death, the surviving spouse's pension payments are income-adjusted only after all such children's rights to a child's pension has ended.

If a child's pension is reinstated on the grounds of the child taking up studies or vocational education and training after the a surviving spouse's pension was income-adjusted, the surviving spouse's pension for this period too equals the amount of income-adjusted pension last paid before the child's studies began, however not exceeding an amount which would make the aggregate amount of child's and surviving spouse's pension exceed the maximum amount of a survivors' pension laid down in section 104(1).

The reduction to the surviving spouse's pension arising from income adjustment is carried out by adjusting the amount to be deducted to the level of the year during which the claim event occurred, using the earnings-related pension index under section 98 of the Employees' Pensions Act.

Section 109

Funeral assistance and costs arising from the transport of the deceased

The funeral assistance payment is EUR 4,760.

The amount referred to in subsection 1 above is paid to the injured person's estate if the funeral costs have been paid from its assets. Otherwise, the funeral costs incurred are paid to those who arrange the injured person's funeral, however not exceeding the amount that would have been payable to the estate.

Compensation is paid for necessary and reasonable costs of transporting the deceased from the place of death to his or her place of domicile.

PART IV

IMPLEMENTATION OF BENEFITS

Chapter 14.

Institution of claims

Section 110

Injured person's notification obligation concerning the claim event

The injured person shall notify the employer or their representative as soon as possible, considering the circumstances, of a claim event that can be assumed to fall within the scope of this Act. The injured person shall be issued proof of the notification upon request.

Section 111

Employer's notification obligation concerning the claim event

The employer shall notify the insurance institution of occupational accidents and diseases without delay and no later than within ten working days from the date when the employer became aware of the claim event.

The Finnish Workers' Compensation Center confirms the form of the notification referred to in subsection 1. The notification shall indicate:

- 1) name, personal identity code and other identification and contact details of the injured person necessary for the settlement of claims;
- 2) name, business identity code and contact information of the employer;

3) details of the time and place, circumstances, and the causes and consequences of the claim event;

4) details of the injured person's work, employment relationship and remuneration paid;

5) injured person's other employment and self-employment known to the employer; and

6) any other information comparable to the foregoing and necessary for the settlement of the claim, the occupational accident and disease register referred to in section 235, the research and statistical activities referred to in section 236, and otherwise for the implementation of this Act.

Further provisions on the details indicated in the notification can be given by a decree of the Ministry of Social Affairs and Health.

Section 112

Institution of claims

The claim is instituted when the insurance institution referred to in section 113, subsections 1 and 2 has received the employer's notification of the claim event.

The injured person may institute a claim by written notice to the insurance institution. The notification shall specify the name and contact details of the employer, details of the claim event and the injured person's name, date of birth or personal identity code and contact information.

The claim is instituted by the insurance institution also when a public health unit delivers to the insurance institution the notification referred to in section 41, or when a private health care unit delivers to the insurance institution a notification indicating the injured person's patient records for the treatment appointment arising from the claim event. The institution of a claim is conditional upon the health care unit's notification also indicating the details referred to in subsection 2.

If the claim has been instituted by any other means than the employer's notification, the insurance institution shall request the employer to submit without delay to the insurance institution the notification laid down in section 111.

Section 113

Notifying the insurance institution

The insurance company where the employer's insurance policy under this Act was in force at the time of the claim event shall be notified of the claim event. If the health care unit does not have the details of the said insurance company, it must request the information from the Finnish Workers' Compensation Center.

Notifications of claim events that occurred during work performed in the central government's public service relationships shall be delivered to the Treasury. Notifications of claim events that occurred during uninsured work shall be delivered to the Finnish Workers' Compensation Center.

If the injured person or the health care unit has not been informed of the insurance institution, notification is delivered to the Finnish Workers' Compensation Center in order to determine the liable insurance institution.

Section 114

Settling the question of competence

If the insurance institutions cannot agree on which insurance institution has competence in the matter, the insurance institution that received the notification shall subject the matter without delay to the Employment Accidents Appeal Board for a ruling.

Section 115

Notifying the injured person of the institution of the claim

The insurance institution shall immediately notify the injured person of the institution of a claim. The injured person shall be provided details of the time when the claim was instituted, the person issuing the notification, the notified claim event and the employer in whose work environment the claim event was reported to have occurred.

The notification referred to in subsection 1 shall include the information referred to in section 24(1) of the Personal Data Act (523/1999) on the processing of the

injured person's personal data in connection with a claim under this Act.

Section 116

Deadline for the institution of the claim

The claim shall be instituted in the insurance institution within five years of the date of the claim event. In the case of an occupational disease claim, however, the period is calculated from the date when a physician first assesses the illness to have been caused by work.

The claim may be instituted even after the deadline laid down in subsection 1 if the delay in the initiation is not attributable to the injured person and if, considering the circumstances, it would be unreasonable to rule the right to compensation inadmissible.

Chapter 15.

Parties and the right of action in the processing of a claim

Section 117

Parties

When the claim is processed by the insurance institution, the parties are the injured person and, in the event of death, his or her beneficiaries. The parties are not the injured person's employer, the health professional or health care unit providing the injured person with medical treatment, the municipality or joint municipal authority responsible for organising the treatment, or the person to whom the insurance institution pays compensation or other payments instead of the injured person or otherwise.

Section 118

Exercising the right of action

The injured person's or the beneficiary's close relative or the insured person's caregiver approved by the insurance institution can exercise the injured person's right of action when the insurance institution is processing the claim, provided that the injured person or his or her beneficiary is unable to handle the claim due

to age, injury, illness or some other similar reason until a guardian or trustee with continuing power of attorney has been appointed for the injured person.

Chapter 16.

Procedural provisions concerning insurance institutions with regard to claims

Section 119

Obligation to seek clarification

After a claim has been instituted, the insurance institution shall see to the obtaining of necessary clarifications and expeditious processing of the case. The insurance institution shall determine whether the claim event is compensable and which compensations are justifiable under this Act. The insurance institution shall commence the claim processing without delay and no later than seven working days after the institution of the claim.

The insurance institution shall inform the injured person of the deadline of one year, laid down in section 128, for claiming compensation.

Section 120

Determining the need for vocational rehabilitation

If the injured person's disability is prolonged, the insurance institution shall determine the need for vocational rehabilitation referred to in section 89 no later than three months after the beginning of the disability and thereafter at least once every three months. An entry indicating this shall be recorded in the claim documents. The insurance institution shall ensure that the investigation of rehabilitation needs and opportunities is carried out expeditiously.

Section 121

Participation of a medical expert in the claim processing

If the claim processed by the insurance institution concerns the assessment of a medical matter, a licensed physician shall be involved in the preparation of the case

and will record his or her justified assessment in the documents. A physician employed by the insurance institution can record his or her assessment in the documents without having to comply with the formal requirements concerning medicolegal certificates and statements laid down in section 23 of the Health Care Professionals Act.

Section 122

Recording the receipt of the document

The insurance institution shall mark the date of receipt in a reliable manner in any appeal, notification of claim event, medical statement or other document or report received by the institution.

Section 123

Statement by the Accident Insurance Compensation Board

Prior to making a decision on compensation, the insurance institution shall request a statement on the proposed decision of the Accident Insurance Compensation Board regarding whether or not the matter involves a legal or medical interpretation in principle or the handling of the matter by the Board is otherwise necessary in order to promote the uniformity of compensation practice in insurance institutions. Further provisions on proposed decisions requiring a Board statement are given by a Decree of the Ministry of Social Affairs and Health.

The insurance institution is also entitled to request the statement of the Board on compensation matters other than the proposed decision referred to in subsection 1.

Section 124

Issuing and grounds of the compensation decision

The insurance institution determines the right to compensation under this Act by issuing a written decision to the party. The insurance institution shall service the decision by posting a letter to the address indicated by the recipient.

The provisions of section 45 of the Administrative Procedure Act (434/2003) apply to the grounds of the decision issued by the insurance institution. If a decision is made to refuse compensation essentially based on medical grounds, the grounds for the decision shall indicate the factors that mainly influenced the assessment and the conclusions drawn on the basis of these.

Section 125

Issuing a decision to the employer

The employer shall be issued a decision on the payment or refusal of compensation for loss of earnings for the period of time during which the injured person was paid remuneration by the employer. A decision shall also be issued on the compensation specified in sections 48 and 49 and sought by the employer.

If the insurance institution pays compensation or the fee for the actual cost of medical treatment, referred to in section 40, an employer with a special-rate premium, referred to in section 166(4), shall be issued a decision on this. However, the decision need not be issued if the compensation or the fee has no effect on the amount of the insurance premium.

The decision shall be in writing and must be accompanied by a notice of appeal. Notwithstanding the secrecy provisions and other restrictions on access to information, the decision shall indicate:

- 1) the name and personal identity code of the injured person;
- 2) date of the claim event;
- 3) outcome of the case;
- 4) benefit; and
- 5) amount of compensation

Section 126

Issuing decisions on certain fees and costs

A municipality or joint municipal authority shall be issued a decision on the fee for the actual cost of medical treatment if the matter concerns the amount of the said fee to be paid on the basis of compensable treatment and

the insurance institution pays a smaller fee than that specified in the invoice or claim drawn up by a municipality or a joint municipal authority or the payment is refused on the ground that a public health care unit has failed to comply with the notification obligation laid down in section 41. The decision shall also be issued if a municipality or a joint municipal authority requests a decision from the insurance institution.

If the insurance institution pays the compensation referred to in section 265 or 266(2) or the fee referred to in section 266(3) in a smaller amount than that required, it shall issue the supplier of information a decision concerning this.

The decision shall be in writing and must be accompanied by a notice of appeal.

Section 127

Time limit for the issuing and implementation of decisions

The insurance institution shall issue the decision referred to in sections 124-126 promptly, and no later than 30 days from the date when it has received adequate reports to resolve the matter. However, a decision on the income adjustment of a surviving spouse's pension, referred to in section 107, shall be issued within a period of one year from the date when a claim for compensation on death or disappearance was submitted to the insurance institution.

The insurance institution shall implement the decision of the appeal body without delay and no later than 14 days from the date when the decision becomes final and the insurance institution has received the necessary reports for the implementation.

Chapter 17.

Procedural provisions concerning the injured person and other claimants with regard to claims

Section 128

Applying for certain types of compensation for costs

Notwithstanding the provisions of section 119 on the obligation of the insurance institution to seek clarification with regard to the claim, compensation shall be applied for the costs referred to in section 37(1)(2), sections 48-50, sections 53 and 54 and section 98. Compensation shall be applied within one year after the costs were incurred. If the insurance institution has denied the right to compensation for injury, the time limit is calculated from the date on which the decision of the appeal body, on the basis of which the cost of treatment is to be compensated, became final. However, if the claim is not pending at the insurance institution when the costs are incurred, the time limit shall be calculated, at the earliest, based on the date when the claim was instituted.

If due to a compelling reason it has not been possible to claim compensation within the time limit, it shall be claimed within one year after the termination of the obstacle.

Compensation for the costs referred to in subsection 1 is applied by delivering to the insurance institution a report on the costs incurred, the grounds of costs and the claim event due to which the costs incurred.

Section 129

Applying for a surviving spouse's pension

The person referred to in section 100(2) above shall apply for a surviving spouse's pension separately by delivering to the insurance institution a report on the grounds of his or her pension rights.

Section 130

Obligation to contribute to the investigation of the claim

The injured person is required to contribute to the investigation of the claim. In order to receive compensation, the injured person is required upon request to provide the insurance institution with details that are necessary for the investigation of the claim under this Act. The beneficiary of the injured person is

accordingly required to provide for the necessary details for settling the right to a survivors' pension.

Section 131

Obligation to contribute to the realisation of vocational rehabilitation

The injured person is required to contribute to the investigation of vocational rehabilitation referred to in section 89 and the realisation on the vocational rehabilitation measures.

Section 132

Obligation to undergo examinations

In order to receive compensation and for the purpose of settling the right to compensation, the injured person is required to undergo without delay a medically approved examination, designated by the insurance institution and based on good care and operational practice, to provide evidence of his or her disability or illness or ability to work and functional ability.

Section 133

Obligation to receive medical treatment

In order to receive compensation, the injured person is required to receive medically approved treatment based on good care and operational practice which has been prescribed by a physician and is necessary due to the compensable injury or illness and which is likely to improve his ability to work or functional ability.

Section 134

Obligation to provide a notification of all changes affecting compensation

The compensation recipient is required immediately, on his or her own initiative, to provide details of the changes affecting compensation as follows:

1) recipient of a daily allowance or workers' compensation pension shall provide details of material

changes in his or her health, ability to work, working or earnings;

2) recipient of compensation for functional limitation or care allowance shall provide details of changes in the disability or his or her need for assistance;

3) recipient of a rehabilitation allowance shall provide details of interruption or material delay in the rehabilitation;

4) recipient of a surviving spouse's pension shall provide details of a new marriage or the beginning of the circumstance referred to in subsection section 100(2);

5) recipient of a child's pension after the age of 17 shall provide details of the completion of education or training before reaching the age of 25.

Upon request by the insurance institution, the injured person or the recipient of a survivors' pension shall furnish the insurance institution with a certificate issued by the population register authority or other reliable evidence proving that the compensation recipient was alive at the time for which compensation is paid.

Chapter 18.

Payment of compensation

Section 135

Compensation due dates and payment method

The insurance institution shall pay the compensation based on its decision without delay. Compensation is paid at the expense of the insurance institution to a bank account indicated by the recipient.

The daily allowance or rehabilitation allowance paid in the same amount is paid at least once a month in arrears. The workers' compensation pension or rehabilitation allowance to be paid in the same amount, continuous compensation for functional limitation, care allowance and clothing allowance granted for a fixed term or indefinitely and a survivors' pension, pursuant to this Act, are paid monthly in advance so that compensation can be withdrawn on the first banking day of the month of payment.

The decision shall indicate the amount of the compensation granted and the due date of the compensation instalments, if part of the compensation

granted by a decision falls due for payment at a later date.

Section 136

Granting compensation for a fixed term

If the development of the illness or injury or the deterioration in the ability to work cannot be estimated with sufficient certainty, the compensation shall be granted for a fixed period and the compensation recipient shall be required to provide new evidence on the factors affecting the amount of compensation as a necessary requirement for receiving continued compensation.

Section 137

Revising the compensation due to a change in circumstances

If a material change occurs in the circumstances affecting compensation, the compensation is revised to reflect the changed circumstances from the date on which the change has been reliably shown to have occurred.

The provisions on the revision of compensation for functional limitation are laid down in section 87(4).

Section 138

Advance payment of compensation without a decision

If the insurance institution considers the right to compensation indisputable but the decision on the granting of the compensation, referred to in section 124, cannot yet be issued, the insurance institution may pay compensation in advance by informing the compensation recipient in writing of the amount. The advance payment shall be deducted from the compensation granted subsequently.

Section 139

Compensation payment to the employer and the sickness fund

If the insurance institution has granted the injured person compensation for loss of earnings and the employer has paid him or her remuneration for the same period on a statutory or contractual basis, the loss of earnings compensation shall be paid for this period to the employer in an amount not exceeding the injured person's pay for the same period. If more than one employer has paid the injured person the remuneration referred to above, the compensation payable to the employer for a certain period is divided between the employers in proportion to the remuneration they paid for the same period.

If the employer has paid the injured person remuneration on the basis of apprenticeship training, referred to in section 17 of the Act on vocational upper secondary education and training (630/1998), which has been compensated as rehabilitation under this Act, the employer shall be entitled to receive the compensation for loss of earnings granted to the injured person for a corresponding period up to the amount of the said remuneration.

The provisions of subsection 1 on the employer shall also apply to the sickness fund referred to in the Act on insurance funds when it pays a benefit equivalent to the remuneration referred to in subsection 1.

If the employer, pursuant to statutory or contractual obligation, has paid part of the employee's medical expenses, compensation in accordance with this Act for these medical expenses shall be paid to the employer.

Section 140

Retroactive payment of compensation to the authorised pension provider

If the injured person has received pension in accordance with the earnings-related pensions acts, referred to in section 3 of the Employees' Pensions Act, or a survivors' pension for the same period for which he or she has been granted the loss of earnings compensation or a survivors' pension under this Act with retroactive effect, the insurance institution at the request of the authorised pension provider shall pay the retroactive loss of earnings compensation or survivors' pension to the

authorised pension provider to the extent that it corresponds to the amount of pension or survivors' pension paid under the earnings-related pensions act for the same period.

Section 141

Retroactive payment of compensation to an unemployment fund and the Social Insurance Institution of Finland for a period of unemployment benefit

If the injured person has received an unemployment allowance or labour market subsidy under the Act on income security for the unemployed (1290/2002) for the same period for which he or she is retroactively granted compensation for loss of earnings under this Act, the insurance institution shall, at the request of the unemployment fund or the Social Insurance Institution of Finland, pay the retroactive compensation for loss of earnings to the unemployment fund or the Social Insurance Institution to the extent covering the unemployment allowance or labour market subsidy paid for the same period.

Section 142

Payment of other retrospective compensation to the Social Insurance Institution of Finland

If the injured person or his or her beneficiaries have claimed sickness allowance paid by the Social Insurance Institution of Finland under the Health Insurance Act, rehabilitation allowance paid under the Act on rehabilitation benefits and rehabilitation allowance benefits of the Social Insurance Institution of Finland (566/2005), guarantee pension under the Act on guarantee pension (703/2010), national pension or the supplementary amount of a surviving spouse's pension under the National Pensions Act, the pensioner's housing allowance paid with national pension under the Act on pensioners' housing allowance (571/2007) or study grant or housing supplement under the Act on financial aid for students (65/1994) for the same period for which he or she has been granted retroactive

compensation for loss of earnings or survivors' pension under this Act, the insurance institution shall, at the request of the Social Insurance Institution of Finland, pay the retroactive compensation for loss of earnings or survivors' pension to the Social Insurance Institution to the extent covering the excess benefit paid for the same period by the Social Insurance Institution.

If the Social Insurance Institution has provided the injured person with rehabilitation by virtue of the Act on rehabilitation benefits and rehabilitation allowance benefits of the Social Insurance Institution of Finland and such rehabilitation is compensable under this Act, the insurance institution shall, at the request of the Social Insurance Institution, pay the compensation under this Act to the Social Insurance Institution.

Section 143

Payment of compensation to a municipality

If a municipality or joint municipal authority has provided a person entitled to compensation under this Act with institutional care or institutional treatment or foster care, the insurance institution, at the request of the municipality or the joint municipal authority, shall pay the workers' compensation pension and survivors' pension, granted to the person entitled to compensation, to the municipality or the joint municipal authority for the period of institutional care or treatment or foster care, to be used in the manner intended in the Client Fees Act.

If the municipality has provided the person entitled to compensation under this Act with statutory rehabilitation services and support measures for the same purpose and at the same time as the rehabilitation compensable under this Act, the right to compensation in this respect shall be transferred to the municipality.

If the injured person has received social assistance, referred to in section 23 of the Act on Social Assistance (1412/1997), in advance, the compensation for loss of earnings granted for the corresponding period shall be paid, upon application, to the institution referred to in section 6(1) of the Social Welfare Act (710/1982) to compensate for social assistance.

Section 144

Suspending the payment of compensation for loss of earnings for a period of imprisonment

Payment of the compensation for loss of earnings to a compensation recipient serving a sentence of imprisonment is suspended when the sentence has lasted for a month. However, payment of the compensation for loss of earnings is continued upon application, if the serving of the sentence of imprisonment does not prevent him or her from engaging in the gainful employment referred to in the Employment Contracts Act or from receiving confirmed income from self-employment. Once suspended, the payment of compensation for loss of earnings shall be continued upon application from the date following the release.

Upon application, the suspended compensation for loss of earnings can be paid in full or in part to the recipient's spouse, the person referred to in section 100(2) or a child under 18 years of age, if the recipient is responsible for the said person's maintenance and the payment is necessary in order to secure it.

Section 145

Order of priority concerning compensation payments

If the compensation is to be paid under this Act or any other act to parties other than to those it has been granted by virtue of this Act, and two or more authorities, municipalities, institutions, agencies or other entities are entitled to it, the compensation shall be paid in the following order:

- 1) insurance institution for unduly paid compensation for the purpose of the recovery referred to in section 247;
- 2) Social Insurance Institution of Finland under Chapter 12, section 2 of the Health Insurance Act and under section 22 of the Act on rehabilitation benefits and rehabilitation allowance benefits of the Social Insurance Institution of Finland;
- 3) employer and the sickness fund under section 139 and the state under section 16 of the Pay Security Act;

- 4) unemployment fund under section 141 and the Social Insurance Institution of Finland under section 141 or section 142;
- 5) authorised pension provided under section 140;
- 6) municipality under section 143;
- 7) Social Insurance Institution of Finland under section 28 of the Act on financial aid for students; and
- 8) enforcement authority under Chapter 4, section 2 of the Enforcement Code (705/2007).

Chapter 19.

Effect on the processing of a claim in the case of failure to fulfil obligations

Section 146

Delay in the institution of the claim due to negligence by the injured person

If the institution of the claim has been materially delayed because the injured person has failed to comply with the notification obligation referred to in section 110, he or she may be refused compensation for the period of delay in full or in part if the refusal is reasonable in the circumstances.

Section 147

Delay in the institution or processing of the claim due to negligence by the employer

If the institution or processing of the claim has been materially delayed because the employer has failed to comply with the obligation laid down in section 111, the employer may be refused compensation payable under section 139 for the period of delay.

Section 148

Suspending the processing and payment of compensation, and settling the claim

If the injured person or his or her beneficiary fail to comply with the obligation to provide details in section 130, or the injured person fails to comply with the obligation to undergo examinations in order to settle the right to compensation, laid down in section 132, or the

obligation to receive medical treatment under section 133, the insurance institution has the right to suspend the processing of the claim until the injured person or the beneficiary fulfils his or her obligations.

If the compensation recipient fails to comply with the notification obligation under section 134 or it is otherwise apparent that the conditions for the continued payment of the compensation granted are no longer met, the insurance institution may temporarily suspend the payment of compensation. The injured person or his or her beneficiary shall be notified immediately of the payment suspension.

If the processing of the claim has been suspended by virtue of subsection 1 or the payment of compensation has been suspended under subsection 2, the insurance institution shall settle the right to compensation on the basis of available evidence. The decision shall be issued without delay.

Section 149

Interruption in vocational rehabilitation

If the vocational rehabilitation or the investigation of rehabilitation needs and opportunities, laid down in this Act, is interrupted or the commencement of the rehabilitation is delayed for a reason attributable to the injured person, and the said reason is not a result of the compensable injury or illness, rehabilitation allowance shall not be paid for the period of interruption or delay.

Section 150

Retrospective payment of compensation after suspension

If the processing of the claim is reinstated following a decision under section 148(3), compensation shall not be paid without a special reason retroactively longer than for a period of one year.

Section 151

Effect on compensation of the failure to fulfil the obligation concerning medical treatment

If the injury or illness has been materially prolonged or materially aggravated due to the injured person's failure to fulfil an obligation referred to in section 133, compensation shall not be paid insofar as it is caused by the reason mentioned.

Section 152

Increase for delay

If the insurance institution has failed to issue a decision within the time limit specified in section 127 or pay compensation in the manner laid down in section 135, the insurance institution shall pay increased compensation for the period of delay. The increase for delay is determined in accordance with the interest rate referred to in section 4(1) of the Interest Act (633/1982). However, the obligation to pay an increase for delay does not apply to payments based on adjustment or right of recovery between insurance institutions and authorised pension providers engaged in the statutory insurance business.

The increase for delay is calculated for each day of the period of delay. However, in the case of a subsequent payment based on the same decision, the increase is calculated from the due date of the compensation instalment. If the insurance institution's decision has been appealed, the appeal body may order that the increase for delay be calculated from a later date if the insurance institution proves that the recipient's situation has changed materially during appeal.

If the insurance institution has not been able to pay compensation at the correct time due to a reason attributable to the compensation recipient, the insurance institution shall not be required to pay an increase for delay for a period longer than from date on which the insurance institution was informed of the termination of the obstacle. If payment of compensation is delayed because of a statutory provision, obstruction of traffic, suspension of payment transactions or other such force majeure, the insurance institution shall not be liable to pay an increase for the period of delay caused by such obstacles.

An increase for delay lower than EUR 7.28 is not payable.

Section 153

Transferring the claim to the Finnish Workers' Compensation Center due to a delay of the insurance company

If the insurance company has not launched the investigation of the claim by the time specified in section 119 or issued the decision within the period laid down in section 127, the injured person or his or her beneficiary may apply to the Finnish Workers' Compensation Center for the claim to be transferred to, and processed by, the said Center.

Section 154

Processing delayed claims

The Finnish Workers' Compensation Center shall process the application referred to in section 153 as an urgent case. The Finnish Workers' Compensation Center shall consult the insurance company in question regarding the application. The insurance company shall attach without delay to its statement the documents in its possession that are necessary for the investigation of the matter. If the statement and the documents are not provided within a reasonable time limit set by the Finnish Workers' Compensation Center, the insurance institution may simply on such grounds be considered to have neglected its duty concerning the investigation of the claim or the issuing of the decision.

The Finnish Workers' Compensation Center shall issue the insurance company and the injured person or his or her beneficiary a decision on the application. The decision issued by the Finnish Workers' Compensation Center shall be complied with until the matter has been otherwise resolved by a final decision. The insurance company may not appeal the decision issued by the Finnish Workers' Compensation Center.

If the Finnish Workers' Compensation Center issues a decision that the claim has been delayed in the manner referred to in section 153, it shall see to the processing of the delayed claim and pay the statutory compensation.

Section 155

Payment of costs arising from a delayed claim

The insurance company shall compensate the Finnish Workers' Compensation Center for any reasonable costs it has incurred in the processing of the delayed claim and the compensation and fees for the actual cost of medical treatment it has paid.

PART V

INSURING AND INSURANCE PREMIUMS

Chapter 20.

Insurances

Section 156

Taking out an insurance policy

In order to fulfil the insurance obligation under section 3, the employer shall take out an insurance policy, provided by an insurance company referred to in section 205, for its employees before the work begins.

An insurance policy taken out by an employer is considered to cover all the employer's employees unless a separate insurance policy is taken out for a specified part or specified activities of the company. If the employer has taken out an insurance policy for the same work from two or more insurance companies, the policy taken out first shall remain valid.

Section 157

Issuing and the commencement of an insurance policy

The insurance company shall issue the applied insurance policy referred to in section 156.

The insurance policy begins on the date the insurance company has demonstrably received the insurance application, unless a later date of commencement is agreed.

The insurance company shall provide the policyholder with a written confirmation of the validity of the insurance.

Section 158

Continuous and fixed-term insurance policy

The insurance policy shall be continuous and the policy period is the calendar year (continuous insurance), unless the insurance policy enters into force during the calendar year, in which case the first policy period ends on last day of the next calendar year.

The insurance policy can also be made for a fixed term for work or a work site not exceeding one year (fixed-term insurance). In this case, the policy period is the same as the validity period of the insurance policy. A fixed-term insurance is terminated without notice. However, if the work continues beyond the time limit and the policyholder informs the insurance company about the said continuation before the time limit expires, the validity of a fixed-term insurance will be extended until the new time limit set by the policyholder, however for no more than 12 months.

Section 159

Policyholder's obligation to supply information when taking out an insurance policy

For the purposes of risk assessment with regard to occupational accidents and diseases, determination of the insurance premium and administration of the insurance policy, the policyholder shall provide the insurance company with the necessary information on the industry in question, the amount and type of the work commissioned, the date when the work begins, the company's ownership structure, the preventive actions related to occupational safety as referred to in section 166(5), and other factors considered by the insurance company to affect the insurance premium.

The policyholder shall provide these details when applying for the insurance policy, or no later than 14 days after the commencement of the insurance. If the policyholder does not provide the details within that period, the insurance company shall determine the insurance premium as provided in section 161.

Section 160

Policyholder's obligation to supply information during validity and expiry of the insurance

The policyholder shall provide the insurance company with the information, referred to in section 159(1) and requested by the insurance company, annually by the end of January.

The policyholder shall give notice of any material changes to the information referred to in subsection 1 during the calendar year. The notification shall be made without delay, and no later than within 30 days of the change.

After the expiry of fixed-term insurance, the policyholder shall provide the information referred to in subsection 1 within 30 days of termination of the insurance.

Section 161

Determining the insurance premium

The insurance company determines the insurance premium as provided in Chapter 21, according to the insurance company's premium principles and based on the information available to it.

Section 162

Transferring a continuous insurance to another insurance company

The policyholder can transfer a continuous insurance policy to another insurance company in writing, using a special transfer notice. The insurance policy can be transferred so that it expires on the last day of March, June, September or December, but not before the expiry of the first policy period. The policyholder submits the transfer notice to a new insurance company which shall forward it to the old insurance company no later than three calendar months prior to the above-mentioned days.

The insurance policy enters into force in the new insurance company from the moment the previous insurance policy expires. If the policyholder has submitted a transfer notice to two or more insurance

companies and indicated the same date of commencement, the first transfer shall remain valid, unless otherwise agreed between the policyholder and the insurance companies.

Further provisions on the insurance policy transfer procedure are given by a Decree of the Ministry of Social Affairs and Health.

Section 163

Policyholder's lack of means or unknown whereabouts

The insurance shall be deemed terminated from the date when the policyholder is declared bankrupt or when the enforcement officer issues an impediment certificate referred to in Chapter 3, section 95 of the Enforcement Code concerning the policyholder's lack of means or unknown whereabouts.

Section 164

Bankruptcy estate's insurance obligation

If the policyholder is declared bankrupt and work will continue on behalf of the bankruptcy estate, the bankruptcy estate shall take out a new insurance policy from the date when the bankruptcy was declared.

Section 165

Termination of an insurance policy due to the bankruptcy of the insurance company

The insurance policy shall be terminated one month after the policyholder was informed of the insurance company being placed in liquidation or declared bankrupt and it is the policyholder's duty to take out another insurance policy within this period. If the policyholder does not take out an insurance policy within the said period, he or she is considered to have neglected his or her insurance obligation under this Act. The special receivership administration and, in the case of foreign insurance companies, the Finnish Workers' Compensation Center shall notify policyholders promptly in writing of their duty to take out an insurance policy from another insurance company.

Chapter 21.

Determining and paying the insurance premium

Section 166

The insurance company's premium principles

The insurance company shall have a calculation base for insurance premiums (premium principles) approved by the Board of Directors of the company, stating how the insurance premiums are determined. The premium principles must be applied uniformly to all policyholders. The premium principles shall have unambiguous calculation formulae for insurance premiums and shall provide the procedures concerning determination of the insurance premium. The procedures must also specify how the premium principles are applied following special or changed conditions concerning the policyholder.

The premium principles may be altered during an insurance period due to a technical error in the premium principles or a circumstance that is independent of the insurance company and has a material impact on the premium level. The altered premium principles shall be applied to all policyholders from the beginning of the insurance period in question.

Premium principles shall be determined separately for compulsory insurance, voluntary working hours insurance and leisure-time insurance provided in this Act. The premium principles must be formulated so that the premiums are in reasonable proportion to the capital value of expected costs arising from the insurance. The protection of insured benefits and the risk of accident and occupational disease must be taken into account in determining the insurance premium.

If the amount of work commissioned by a policyholder is sufficiently large in terms of statistical reliability of accident risk assessment (policyholders with special-rate premiums), compensations and fees for the actual cost of medical treatment arising from the policyholder's insurances shall be taken into account in determining the insurance premium. In other cases, the policyholder's insurance premium shall be based on risk classification applied by the insurance company (policyholder with

tariff premiums). If several policyholders belong to the same financial consortium, the consortium may be treated as a single policyholder in a manner determined in the premium principles.

In determining the insurance premium of a policyholder with tariff premiums, an employer's documented preventive actions related to occupational safety shall also be taken into account.

Section 167

Statistics history

Once an insurance company has received a request for an insurance quotation from a policyholder who reports a total annual payroll of at least EUR 150,000, the insurance company has the right to receive, without charge from the insurance company, where the insurance policy is or has been, details of the payroll, claim events and compensations concerning each compulsory insurance policy subject to the request for a quotation. The right to receive these details concerns the last five full policy periods as well as the current one (statistics history). The insurance company shall provide the statistics history without delay and no later than 14 days from the date when the insurance company giving the quotation requested it.

When a policyholder transfers its insurance policy to another insurance company, the insurance company with which the insurance policy is terminated shall provide payroll details of each compulsory insurance policy belonging to the statistics history from the last full policy period as well as the current one to the new insurance company within 14 days of the last transfer day of the insurance referred to in section 162(1).

Once a policyholder has transferred its insurance policy to another insurance company, the new insurance company shall request without delay from any previous insurance companies the statistics history of the transferred insurance policies of a policyholder which, according to the new company's premium principles, is a policyholder with special-rate premiums. An insurance company shall provide the statistics history within three months of such a request.

Further provisions on the data belonging to the statistics history and on how and in which form the data shall be provided are given by a Decree of the Ministry of Social Affairs and Health.

Section 168

Earnings determining the insurance premium

Earnings paid by the policyholder, and included in the payroll on which the insurance premium is based, are determined according to the provisions of section 81 on the earnings criteria for the compensation for loss of earnings.

When an employee is posted or employed abroad within the scope of this Act, by derogation from section 81, the earnings are considered to comprise the pay which the employee should earn for similar work in Finland. If there is no similar work in Finland, the earnings shall be the pay which would otherwise be regarded as equivalent to the said work.

Section 169

Insurance premium

An insurance premium shall be determined according to the premium principles valid at the beginning of a policy period. At the end of the policy period, the insurance company shall adjust the insurance premium by applying the premium principles confirmed for the insurance period as well as the latest available information required by the premium principles concerning the policyholder. If the adjusted insurance premium is different from that already collected, the difference shall be charged from or refunded to the policyholder (adjustment premium).

The adjustment premium is due for payment on the date determined by the insurance company, however no later than within a year from the end of the policy period or, if the insurance policy has been terminated before the end of the policy period, from the date of termination of the insurance policy. However, with respect to the adjustment premium of policyholders with special-rate premiums, this time limit may be longer, if so agreed

with the policyholder, but shall not exceed four years. The insurance company can in its premium principles determine a minimum amount for an adjustment premium to be charged or refunded.

Having revised the insurance premium for the policy period, the insurance company shall provide the policyholder with details of how the debiting of the insurance premium can be appealed using the material appeal laid down in section 240. If the insurance premium for the policy period is a fixed premium, which is not revised, information to that effect shall be given when the insurance premium is debited.

Section 170

Policyholder's right to access information on the principles and development of the insurance premium

The insurance company shall apply its premium principles so that it is possible for a policyholder to gain a correct and appropriate picture of the factors affecting the policyholder's insurance premium. In addition, a policyholder with special-rate premiums shall be provided with sufficient information on the long-term development of the insurance premium.

Section 171

Risk classification maintained by the Finnish Workers' Compensation Center

The Finnish Workers' Compensation Center shall maintain a risk classification system describing accident and occupational disease risks, based on the data concerning the industry or work provided in the occupational accident and disease register referred to in section 235. Notwithstanding the applied risk classification system, an insurance company shall compile its statistics so as to make available to the Finnish Workers' Compensation Center the information required by the risk classification system maintained by the said Center, as provided in section 257(1-3).

Section 172

Interest for late payment and collection costs

The policyholder shall pay annual interest for late payment on a delayed insurance premium for the period of delay in accordance with the interest rate provided in section 4a(1) of the Interest Act, and any collection costs arising from late payments. The provisions on the collection of these receivables are laid down in the Act on the collection of debts (513/1999).

Section 173

Insurance premium limitation

The insurance company cannot order the employer to pay the insurance premium after five years have elapsed from the end of the calendar year in which the adjustment premium for the policy period was due.

Section 174

Distrainable insurance premium

An insurance premium laid down in this Act can be levied with interest for late payment in execution without judgment or decision as provided in the Act on the enforcement of taxes and payments (706/2007).

Section 175

Limitation concerning refund of unduly paid insurance premium

The refund of an unduly paid insurance premium shall expire five years after the date when the premium payment was made, unless the limitation period is interrupted before. The provisions on the interruption of the limitation period are laid down in sections 10 and 11 of the Act on the limitation of liabilities (728/2003).

Section 176

Co-owner's or partner's liability for the insurance premium

If the policyholder is an organisation or a corporation and the co-owners or partners are liable for its obligations as for their own debts, the co-owner or

partner shall also assume liability for the organisation's or corporation's insurance premiums laid down in this Act.

Chapter 22.

Insurance supervision

Section 177

General insurance supervision and enforced insurance

The Finnish Workers' Compensation Center shall supervise that the employer complies with the insurance obligation provided in section 3.

If an employer fails to comply with the insurance obligation and does not rectify the failure within the time limit given by the Finnish Workers' Compensation Center, the Center shall take out, at the expense of the employer, the compulsory insurance provided by its chosen insurance company.

Section 178

Insurance register

The Finnish Workers' Compensation Center maintains a register of employers who have taken out compulsory insurance cover for their employees (insurance register), for the purposes of insurance supervision, fight against the shadow economy and identification of the insurance company responsible for the compensation payment. The details entered in the insurance register comprise, by insurance, the name of the employer, business identity code or personal identity code, and details of the insurance company and the validity period of the insurance.

Section 179

Insurance company's supervisory obligation

The insurance company supervises that the employer who has taken out an insurance policy from the company fulfils its obligations under this Act concerning the supplying of information and other related insurance matters.

Section 180

Labour protection authority's supervisory obligation

The labour protection authority shall supervise that the employer complies with the insurance obligation provided in section 3. Notwithstanding the secrecy provisions and other restrictions on access to information, the labour protection authority has the right to receive without charge from the Finnish Workers' Compensation Center insurance register data on an employer whose place of work is under the supervision referred to in the Act on occupational safety and health enforcement and cooperation on occupational safety and health at workplaces (44/2006). The labour protection authority shall notify without delay the Finnish Workers' Compensation Center where there is reason to believe that the employer has not fulfilled their insurance obligation.

Section 181

Payment equivalent to the insurance premium

An employer who has failed to fulfil their insurance obligation under section 3 is liable to pay a fee which shall correspond to a reasonable insurance premium for the period of such failure, however for no longer than the current and five previous calendar years.

Section 182

Penalty fee

An employer who has failed to fulfil his or her insurance obligation under section 3 is liable to pay a penalty fee which shall be up to three times the amount of the fee referred to in section 181.

In determining the amount of the penalty fee, duration of the failure, intent and frequency of the failure, amount of work without insurance coverage and the risk shall be taken into account.

The penalty fee may optionally not be imposed on a natural person if the negligence cannot be regarded as intentional and, taking into account the factors

mentioned in subsection 2, the imposition of a penalty fee would have been unreasonable.

The penalty fee cannot be imposed on a person who is suspected of the same offence in a pre-trial investigation, consideration of charges or a criminal matter pending in a court of law, or if a charge against the person concerning the same matter has been settled by a legally valid judgement issued by a court of law.

Section 183

Determining a fee corresponding to the insurance premium and imposing a penalty fee

If the Finnish Workers' Compensation Center believes that an employer has failed to fulfil his or her insurance obligation under section 3, it shall submit an application to the Treasury in order to determine a fee corresponding to the insurance premium referred to in section 181 and impose a penalty fee pursuant to section 182.

The Treasury decides whether the employer has failed to fulfil the insurance obligation and orders the defaulting employer to pay the fees referred to in subsection 1 to the Finnish Workers' Compensation Center. The employer may appeal the decision by lodging an appeal in writing to the Employment Accidents Appeal Board.

The provisions on the insurance premium laid down in sections 169 and 172-176 § also apply to the fee provided in sections 181 and 182.

Section 184

Employer's excess in failing to fulfil the insurance obligation

The Finnish Workers' Compensation Center collects the amount of paid compensation and the fees for the actual cost of medical treatment, however not exceeding EUR 5,000 per claim event, from the employer in whose work the claim event compensable under this Act has taken place during the failure of fulfilment of the insurance obligation.

The provisions of sections 172 and 174 also apply to the fee provided in subsection 1.

Section 185

Forfeiture of the right to compensation

If an employer has failed to fulfil his or her insurance obligation under section 3 as part of a systematic failure to provide an employee's social security and the employee has been aware of the negligence and by his or her own actions made it possible for the negligence to take place, thus avoiding the employee's earnings-related pension contribution and the employee's unemployment insurance contribution payments, the employee shall not be entitled to compensation under this Act.

Section 186

Evasion and abuse of the insurance obligation

Where in order to evade the insurance obligation provided in section 3, to avoid the payment of insurance premiums, to provide insurance coverage without cause or for any other similar reasons content has been included in a legal transaction that does not correspond to the real nature or purpose of the matter, in settling the insurance obligation, determining the insurance premium or processing a claim provided in this Act, the procedures shall be carried out in accordance with the true nature or purpose of the matter.

PART VI

VOLUNTARY INSURANCES

Chapter 23.

General provisions

Section 187

Voluntary insurances for working hours and leisure time

The voluntary insurances under this Act are the voluntary occupational accident and disease insurance policy for working hours and the voluntary accident insurance policy for leisure time.

The provisions on compulsory insurance apply to the voluntary insurance, unless otherwise provided below.

The insurance company cannot extend the voluntary insurance coverage in its insurance terms and conditions. The insurance company may limit the insurance terms and conditions of a voluntary leisure-time insurance policy to accidents that happen during recreational exercise, exclude certain recreational sports from the insurance policy or limit the persons being insured.

Chapter 24.

Insurance for the self-employed person's working hours

Section 188

Voluntary insurance for the self-employed person's working hours

A person with a pension insurance provided in the Self-Employed Person's Pensions Act (1272/2006) has the right to take out insurance coverage against claim events occurring during self-employment. The insurance policy is taken out from one insurance company so that it covers self-employment insured by the pension insurance under the Self-Employed Person's Pensions Act. An insurance policy cannot begin retrospectively. A self-employed person's annual earnings, used as the basis for compensation for loss of earnings and the survivors' pension in the insurance referred to in subsection 1, correspond to the confirmed income set forth in section 112 of the Self-Employed Person's Pensions Act and valid on the date of the claim event. If the income pursuant to the said section has been confirmed as the maximum amount provided in the section, the annual earnings may be confirmed, upon application, to be higher than that amount, however no higher than the annual confirmed income corresponding to the self-employed person's work input in accordance with the principles laid down in section 112(1) of the Self-Employed Person's Pensions Act.

Section 189

Voluntary working hours insurance for self-employed persons aged 68 and above

If a self-employed person continues in self-employment when he or she reaches 68 years of age, the insurance company may continue, upon application, the validity period of the insurance provided in section 188. In this case, the annual earnings are confirmed as the annual earned income corresponding to the self-employed person's work input in accordance with the principles laid down in section 112(1) of the Self-Employed Person's Pensions Act.

Section 190

Voluntary working hours insurance for self-employed persons under 18 years of age

A self-employed person under 18 years of age who meets the requirements laid down in section 3 of the Self-Employed Person's Pensions Act is entitled to take out insurance coverage specified in section 188(1).

The annual earnings referred to in section 188(2) above are confirmed as the annual earned income corresponding to the work input of a self-employed persons under the age of 18 in accordance with the principles laid down in section 112(1) of the Self-Employed Person's Pensions Act.

Section 191

Issuing the self-employed person's voluntary working hours insurance

By derogation from the provisions of section 157(1), the insurance company is not under obligation to issue an insurance policy which quotes the annual earnings referred to in the last sentence of section 188(2) or the insurance pursuant to section 189.

The insurance company may also not grant the self-employed person's voluntary working hours insurance to a policyholder, for whom the company has outstanding uncontested receivables.

Section 192

Insurance company's right to terminate the self-employed person's voluntary working hours insurance

The insurance company has the right to terminate the self-employed person's voluntary working hours insurance if the policyholder has failed to pay an outstanding premium or if the policyholder has deliberately provided false or incomplete information for the purpose of processing a claim or determining an insurance premium in order to obtain, for himself or herself or for others, illegal financial gain.

The termination shall be effected in writing. The insurance policy expires 30 days from the date the termination was sent. When the cause of the termination is the failure to pay the insurance premium referred to in subsection 1, the insurance does not expire if the policyholder has paid the outstanding premium before the expiry of the notice period. The insurance company shall issue the policyholder a decision on the termination of the insurance policy.

Section 193

Termination of insurance coverage upon expiry of an insurance policy under the Self-Employed Person's Pensions Act

The self-employed person's voluntary working hours insurance expires on the same date when the pension insurance referred to in the Self-Employed Person's Pensions Act expires, unless otherwise provided in section 189. An insurance policy can expire retrospectively. If an insurance policy under the Self-Employed Person's Pensions Act does not enter into force because the self-employed person's activities under section 4(1)(2) of the aforementioned Act have not continued uninterrupted for a minimum of four months, the insurance shall expire when the self-employment ends.

The insurance company shall issue the policyholder a decision on the termination of the insurance policy.

Section 194

Self-employed person's right to terminate the voluntary working hours insurance

A self-employed person may terminate a voluntary working hours insurance in writing at the earliest from the date the notice of termination is received at the insurance company.

Section 195
Reporting a claim event

A self-employed person shall report a claim event to the insurance company with the notification referred to in section 111(2) no later than on the thirtieth day following the date of the claim event.

If the self-employed person fails to submit the notification referred to in subsection 1, compensation may be refused for the period of delay if the refusal is reasonable considering the present circumstances.

Section 196
Circumstances in which the claim event occurred

The location of the working area referred to in section 22 above is considered to comprise the area where the self-employed person in each and any case performs self-employed work. The location of the working area does not, however, include the self-employed person's home or other areas primarily meant for his or her private use.

A training event referred to in section 24(1)(1) above is considered to comprise training related to the self-employment. The provisions of section 24(1)(2) on compensation for accidents that occurred during recreational events do not apply to self-employed persons.

The provisions of section 25 apply correspondingly when the self-employed person works at home or elsewhere than in the working area required by the work assignment.

Section 197
Self-employed person's daily allowance

The provisions of section 56(2), sections 57-60 and section 70 do not apply to a self-employed person's daily allowance.

The daily allowance is paid for full disability if the injury prevents full-time self-employment. The daily allowance corresponds to half of the daily allowance for full disability if the injury significantly limits self-employment.

The daily allowance is 1/360 of the self-employed person's annual earnings referred to in sections 188-190. The provisions of sections 71-73 and 75-79 do not apply to the annual earnings.

Section 198
Workers' compensation pension for self-employed persons

In addition to provisions of section 63, subsections 2 and 3, when assessing the deterioration of the self-employed person's ability to work, his or her confirmed income provided in the Self-Employed Person's Pensions Act and valid after the claim event is taken into account. Where the said confirmed income has not been reduced after a claim event, the self-employed person is not entitled to a workers' compensation pension issued for an indefinite period.

When calculating the amount of a workers' compensation pension for the self-employed person under section 66(1), the annual earnings are considered the self-employed person's annual earnings specified in sections 188-190. The provisions of sections 71-73 and 75-79 do not apply to the annual earnings. The provisions of section 70 do not apply to the workers' compensation pension for the self-employed persons.

Chapter 25.

Voluntary leisure-time insurance

Section 199

Voluntary leisure-time insurance for employees

An employer who has taken out compulsory insurance for his or her employees may include in the insurance a

voluntary leisure-time accident insurance The insurance compensates for accidents as claim events, provided that they have not occurred in the circumstances referred to in sections 21-25. Compensation is not paid for an accident if the insured person's work on behalf of the policyholder and the policyholder's obligation to pay remuneration had been suspended for an uninterrupted period of more than 30 days at the time of the accident. The daily allowance provided in section 58 and payable on the basis of the voluntary leisure-time insurance is determined on the basis of remuneration paid during sick leave by the employer holding the insurance policy or the earnings received for the said employer's work. Similarly, the annual earnings under sections 71-73 are determined on the basis of earnings received for the work provided by the employer holding the insurance policy. The provisions of sections 74-79 do not apply to the annual earnings.

The insurance company is not under an obligation to issue the insurance referred to in subsection 1. The insurance company has the right to terminate the insurance policy on the grounds specified in the terms and conditions of the insurance. The policyholder may terminate the insurance in writing at the earliest from the date when the notice of termination is received at the insurance company.

Section 200

Self-employed person's voluntary leisure-time insurance

A self-employed person who has taken out a voluntary working hours insurance may include in the insurance a voluntary leisure-time accident insurance. The insurance compensates for accidents that have not occurred in the circumstances referred to in sections 21-25.

Compensation for loss of earnings and survivors' pensions are based on the self-employed person's annual earnings as defined under sections 188-190. The provisions of section 197 apply to daily allowance and the provisions of section 198 on workers' compensation pensions.

The insurance company is not under an obligation to issue the insurance referred to in subsection 1. The insurance company has the right to terminate the insurance policy on the grounds specified in the terms and conditions of the insurance. The policyholder may terminate the insurance in writing at the earliest from the date when the notice of termination is received at the insurance company.

Section 201

Restrictions of compensability

Compensation is not paid on the basis of voluntary leisure-time insurance for an occupational disease referred to in section 26-29, material aggravation of an occupational injury referred to in section 30, pain induced by work motions referred to in section 33 or injury caused intentionally by another person.

Additionally, compensation is not paid on the basis of voluntary leisure-time insurance for:

- 1) an injury referred to in the Patient Injury Act;
- 2) a claim event, as a result of which the injured person is entitled to compensation under this Act by virtue of any other law;
- 3) a claim event, as a result of which the injured person is entitled to compensation under the Farmers' Accident Insurance Act for occupational injury or disease;
- 4) a traffic accident referred to in the Traffic Insurance Act or a respective act of a Member State of the European Economic Area; or
- 5) a rail traffic accident referred to in the Rail Traffic Liability Act (113/1999) or in a respective act of a Member State of the European Economic Area.

The terms and conditions of a leisure-time insurance policy for a ship's crew taken out on the basis of a collective agreement may determine that accidents caused by war, rebellion or similar forms of armed conflict are not compensable.

Section 202

Deductions from the compensation

A lump-sum deduction is made from the daily allowance paid on the basis of leisure-time insurance for a period during which the injured person is entitled to receive a daily allowance under the Health Insurance Act as a result of the same claim event, in accordance with the following table:

| Full amount of daily allowance, EUR | Deduction % |
|-------------------------------------|-------------|
| — 100.00 | 70 |
| 100.01 — 120.00 | 65 |
| 120.01 — 150.00 | 60 |
| 150.01 — 175.00 | 55 |
| 175.01 — 210.00 | 50 |
| 210.01 — 260.00 | 45 |
| 260.01 — 340.00 | 40 |
| 340.01 — 500.00 | 35 |
| 500.01 — | 30 |

Daily allowance payable under the Health Insurance Act, disability pension payable under any other law and the subsequent old-age pension are deducted from workers' compensation pension, when it is paid to the injured person on the basis of leisure-time insurance for the same period. Accordingly, survivors' pension payable under any other law is deducted from the survivors' pension paid to the beneficiary as a result of the same claim event.

The provisions of subsections 1 and 2 of on daily allowance and workers' compensation pension also apply to rehabilitation allowance.

Compensation payable to the injured person under the Health Insurance Act is deducted from the compensation paid to the injured person for medical treatment as a result of the same claim event on the basis of leisure-time insurance.

Section 203

Compensable medical treatment

The provisions of sections 40-42 do not apply to compensation for costs of medical treatment based on leisure-time insurance.

Chapter 26.

Voluntary working hours insurance for employees working abroad

Section 204

Voluntary working hours insurance for employees working abroad

A Finnish employer may take out voluntary working hours insurance for an employee provided that the employer can provide the said employee with the pension coverage referred to in section 150(2-4) of the Employees' Pensions Act. The provisions of section 191(2) apply to the insurance company's right not to issue the insurance, and the provisions of section 192 apply to the insurance company's right to terminate the insurance.

The daily allowance provided in section 58 and payable on the basis of the insurance referred to herein is determined solely on the basis of remuneration paid during sick leave by the employer holding the insurance policy or the earnings received for the said employer's work. Similarly, the annual earnings under sections 71-74 are determined on the basis of earnings received for the work provided by the employer holding the insurance policy. The provisions of sections 75-79 do not apply to the annual earnings.

PART VII

IMPLEMENTATION SYSTEM

Chapter 27.

Insurance institutions

Section 205

Insurance companies entitled to provide insurance coverage

Insurance under this Act may be issued by an insurance company which has the right to engage in insurance business within the non-life insurance class 1 referred to in section 2(1) of the Act on insurance classes (526/2008), under the Insurance Companies Act

(521/2008) or the Act on Foreign Insurance Companies (398/1995) in Finland.

Unless otherwise provided in this Act, the Insurance Companies Act applies to an insurance company referred to in the Insurance Companies Act, and the Foreign Insurance Companies Act applies to a foreign insurance company.

Section 206

Responsibility of officials for the legality of their actions

The provisions on penal liability as a public official apply to the persons employed by insurance companies and the Finnish Workers' Compensation Center and the members of the Board of Directors when they perform their functions referred to in this Act. The provisions on liability for damages are laid down in the Tort Liability Act (412/1974).

Section 207

The Treasury

Compensation for occupational accidents and diseases occurring during state employment is paid by the Treasury.

Section 208

Transfer of portfolio

In addition to the provisions of the Insurance Companies Act on the right of the Financial Supervisory Authority to refuse the merger, division, transfer of registered offices or transfer of the insurance portfolio of an insurance company, the Financial Supervisory Authority may not consent to the merger, division or transfer of registered offices of a Finnish insurance company engaged in the insurance business under this Act, or the transfer of an insurance portfolio pursuant to this Act to a foreign insurance company with a registered office outside the Member States of the European Economic Area, if such a measure would materially impair the insurance coverage of the insured

persons or endanger the operating requirements of the insurance system under this Act or its ability to fulfil its obligations. In giving its consent the Financial Supervisory Authority may attach consent conditions in order to ensure that the aforementioned requirements are met.

Before resolving the matter referred to in subsection 1, the Financial Supervisory Authority shall seek, where necessary, statements of the key central employer and employee organisations on the effect of the measure on the general requirements set out for the implementation of the insurance system provided in this Act.

The provisions of sections 1 and 2 apply, as appropriate, to the conditions of the consent referred to in sections 64-66 of the Act on Foreign Insurance Companies.

Chapter 28.

The Finnish Workers' Compensation Center

Section 209

Functions of the Finnish Workers' Compensation Center

The Finnish Workers' Compensation Center acts as the joint body for the implementation and development of the insurance provided in this Act.

The general functions of the Finnish Workers' Compensation Center are to:

- 1) promote uniform enforcement of the Act and development of the enforcement system;
- 2) promote collaboration in matters concerning the enforcement of the Act and requiring cooperation between the insurance institutions, and perform the functions arising from this;
- 3) promote collaboration between the insurance institutions enforcing the Act and other institutions and authorities;
- 4) make recommendations to further enhance the uniform enforcement of the Act in matters not covered by the functions of the Accident Insurance Compensation Board;
- 5) ensure that the communications necessary for the enforcement of this Act are carried out.

Additionally, the Finnish Workers' Compensation Center shall:

- 1) process claims for claim events that have occurred during uninsured work and collect the excess laid down in section 184 from employers who have defaulted their insurance obligation;
- 2) issue the resolution laid down in section 7 on the application of the Act;
- 3) confirm the form of the notification laid down in section 111;
- 4) ensure that the functions laid down in section 154 related to the processing of delayed claims are carried out;
- 5) maintain the risk classification laid down in section 171;
- 6) supervise, in accordance with section 177, the employer's insurance obligation and take out a compulsory insurance policy for the employer in case of non-compliance;
- 7) maintain the insurance register laid down in section 178;
- 8) submit the application provided in section 183 to the Treasury concerning the fee corresponding to the insurance premium and imposed on employers who fail to fulfil their insurance obligation, and the penalty fee, and maintain the premium principles to that end;
- 9) see to the tasks related to the collective guarantee under section 230;
- 10) see to the tasks related to the pay-as-you-go system provided in section 231;
- 11) collect and remit to the Finnish Work Environment Fund the labour protection fee provided in section 233;
- 12) maintain the occupational accident and disease register provided in section 235;
- 13) carry out the statistical and research activities provided in section 236 related to the enforcement of this Act and the prevention of injuries under this Act;
- 14) approve the form of the statement referred to in section 266(3);
- 15) act as the institution of the place of residence and the place of stay, and the liaison body, referred to in the EU social security regulations and the Convention on Social Security binding on Finland;

16) perform other tasks related to the enforcement and development of this Act as decided by the Board of Directors of the Finnish Workers' Compensation Center. The provisions of Chapter 31, section 13 on performing the tasks related to the preparations for emergencies apply to the Finnish Workers' Compensation Center.

Section 210

Service functions of the Finnish Workers' Compensation Center

In addition to the provisions of section 209 on the functions of the Finnish Workers' Compensation Center, the Center also carries out the service functions determined by its Board of Directors. The Finnish Workers' Compensation Center has the right to charge fees for the services it provides, and such fees shall cover the cost of service delivery.

Section 211

Applying the provisions on appeal and rectification procedures

The provisions of Part VIII on appeal and rectification procedures also apply to the decisions issued and payments imposed by the Finnish Workers' Compensation Center under this Act in its roles other than that of an insurance institution.

Section 212

Members of the Finnish Workers' Compensation Center

An insurance company engaged in the insurance business pursuant to this Act must be a member of the Finnish Workers' Compensation Center (member insurance company). The insurance company's membership in the Finnish Workers' Compensation Center shall continue as long as it has compensation obligations under this Act.

The Treasury and the farmers' accident insurance institution are also members of the Finnish Workers' Compensation Center. The Treasury and the farmers'

accident insurance institution are involved in the activities of the Finnish Workers' Compensation Center only insofar as they relate to the execution of the functions laid down in this Act.

An insurance company which intends to engage in the insurance business under this Act in Finland shall notify the Ministry and the Finnish Workers' Compensation Center of its intention at the latest two months before launch of operations.

Section 213

Covering the operating costs of the Finnish Workers' Compensation Center

Member insurance companies, the Treasury and the farmers' accident insurance institution shall pay an annual contribution to cover the operating costs of the Finnish Workers' Compensation Center.

Each member insurance company, the Treasury and the Farmers' Accident Insurance Institute shall pay a basic contribution of EUR 12,000 per year to the Finnish Workers' Compensation Center. The share of costs to be paid by the Treasury and the Farmers' Accident Insurance Institution is then calculated, based on their estimated portion of the operating costs of the Finnish Workers' Compensation Center. The member insurance companies cover the remaining balance of the Finnish Workers' Compensation Center's operating costs in proportion to their premium income. Premium income refers to premium income from insurances provided in this Act and recognised in the profit and loss account. The basic contribution for the year of accession is the normal basic payment multiplied by four.

The Finnish Workers' Compensation Center determines the share of costs to be paid. It has the right to charge advance payments towards the share of costs.

Further provisions on the calculation and recovery of the share of costs allocated to the member insurance companies, the Treasury and the Farmers' Accident Insurance Institute are given in the cost apportionment base, which the Ministry of Social Affairs and Health confirms on the proposal of the Finnish Workers' Compensation Center.

The share of costs may be collected without a court judgment and decision in the order laid down in the Act on the enforcement of taxes and fees. If the payment is not made by the due date, the outstanding capital shall be subject to an annual interest for late payment in accordance with the interest rate provided in section 4a(1) of the Interest Act

Section 214

Bodies of the Finnish Workers' Compensation Center

The bodies of the Finnish Workers' Compensation Center are the General Meeting, the Board of Directors and the Managing Director.

Section 215

The General Meeting and its functions

A member of the Finnish Workers' Compensation Center has the right to vote at the General Meeting. A chairman elected at the General Meeting leads the meeting proceedings.

The General Meeting shall:

- 1) decide on the Finnish Workers' Compensation Center's rules;
- 2) deal with the balance sheet and the statement by the auditors on the financial statements;
- 3) decide on the measures to which the previous year's administration and accounts gives rise;
- 4) decide on the fees paid to the auditors and the chairman, members and medical experts of the Board of Directors and the Accident Insurance Compensation Board;
- 5) decide on the number of members and deputy members of the Board of Directors representing the members of the Finnish Workers' Compensation Center, and hold the election of the members and deputy members of the Board of Directors representing the members and the election of the auditors;
- 6) approve the following year's budget.

Section 216

Quorum, number of votes and decision-making at the General Meeting

The General Meeting shall have a quorum if at least half of the members are represented at the meeting.

The number of votes allocated to a member insurance company at the General Assembly is based on its share of the total insurance premium income generated by the member insurance companies from the insurances provided in this Act. The number of votes is one if the share is less than 0.5 per cent. The number of votes is three if the share is less than two per cent, but not less than 0.5 per cent. The number of votes is five if the share is less than 15 per cent, but not less than two per cent. The number of votes is seven if the share is 15 per cent or more.

The Treasury and the farmers' accident insurance institution have five votes each.

A decision made by the General Meeting shall be the opinion which has been supported by more than half of the votes cast. If the votes are evenly divided, the chairman's vote shall decide. Those who received the most votes shall be elected. If, however, only one candidate is standing in the election, more than half of the votes cast are required for election. A tie in the election shall be decided by the drawing of lots.

Section 217

The Board of Directors, its mandate and quorum

The Board of Directors of the Finnish Workers' Compensation Center comprises a maximum of 13 ordinary members. Of these, a maximum of seven members represent the member organisations of the Finnish Workers' Compensation Center, three represent employers and three represent the employees' key central organisations. The Board of Directors includes up to five deputy members, of whom one represents the employers' and one the employees' key central organisations and one the leading organisation representing farmers' economic interests, and up to two members of the Finnish Workers' Compensation Center. The aforementioned central organisations provide the

Finnish Workers' Compensation Center with the details of their representatives for the Board of Directors. A member of the Board of Directors cannot be under guardianship or declared bankrupt, nor a person who is prohibited to pursue a business.

The Board of Directors' term of office is three calendar years. The Board of Directors shall elect a chairman and a deputy chairman from among its members. If a member of the Board of Directors resigns or loses the ability to qualify for the membership the Board during the term of office, a new member shall be nominated to replace him or her for the remainder of the Board's term of office in accordance with subsection 1.

The Board of Directors has a quorum when the chairman and at least half of the other members are present.

Section 218

Tasks, decision-making and the disqualification of the Board of Directors

The Board of Directors shall:

- 1) exercise the supreme power of decision-making for the Finnish Workers' Compensation Center in matters that do not fall within the decision-making powers of the General Meeting or the Managing Director;
- 2) prepare the matters to be discussed at the General Meeting;
- 3) appoint and dismiss the Managing Director of the Finnish Workers' Compensation Center and the managers reporting to the Managing Director and agree on their remuneration and other terms of office; and
- 4) determine the fees for the service functions provided in section 210;

The Board of Directors' decision shall be the opinion supported by most of those present. If the votes are evenly divided, the chairman's vote shall be decisive. Those who received the most votes shall be elected. If, however, only one candidate is standing in the election, more than half of the votes cast are required for election. A tie in the election shall be decided by the drawing of lots.

A member of the Board of Directors may not take part in any proceedings related to matters that concern his or

her private interest or the private interest of a corporate body where he or she serves as a member of the Board of Directors, the Managing Director or an employee. The Board of Directors may delegate powers to the Managing Director, managers and officials.

Section 219

Managing Director and his or her deputy

The Managing Director of the Finnish Workers' Compensation Center shall have satisfactory knowledge of insurances for occupational accidents and diseases, and he or she must have a good reputation.

The Managing Director may not be employed by a member of the Finnish Workers' Compensation Center, belong to its governing bodies, act as an agent of a member or otherwise have such a relation to a member that the confidence in his or her impartiality is compromised for any other special reason.

The Managing Director cannot be under guardianship or declared bankrupt, nor a person who is prohibited to pursue a business.

The Board of Directors shall appoint a deputy Managing Director. The provisions of this Act on the Managing Director apply respectively to his or her deputy.

Section 220

Functions of the Managing Director

The Managing Director exercises supreme power of decision in individual cases concerning the payment of compensation for injuries that occurred during uninsured work, the delayed processing of a claim referred to in section 154, and the confirmation and imposing of the share of costs referred to in section 213 and the pay-as-you-go payment in accordance with section 231.

The Managing Director may delegate his or her powers provided in subsection 1 to the managers and employees.

Section 221

Authority to sign, accounts and financial statements and the auditors

The authority to sign documents on behalf of the Finnish Workers' Compensation Center is exercised by the Chairman of the Board of Directors or the Managing Director, each alone, or two persons authorised by the Board of Directors together.

The provisions of the Accounting Act (1336/1997) apply to the accounting and the preparation of the financial statements of the Finnish Workers' Compensation Center.

The General Meeting appoints two auditors at a time including their personal deputies for the financial year to audit the accounts and financial statements of the Finnish Workers' Compensation Center. At least one auditor and his or her deputy auditor shall meet the criteria set out for the insurance company auditor in the Insurance Companies Act. The auditor also acts as the Finnish Workers' Compensation Center's supervisory auditor.

Section 222

Rules of the Finnish Workers' Compensation Center

Further provisions on the administration of the Finnish Workers' Compensation Center shall be given in the rules of the Finnish Workers' Compensation Center, which the Ministry of Social Affairs and Health confirms on the proposal of the Finnish Workers' Compensation Center.

Section 223

Voidability and invalidity of a decision of the Board of Directors and General Meeting

If the decision of the Board of Directors or the General Meeting has not been taken in proper order or if it is otherwise contrary to law or the rules of the Finnish Workers' Compensation Center, a member of the Finnish Workers' Compensation Center, the Board of Directors or a member of the Board of Directors can bring an action against the Finnish Workers'

Compensation Center in order to have to decision declared void. Persons who have contributed to the decision at the meeting do not have the right to bring an action for annulment.

The action shall be filed within three months from the date of the decision or, if the decision was made without a meeting in separate voting events, by post or by data communications or other technical devices, within three months of the date of the minutes where the decision is recorded. If no action is brought within the time limit, the decision shall be regarded valid.

Regardless of the action for annulment, the decision is void if it violates the right of a third party. Anyone who believes that the decision violates his or her rights can bring an action against the Finnish Workers' Compensation Center to confirm that the decision is void.

Section 224
Injunction

Where an action has been brought against the Finnish Workers' Compensation Center under section 223, the court may prohibit enforcement of the decision or order that it be suspended. Such injunction or order may also be cancelled.

The judgement referred to in subsection 1 above may not be appealed separately.

Section 225
Board member's and the Managing Director's liability for damages

The members of the Board and the Managing Director shall compensate for the damages which they have either intentionally or negligently caused the Finnish Workers' Compensation Center. The same applies to causing injury to a member of the Finnish Workers' Compensation Center or another by violating this Act or the rules of the Finnish Workers' Compensation Center. The provisions of section 206 apply to liability for acts in office

Chapter 29.

Accident Insurance Compensation Board

Section 226

Accident Insurance Compensation Board

The Accident Insurance Compensation Board operates within the Finnish Workers' Compensation Center. Its purpose is to promote the uniformity of compensation practice under this Act by issuing guidelines and statements.

Section 227

Composition

The Accident Insurance Compensation Board comprises a chairman, three lawyer members, four labour market members, at least five medical experts, and a necessary number of deputies, all of whom are appointed by the Ministry of Social Affairs and Health for a period of up to three years at a time. The members must be familiar with statutory accident insurance. The chairman and the lawyer members shall have a master's degree in law. The medical experts must be physicians licensed in Finland and familiar with insurance medicine.

A representative of the Ministry of Social Affairs and Health is appointed chairman of the Accident Insurance Compensation Board. Lawyer members and at least two medical experts as well as their deputies are appointed on a proposal by the Finnish Workers' Compensation Center. Two of the labour market members are appointed on a proposal by the employers' key central organisations, and two on a proposal by the employees' key central organisations. One of the labour market deputies is appointed on a proposal by the employers' key central organisations, and one on a proposal by the employees' key central organisations. One of the medical experts is appointed on a proposal by the employers' key central organisations, and one on a proposal by the employees' key central organisations. The Board, which may also operate in sections, elects the necessary vice chairmen from among its lawyer members.

If the chairman or a member, medical expert or deputy of the Accident Insurance Compensation Board is permanently prevented from attending to his or her duties, the Ministry of Social Affairs and Health appoints a replacement chairman, member, medical expert or deputy for the remaining period of office, taking into account the provisions of subsections 1 and 2.

Section 228

Procedure for the request for a statement and further provisions

Matters related to statements are handled by the Board in writing.

The provisions on resolving the matter before the Board, quorum and administration of the Board, the form of the request for a statement and the form of the statement issued by the Board are given by government decree.

Chapter 30.

Supplementary insurance premium obligation and joint guarantee payment

Section 229

Policyholder's supplementary insurance premium obligation

If the liability for compulsory insurance remains unsecured in part or in full due to liquidation or bankruptcy of the insurance company after additional payment obligation, possibly imposed on the policyholder under Chapter 14, section 5 of the Insurance Companies Act, has been enforced, an obligation to pay a supplementary accident insurance premium may be imposed on the policyholder in accordance with this section. The provisions of this section do not apply to a consumer or anyone in business whose position as the insurance institution's contracting party, considering the scale and nature of his or her business and other circumstances, is comparable to a that of a consumer.

The obligation to pay a supplementary premium can be imposed on a policyholder who, on the basis of ownership or otherwise, has exerted a major influence

on the administration of the insurance company, if the provisions governing the insurance business have been neglected to a significant extent in the insurance operations under this Act or if such operations have been run in a manner that constitutes a criminal offence which cannot be considered minor. The supplementary premium equals the financial benefit gained by the policyholder in question.

If the supplementary premium under subsection 2 is insufficient to cover the unsecured part of the liability and the average insurance premiums for compulsory insurance have been unreasonably low as compared to the costs arising from the insurance policies, and this is considered to have significantly influenced the placing of the insurance company in liquidation or bankruptcy, a supplementary premium may be imposed not only on the policyholders referred to in subsection 2 but also on other policyholders who can be considered to have benefited from the excessively low premiums. The supplementary premium imposed on any policyholder may not exceed the financial benefit gained by the policyholder in question on account of the excessively low premiums during a period of three years before the insurance company was placed in liquidation or declared bankrupt.

Imposition of a supplementary premium, its amount and the payment procedure are decided on by the Finnish Workers' Compensation Center. Further provisions on the amount and payment procedure of the supplementary insurance premium are given, where appropriate, by a Decree of the Ministry of Social Affairs and Health. Interest for late payment at the rate under section 4a(1) of the Interest Act is charged on a due and payable supplementary premium which is not paid by the due date. The outstanding supplementary premium and the interest for late payment can be levied in execution without judgement or decision in accordance with the Act on the enforcement of taxes and fees.

Section 230

Joint guarantee payment imposed on insurance companies

If the liability for compulsory insurance remains in part or in full unsecured due to liquidation or bankruptcy of the insurance company after the policyholders' obligation to pay supplementary premiums has been enforced, the insurance companies engaged in insurance operations under this Act are jointly accountable for the liability or part of it. The portion remaining unsecured is financed by collecting an annual joint guarantee payment from all insurance companies engaged in insurance operations under this Act in the year the payment in question is imposed. The insurance company may finance the cost increase arising from the said joint guarantee payment out of future compulsory insurance premiums.

The amount of the joint guarantee payment is determined in proportion to premium income actually received by the insurance company from compulsory insurance or premium income the company is estimated to receive considering the risk covered by such insurance. The payment may not exceed 2 per cent of the said premium income each year. Further provisions on the amount of the joint guarantee payment are given, where appropriate, by a Decree of the Ministry of Social Affairs and Health.

Interest for late payment at the rate under section 4a(1) of the Interest Act is charged on a due and payable payment or advance thereto not paid by the due date. The payment and a relevant advance payment and the interest for late payment may be levied in execution without judgement or decision as provided in the Act on the enforcement of taxes and fees.

In the event of liquidation or bankruptcy of a Finnish insurance company, the Finnish Workers' Compensation Center sees to compensation payments after the insurance portfolio and the corresponding assets have been transferred to the Center, and deals with other functions referred to in Chapter 23, section 21, of the Insurance Companies Act and section 49 of the Act on Foreign Insurance Companies. However, in the case of liquidation or bankruptcy of a foreign insurance company domiciled in a Member State of the European Economic Area, the Finnish Workers' Compensation

Center becomes liable for compensation payments as of the date determined by the Ministry of Social Affairs and Health. When the Finnish Workers' Compensation Center pays out compensation to the injured party, his or her right to compensation from the receivership or bankruptcy estate transfers to the Finnish Workers' Compensation Center to the extent that compensation was paid by the Center.

Chapter 31.

Pay-as-you-go system

Section 231

Pay-as-you-go system

Insurance companies engaged in insurance operations under this Act shall contribute each year to cover the costs referred to in this section in proportion to their premium income as provided in subsections 2-10 (pay-as-you-go system). For the purposes of this section, premium income refers to premium income from insurances provided in this Act and recognised in the insurance company's profit and loss account. Costs covered are as follows:

- 1) costs arising from claim events that occurred in uninsured work, less the payments received pursuant to sections 183 and 184;
- 2) The Finnish international agreement binding attributable to residential and costs incurred in the place of stay the insurance institution tasks;
- 3) paid by the insurance company for the calendar year:
 - a) index increases of workers' compensation pensions, continuous compensation for functional limitation, rehabilitation allowance, survivors' pensions, lump-sum compensation for functional limitation, care allowance and clothing allowance;
 - b) refunded medical treatment costs pursuant to sections 36, 46 and 47 and refunded travel and accommodation costs under section 50, which are paid when more than nine years have elapsed from the beginning of the calendar year following the date of occurrence of the claim event;
 - b) refunded rehabilitation costs pursuant to sections 93-97 and refunded travel costs provided in section 98 and

arising from rehabilitation provided in sections 94 and 97, which are paid when more than nine years have elapsed from the beginning of the calendar year following the date of the claim event;

d) compensation for an occupational disease that manifests when at least five years has elapsed from the exposure that could have last resulted in the occupational disease;

e) costs referred to in sections 38 and 48, which were refunded when the occupational disease referred to in subparagraph d was suspected;

f) compensation for a catastrophe as provided in subsection 9.

The Finnish Workers' Compensation Center shall inform the insurance institutions by 31 May of the year when the increases, compensations and payments referred to in subsection 1 were imposed (pay-as-you-go year) of the ratio which determines the amount of financial contributions (pay-as-you-go payments) required to fund the pay-as-you-go system in proportion to the insurance premium income for the pay-as-you-go year. The ratio shall be based on an evaluation of the increases, compensations and payments provided in subsection 1 (pay-as-you-go compensations) imposed on the insurance companies and the Finnish Workers' Compensation Center over the pay-as-you-go year and the amounts of insurance premium income. In addition, the ratio shall take into account the surplus or deficit (pay-as-you-go balance) arising from the difference between the pay-as-you-go payments and the pay-as-you-go compensations for the years preceding the pay-as-you-go year. Further provisions on how the pay-as-you-go balance is taken into account in determining the ratio are given by a Decree of the Ministry of Social Affairs and Health. The insurance company-specific pay-as-you-go payment is obtained by multiplying the ratio provided in subsection 2 with the insurance company's premium income for the pay-as-you-go year. The company-specific pay-as-you-go balance is determined by the proportion of the pay-as-you-go year's insurance premium income to the accumulated pay-as-you-go balance for the pay-as-you-go year and the preceding years. The company-specific pay-as-you-

go balance constitutes the insurance company's liability to the pay-as-you-go system if the balance is in surplus, or the insurance company's receivables from the pay-as-you-go system if the balance is in deficit.

The Finnish Workers' Compensation Center draws up an estimate by 31 May of the pay-as-you-go year regarding the pay-as-you-go compensation amounts imposed on the Finnish Workers' Compensation Center and the insurance companies during the pay-as-you-go year, and of the insurance company-specific amounts of pay-as-you-go payments and pay-as-you-go balances. Further provisions on the basis of the estimate are given by a Decree of the Ministry of Social Affairs and Health.

The Finnish Workers' Compensation Center shall confirm by 31 May following the pay-as-you-go year the pay-as-you-go compensations imposed on the Finnish Workers' Compensation Center and the insurance companies for the pay-as-you-go year and the company-specific pay-as-you-go payments and pay-as-you-go balances.

The insurance company shall pay the pay-as-you-go payment, as indicated in the estimate and confirmed, and the company-specific payment corresponding to the difference in the pay-as-you-go balance to the Finnish Workers' Compensation Center, and the Finnish Workers' Compensation Center shall pay to the insurance company the pay-as-you-go compensation, as indicated in the estimate and confirmed, along with the payment corresponding to the difference in the company-specific pay-as-you-go balance. Further provisions on payment and the payment procedure are given by a Decree of the Ministry of Social Affairs and Health.

The confirmed payments referred to in subsection 6 shall include the interest on the difference between such payments and the advances paid, for one year starting from 1 July of the pay-as-you-go year. The interest rate is the reference rate provided in section 12 of the Interest Act in force on the date specified.

The catastrophe referred to in section 1(3)(f) means a temporally and spatially limited event or sequence of events of the same origin, as a result of which compensation provided in this Act and coming to more

than EUR 75,000,000 in total (catastrophe threshold) is paid to one or more injured person or beneficiary. Compensation for a catastrophe is taken into account only insofar as such compensation exceeds the catastrophe threshold. The insurance company's payment share constitutes the compensations which the insurance company pays after the compensations paid by all insurance companies for the same catastrophe in total exceed the catastrophe threshold. However, the compensations do not include the allowances referred to in subsection 1, paragraph 3, subparagraphs a-e and the compensation received by the insurance company on the basis of the right of recovery provided in section 270. The provisions of this section on compensation also apply to the fee for the actual cost of medical treatment provided in section 40.

Section 232

Impact of insurance portfolio transfer or assignment on pay-as-you-go payment

If part of the insurance portfolio has been transferred from one insurance company to another as a result of demerger or insurance portfolio transfer, in drawing up the estimate under section 231(4) and confirming the pay-as-you-go instalments provided in subsection 5, the actual and estimated insurance premium income from the transferred insurances and the pay-as-you-go compensations and the share corresponding to these insurances of the confirmed pay-as-you-go balance for the year preceding the pay-as-you-go year are considered to belong to the insurance company to which the insurance portfolio was transferred.

Chapter 32.

Miscellaneous provisions

Section 233

Labour protection fee

An amount equal to 1.75% of the insurance premium of a compulsory insurance policy shall be used to promote occupational health and safety, as provided in the Finnish Work Environment Fund Act (407/1979). The

insurance company pays this amount to the Finnish Workers' Compensation Center, which credits it to the Finnish Work Environment Fund as provided by a Decree of the Ministry of Social Affairs and Health.

Section 234

Statistical survey

The Financial Supervisory Authority must issue an annual report detailing the actual result of each insurance company's insurance policies under this Act for a period covering at least five previous calendar years.

Section 235

Register of occupational accidents and diseases

The Finnish Workers' Compensation Center maintains a register of claim events, the insurances provided in this Act, policyholders and compensations (occupational accident and disease register) for the purposes of preventing occupational accidents and the enforcement and development of this Act.

Section 236

Statistical and research activities of the Finnish Workers' Compensation Center

The Finnish Workers' Compensation Center is tasked with compiling the statistics on occupational accidents and diseases, conducting studies that contribute to the prevention of occupational accidents and diseases, and preparing reports on the relationships between preventative measures and their effects and reports on the link between insurance premiums and the accident and occupational disease risk caused by work. The Finnish Workers' Compensation Center can also conduct other studies and calculations required for the enforcement, supervision and development of this Act.

PART VIII

APPEAL, RECTIFICATION PROCEDURES AND RECOVERY

Chapter 33.

Appeal

Section 237

Appeal bodies

The appeal bodies are the Employment Accidents Appeal Board, the Insurance Court and the Supreme Court. The provisions on the Employment Accidents Appeal Board are laid down in the Act on the Employment Accidents Appeal Board (1316/2010) and provisions on the right of appeal in the Act on the Insurance Court (132/2003). The provisions on the Supreme Court are laid down in the Act on the Supreme Court (665/2005).

Section 238

Right of appeal

A party who is not satisfied with the decision of an insurance institution may lodge an appeal against it to the Employment Accidents Appeal Board in writing. A party who is not satisfied with the decision of the Employment Accidents Appeal Board may lodge an appeal against it to the Insurance Court in writing.

A municipality or joint municipal authority is not a party in a case concerning the employee's right to compensation under this Act, on the grounds that it has provided care for the employee. The municipality or joint municipal authority may appeal a decision on the fee for the actual cost of medical treatment. Otherwise, the provisions of section 6(1) of the Administrative Procedure Act (586/1996) apply to the involvement of parties.

A decision of the Insurance Court, if it has resolved a question of whether injury, illness or death provides justifying grounds to compensation under this Act or who is liable to pay compensation, may be appealed by lodging an appeal to the Supreme Court if the Supreme Court gives leave to appeal.

Section 239

Enforcement of a decision

Despite an appeal, a decision issued by an insurance institution shall be complied with until the matter has been resolved by a final decision. A final decision of the insurance institution and the Employment Accidents Appeal Board is enforced as a final decision on a civil matter.

Section 240

Material appeal

A party who believes that the imposing of a payment determined under this Act has been in breach of law or contract may lodge a material appeal against it in writing to Employment Accidents Appeal Board within two years from the beginning of the year following the one in which the receivable has been determined or imposed. The provisions of the Act on the enforcement of taxes and fees also apply to material appeals against attachment.

A party who is not satisfied with the decision issued by Employment Accidents Appeal Board in a matter referred to in subsection 1 may lodge an appeal against it to the Insurance Court in writing. A decision of the Insurance Court on a material appeal may be appealed by lodging an appeal to the Supreme Court if the Supreme Court gives leave to appeal.

Section 241

Appeal period and submitting the appeal

The appeal period is 30 days from the date on which the party was informed of the decision issued by the insurance institution or the Employment Accidents Appeal Board. Unless proven otherwise, the appellant shall be deemed to have received notice of the decision on the seventh day following that on which the decision is posted to the address given by the appellant.

The notice of appeal shall be submitted within the appeal period to the insurance institution which issued the decision. In a matter concerning a material appeal, the notice of appeal shall be submitted to the appeal body. When appealing a decision issued by the Insurance Court, the provisions of Chapter 30 of the Code of

Judicial Procedure on appealing against a decision issued by the Court of Appeal shall apply. The time limit for requesting the leave to appeal and submitting an appeal is 60 days from the date on which the appellant was informed of the decision issued by the Insurance Court.

Section 242

Correction of one's own decisions and transferring the appeal to the appeal body

If the insurance institution accepts in full the claims presented in the appeal, it shall issue a new decision on the matter. The new decision may be appealed as provided in sections 238 and 241.

If the insurance institution cannot change the appealed decision in a manner referred to in subsection 1, it shall submit the notice of appeal, the documents concerning the appeal case and its statement within 30 days of the end of the appeal period to the Employment Accidents Appeal Board, or if the appeal relates to a decision issued by the Employment Accidents Appeal Board, to the Insurance Court. The insurance institution can then issue an interim decision to change its earlier decision insofar as it approves the claim presented in the appeal. If the insurance institution accepts the claim set out in the appeal in part or in full after the appeal has already been submitted to the appeal body, the insurance institution may also issue a temporary decision. The appeal body shall be notified of the interim decision without delay. An interim decision issued by an insurance institution cannot be appealed.

The time limit referred to in subsection 2 above may be waived if further evidence has to be obtained on account of the appeal. In that case, the appellant shall be informed without delay of the need to obtain further evidence. However, the notice of appeal and the statement shall be sent to the appropriate appeal body no later than 60 days after the end of the appeal period.

Section 243

Appeal submitted after the appeal period

If an appeal or other brief subject to a deadline is submitted to the Employment Accidents Appeal Board, the Insurance Court or the Supreme Court after the expiry of such deadline, it may nonetheless be admissible if the delay was due to a compelling reason.

Chapter 34.

Rectification procedure, setting aside of a decision and recovery

Section 244

Correcting a factual error and an error in writing

If the insurance institution's decision is clearly based on erroneous or incomplete evidence or manifestly erroneous application of the law, or when a procedural error has taken place in issuing the decision, the insurance institution may annul its erroneous decision and decide the matter anew. However, correction of a decision to the detriment of the party requires that the party consents to the decision being corrected.

The insurance institution shall rectify an obvious error in writing or calculation or other comparable clear mistake. However, the error may not be corrected if the correction leads to an unreasonable result for the party.

Section 245

Rectifying a final decision

If new evidence is found in a matter which concerns the granting of a compensation previously denied or an increase to a compensation previously granted, the insurance institution shall review the case. Notwithstanding the previous final decision, the insurance institution may grant the denied compensation or grant an increased compensation. The Employment Accidents Appeal Board and the Insurance Court may also proceed accordingly in considering an appeal.

Section 246

Setting aside a final decision

If a final decision issued by the insurance institution under this Act is based on erroneous or incomplete

evidence or is in apparent conflict with the law, the Employment Accidents Appeal Board may set aside the decision upon request by a party or the insurance institution and order the matter for reconsideration. The Employment Accidents Appeal Board shall give the parties an opportunity to be heard before the matter is resolved. The ruling issued by the Employment Accidents Appeal Board may not be appealed.

If a final decision issued by the Employment Accidents Appeal Board or the Insurance Court under this Act is based on erroneous or incomplete evidence or is in apparent conflict with the law, the Insurance Court may set aside the decision upon request by a party or the insurance institution and order the matter for reconsideration. The Insurance Court shall give the parties an opportunity to be heard before the matter is resolved.

If the insurance institution requests the annulment of a decision, it may suspend the payment of a benefit or pay the benefit in accordance with its claim until the matter is resettled.

Annulment of a decision shall be made within five years of the date when the decision became final. For particularly weighty reasons, a decision can be annulled even when the application is submitted after the time limit.

The provisions of Chapter 31 of the Code of Judicial Procedure also apply on the extraordinary appeal.

The hearing referred to in subsections 1 and 2 above shall be communicated in such a way as provided in section 59 of the Administrative Procedure Act.

Section 247 *Recovery*

If someone has received compensation under this Act more than provided in this Act, the insurance institution shall recover the compensation unduly paid.

The compensation unduly paid may remain partially or fully unrecovered, if it is considered reasonable and the payment of compensation is not to be attributed to the fraudulent conduct of the recipient or his or her

representative or if the amount to be recovered is minimal.

The compensation unduly paid can be recovered by offsetting it against future compensation instalments other than those referred to in section 276(2). However, not more than a sixth of the portion of the compensation instalment that remains after tax is deducted under the Pay-as-you-earn Tax Act (1118/1996) or, conditionally, withheld under the Act on withholding tax on income from persons liable to pay tax (627/1978), can be deducted from a compensation instalment paid at any one time without the consent of the compensation recipient.

Unduly paid compensation shall be recovered within ten years of its payment date. A receivable confirmed by a recovery decision shall be limited to five years after the issuing of the decision, unless the limitation has been interrupted before. The limitation of a receivable confirmed by a recovery decision is interrupted as provided in sections 10 and 11 of the Act on the limitation of liabilities. The interruption of the limitation period starts a new five-year limitation period.

PART IX

MISCELLANEOUS PROVISIONS

Chapter 35.

Information disclosure, receipt and secrecy

Section 248

Application of the Act on the Openness of Government Activities

The Act on the Openness of Government Activities (621/1999), hereinafter referred to as the Openness Act, applies to insurance companies and the Finnish Workers' Compensation Center to the extent that they exercise public authority referred to in section 4(2) of the Openness Act, unless otherwise provided in this Act or another act.

The provisions of section 22 on the secrecy of documents, section 23 on non-disclosure and prohibition of use, section 24 on secret official documents, Chapter 7 on derogations from secrecy and declassification and

section 35 on penal provisions of the Openness Act shall apply to the insurance companies and the Finnish Workers' Compensation Center in matters relating to the enforcement of this Act, also when such matters do not concern the exercise of public authority.

The provisions of Chapter 30, sections 1 and 3 of the Insurance Companies Act on non-disclosure and disclosure of information shall not apply to the enforcement of this Act.

Section 249

Information on the financial position of the employer

In addition to the provisions of section 24(1)(20) of the Openness Act on the secrecy of information concerning a private business, the documents and information based on the enforcement of this Act and concerning the financial position of the employer are also to be kept secret.

Section 250

Right of the injured person or his or her beneficiaries to access information on the claim

The insurance institution shall provide, upon request, the injured person or his or her beneficiary with the information relating to the claim. The provisions of the Personal Data Act apply to the right of access to inspect one's personal data held in a personal data register.

Section 251

Employer's right to access information

Notwithstanding the secrecy provisions and other restrictions on access to information, the employer has the right to receive the necessary information on compensation granted under this Act for the purposes of his or her financial and personnel administration, verification of insurance premiums and identification of compensated claim events.

Section 252

Insurance institute's and appeal body's right to access information

Notwithstanding the secrecy provisions and other restrictions on access to information, an insurance institution and an appeal body processing the insurance or compensation claim provided in this Act have the right to access:

- 1) from the insurance institution or the authorised pension provider implementing a statutory insurance, the authorities and other parties to which the Openness Act is applied, information on the employee's employment contracts, self-employment and earnings, benefits paid to him or her, and on other matters which are essential for the processing of the present insurance or compensation claim or otherwise necessary for the performance of the functions set out in this Act, the EU's social security regulations or the Convention on Social Security;
- 2) from the employer, information on the claim event, the conditions where it occurred, its causes and consequences, the employee's work, the remuneration the employer has paid him or her and the reasons for such remuneration, and other information necessary for settling the present insurance or compensation claim or otherwise necessary for the performance of the functions set out in this Act, the EU's social security regulations or the Convention on Social Security;
- 3) from the physician and other professionals referred to in the Act on Health Care Professionals, from the health care unit referred to in section 2(4) of the Act on the status and rights of patients, from the body implementing the injured person's rehabilitation or another health care unit, social services provider or medical treatment facility, upon request, a statement drawn up by the body in question and other necessary information on the patient's medical record, health, ability to work, treatment and rehabilitation, for the purpose of performing the functions set out in this Act,;
- 4) from the authorised pension provider and the Finnish Centre for Pensions, information on the insurance provided in the Self-Employed Person's Pensions Act and the self-employed person's confirmed income

provided in section 112 of the said Act, for the purpose of processing the insurance or compensation claim.

In requesting from the employer information for the processing of a compensation claim, without the consent of the injured person the employer shall only be disclosed such secret information on the injured person, which is necessary for the identification of the information requested from the employer.

The information referred to in this section may be retrieved using an electronic user connection without the consent of the person for the protection of whose interests the secrecy obligation has been provided.

Section 253

Right of inspection related to the supervision of the insurance company and the Finnish Workers' Compensation Center

The insurance company and the Finnish Workers' Compensation Center are entitled to carry out inspections on the employer's premises and the right to take other supervisory measures in order to determine whether the employer has fulfilled his or her obligations under this Act. The inspected employer shall present his or her payroll accounts, working hours records and, regardless of the presentation or recording format, any other material which may have an impact on the inspected employer's insurance obligation under this Act.

The insurance company and the Finnish Workers' Compensation Center are entitled to receive executive assistance from the police and other authorities.

An inspection of the employer's home may be carried out only if there are reasonable grounds to suspect that the employer has failed to comply with the insurance obligation in accordance with this Act and the inspection is necessary to investigate the matter. The employer's home may only be inspected by the police.

Section 254

Checking information recorded in the employer's documents

The insurance institution is entitled to inspect the employer's documents for accuracy of the information which is held by the employer and is subject to the obligation to provide information pursuant to this Act. The insurance institution is entitled to receive from the police and other authorities executive assistance in obtaining the information referred to above.

Section 255

Insurance institution's right to provide information

The insurance institution shall be entitled, in addition to the provisions of the Openness Act and notwithstanding the secrecy provisions and other restrictions on access to information, to disclose information based on the enforcement of this Act as follows:

- 1) to the relevant authority and body: the information necessary for the performance of the functions under the Convention on Social Security binding on Finland or the international statutes concerning social security;
- 2) to a ministry, the Tax Administration, a body maintaining the statutory social security system or a corporate body which handles social security benefits affected by a compensation provided in this Act: the personal identity code and other identification data of a person claiming compensation under this Act, information on compensations paid, details of the employer, and other comparable information necessary for combining personal data and for other one-off supervisory measures in order to investigate offences against, and abuses of, social security, and providing the police and the prosecution authority with the aforementioned information for the purposes of investigation and prosecution of criminal offenses;
- 3) to an insurance institution, the Finnish Motor Insurers' Centre and the Patient Insurance Centre implementing an insurance under this Act, the Traffic Insurance Act or the Patient Injury Act in order to prevent crime against these bodies: information on the criminal offences committed against the insurance institution in connection with the enforcement of this Act, information disclosed to them on injuries and compensations paid, and the personal identity codes and

other identification data on the persons applying for and receiving compensation, provided that the Finnish Data Protection Board has given the permission, referred to in section 43 of the Personal Data Act, to process the data.

4) to another insurance institution engaged in the statutory insurance operations, the Finnish Motor Insurers' Centre and the Patient Insurance Centre: the information necessary to determine the liability of these bodies on the same injury;

5) to another insurance institution and the party causing the damage: information necessary for the exercise of the right of recovery by an insurance institution engaged in insurance operations under this Act;

6) to a data controller engaged in credit information operations: information on the distrainable receivables under this Act from the policyholder and the person with the obligation to take out insurance;

7) to a health care unit referred to in section 252(1)(3) and a health care professional: information on the injured person necessary for the provision of a payment commitment and a professional statement requested by an insurance institution for the purpose of settling a compensation claim.

Notwithstanding the secrecy provisions and other restrictions on access to information, the insurance company and its agent are entitled to disclose information based on the enforcement of this Act to an insurance company in the same group, an insurance group referred to in Chapter 26 of the Insurance Companies Act, a financial consortium referred to in Chapter 30, section 3(2) of the said Act and to another undertaking in the financial and insurance conglomerate referred to in the Act on the Supervision of Financial and Insurance Conglomerates for the purpose of performing the functions provided in this Act.

In its other activities, the insurance company may not make use of information based on the enforcement of this Act and subject to secrecy provisions or other restrictions on access to information, subject to separate provisions of other applicable statutes. Neither may such information be disclosed to an insurance company's Annual General Meeting, a body of representatives or the shareholders.

Notwithstanding the provisions of subsections 2 and 3, the insurance company may disclose information on the policyholder concerning customer service, customer relationship management and other customer management to an undertaking referred to in subsection 2 and use such information in its other insurance activities. This type of information comprises the name of the employer or self-employed person, the personal, business, organisational and customer identification numbers, contact information, information on the company's ownership, the insurance arrangements provided in this Act and the amount of pay such arrangements are based on, and comparable information related to customer relationship management.

Section 256

The Finnish Workers' Compensation Center's and the insurance company's right to disclose information in supervisory matters

In addition to the provisions of the Openness Act and notwithstanding the secrecy provisions and other restrictions on access to information, the Finnish Workers' Compensation Center and the insurance company are entitled to disclose:

1) to the Treasury, the Unemployment Insurance Fund, the Finnish Centre for Pensions and the authorised pension provider implementing a statutory insurance policy^[AB1], the information on the employer and the insurance, which the aforementioned bodies require in order to fulfil their supervisory functions laid down in laws, if there is reason to believe that the employer has not fulfilled his or her payment or insurance obligation based on the law;

2) to the labour protection authority the information which it requires to fulfil its supervisory duty referred to in the Act on the contractor's obligations and liability when work is contracted out (1233/2006), if there is reason to believe that the contractor has not complied with its obligation or that the contractor's party has presented false evidence on fulfilling its insurance obligation under this Act or the payment of premiums; and

3) to the Tax Administration information which it requires to fulfil its supervisory duty laid down in the Pay-as-you-earn Tax Act if there is reason to believe that the employer has not complied with the withholding obligation.

Confidential information received under this section may be transferred for the purposes of investigation and prosecution of criminal offenses. Such information shall be disposed of immediately when it is no longer needed.

Section 257

Insurance institution's obligation to disclose information to the Finnish Workers' Compensation Center

Notwithstanding the secrecy provisions and other restrictions on access to information, each calendar year an insurance institution shall disclose to the Finnish Workers' Compensation Center for the purpose of the occupational accident and disease register, referred to in section 235, information on:

- 1) policyholder's industry and domicile;
- 2) validity period and type of insurance and the insurance premium system;
- 3) quality and quantity of the work commissioned by the policyholder, and the employee pay and imposed insurance premiums reported for the insurance;
- 4) time and place, circumstances, and the causes and consequences of occupational accidents;
- 5) time of manifestation of occupational diseases, circumstances and the causes and consequences;
- 6) date when the claim was instituted;
- 7) dates and settlements of the decisions given on a claim;
- 8) work performed by the injured party;
- 9) method used to determine the compensation and the factors affecting the amount;
- 10) compensation paid from insurance and compensation under a right of recovery paid per recipient and type of compensation.

The information referred to section 1, subsections 1-3 shall be disclosed for each insurance policy and specified using the insurance code, the policyholder's

business identity code or the personal identity code, and the information referred to in paragraphs 4-10 for each claim event specified using the insurance code, the claim event code and the injured person's personal identity code.

In addition to the information referred to in subsection 1, the Finnish Workers' Compensation Center is entitled to receive from the insurance institution, upon request and notwithstanding the secrecy provisions and other restrictions on access to information, other necessary information for the purpose of maintaining the risk classification referred to in section 171 and conducting the studies and calculations referred to in section 236 .

In addition to the provisions of the Openness Act and this Act on secrecy, the personal data disclosed for the purpose of performing the functions set out for the Finnish Workers' Compensation Center in sections 235 and 236 shall be kept secret and may not be used or disclosed for the purpose of using them in decision-making concerning the policyholder in cases other than those referred to in section 262, paragraph 3. The provisions of the Personal Data Act otherwise apply to the processing of personal data.

Further provisions on the content of the information referred to in this section and on how and when such information is to be supplied, are given by a decree of the Ministry of Social Affairs and Health.

Section 258

Insurance company's obligation to disclose information to the insurance register

Notwithstanding the secrecy provisions and other restrictions on access to information, the insurance company shall disclose to the Finnish Workers' Compensation Center the up-to-date information on the policyholders laid down in section 178 concerning the insurance register maintained by the said Center. Further provisions on how and in what form such information is to be supplied are given by a decree of the Ministry of Social Affairs and Health.

Section 259

The Finnish Workers' Compensation Center's right to access information

The Finnish Workers' Compensation Center is entitled to receive from the Finnish Institute of Occupational Health, the labour protection authority and the police information relating to the causes and consequences of occupational accidents and diseases, which are required for the studies and calculations referred to in section 236.

The information referred to in subsection 1 shall be disclosed upon request and specified using the injured person's personal identity code.

After an insurance company has been placed in liquidation or bankruptcy, the Finnish Workers' Compensation Center is entitled to receive from the insurance company's liquidators and the bankruptcy estate information required for the performance of its functions laid down in sections 229 and 230, notwithstanding the secrecy provisions and other restrictions on access to information.

Section 260

The Finnish Workers' Compensation Center's and insurance companies' right to access information for supervisory purposes

Notwithstanding the secrecy provisions and other restrictions on access to information, the Finnish Workers' Compensation Center and the insurance company are entitled to receive from the employer, the insurance institution or the authorised pension provider implementing a statutory insurance, the authorities and other parties to which the Openness Act is applied, the information it requires to fulfil the supervisory duty laid down in this Act. For the same purpose, the Finnish Workers' Compensation Center and the insurance company are also entitled to receive from the tax authorities as mass information the names of the employers who have paid wages and salaries or other remuneration to the employees, business identity codes or the employers' personal identity codes, contact information and annual reports or information

corresponding to the annual reports, industries and information on the remuneration paid by the employers for the work and the associated employer's contributions.

The Finnish Workers' Compensation Center and the insurance company are entitled to receive the information referred to in subsection 1, even if they do not identify in their request the employers to be selected for the supervisory processing as a set of data or even if the supervisory processing has not yet been instituted. In addition, the Finnish Workers' Compensation Center and the insurance company are entitled to receive the above-mentioned set of data even if the tax has not yet been confirmed. For the implementation of the supervisory function, the Finnish Workers' Compensation Center and the insurance company are entitled to combine and process personal data referred to in subsection 1. The combined data can be retained for as long as five years, but is not kept longer than completion of the supervisory processing. The combined information may not be transferred.

The information referred to in this section may be retrieved using an electronic user connection without the consent of the person for the protection of whose interests the secrecy obligation has been provided.

Section 261

The Accident Insurance Compensation Board's right to access information

Notwithstanding the secrecy provisions and other restrictions on access to information, the Accident Insurance Compensation Board is entitled to receive from the insurance institution the information in its possession, which is necessary for settling a matter requiring a statement.

The provisions of section 248 and Chapter 3 of the Openness Act apply to the right of the Accident Insurance Compensation Board to keep secret the documents relating to the enforcement of this Act and the right to access information on a document. The provisions of section 33(1) of the Openness Act on an appeal lodged against a decision issued by the Accident

Insurance Compensation Board, which has settled a matter relating to access to information on a document.

Section 262

The Finnish Workers' Compensation Center's right to disclose information

Notwithstanding the secrecy provisions and other restrictions on access to information, the Finnish Workers' Compensation Center has the right, in addition to the provisions of this Act and other acts, to disclose the information received from an insurance institution pursuant to section 257 as follows:

- 1) to Statistics Finland, the personal identity code of the person who received compensation under this Act, time and place of the claim event, the circumstances, the causes and consequences and information on the duration of the disability caused thereby as well as other information based on the notification provided in section 111(2), which is necessary for compiling the statistics on social conditions and their development in the sphere of Statistics Finland;
- 2) to the Finnish Institute of Occupational Health, the information for the registration of occupational diseases referred to in section 2a(2) of the Act on the activities and funding of the Finnish Institute of Occupational Health.
- 3) to the Finnish Centre for Pensions, information on the compensations granted by the insurance institutions and affecting earnings-related pensions.

Section 263

Accuracy and secrecy of disclosed information

The insurance institution is responsible for ensuring that the content of the information it has disclosed pursuant to sections 255 and 261 responds to the information which it received from the supplier of such information. The provisions of this Act on the secrecy obligation and for the violation thereof also apply to those who have received confidential information under section 255, subsections 2 and 4.

Section 264

Electronic user connection

In addition to the provisions of section 29(3) of the Openness Act, an insurance institution is entitled to open an electronic user connection:

- 1) to the insurance institution's personal data file for a corporate body or institution implementing a statutory insurance for the purpose of accessing data which it has the right to access under this Act or another act for the performance of their functions;
- 2) for the authorities and bodies referred to in section 255(1)(1) for the purpose of disclosing the information referred to in the same paragraph.

Information to be kept secret may be retrieved using the electronic user connection opened under this section without the consent of the person for the protection of the interests to whom the secrecy obligation has been provided.

Before an electronic user connection is opened, the requestor shall provide the body opening the connection with an explanation on how the data is protected appropriately.

Chapter 36.

Miscellaneous provisions

Section 265

Access to information free of charge

An insurance institution and an appeal body provided in this Act are entitled to access, free of charge, the information which they have the right to access under this Act. If the information, however, is required in a certain format, and it causes the supplier of information significant additional costs, such costs shall be refunded. The provisions of section 266 apply to the payments charged on the disclosure of health information.

Section 266

Payment for the disclosure of health information

An insurance institution and an appeal body provided in this Act are entitled to access free of charge the

information on the injured person's health, which they have the right to access under this Act.

The insurance institution is entitled to obtain health information in the format it has identified in the disclosure request. In this case, the supplier of information shall be entitled to a reasonable compensation for the work and costs of disclosing the information pursuant to section 252(1)(3).

The health care professionals referred to in the Act on Health Care Professionals are entitled to a reasonable fee for providing the statements pursuant to the information disclosure obligation laid down in section 252(1)(3).

A statement shall be provided using a form that follows the formula approved by the Finnish Workers' Compensation Center. If the statement is provided by a person employed in the health care provision organised by a municipality or a joint municipal authority, the fee is paid to the municipality or the joint municipal authority.

Section 267

Employer's accident list

The employer shall ensure that an accident list is maintained for the prevention of accidents and for the investigation of compensation and insurance claims. The list shall include the injured person's personal identity code and other identifying details, information on the time when the occupational accident occurred, the circumstances and reasons leading to the occupational accident, the quality of work, injuries and illnesses caused by the occupational accident and, if possible, the name and address of at least two persons who were present when the accident occurred and the information necessary for the other purposes mentioned above.

Notwithstanding the secrecy provisions and other restrictions on the access to information, the accident list shall be disclosed to the relevant labour protection authority, the police and the labour protection representative elected by the employees for the performance of their statutory functions.

Section 268

Adjusting amounts and compensation with the earnings-related pension index and the wage coefficient

The sums of money provided in section 3(2), section 44(1)(2), section 79, section 152(4) and section 184 are adjusted each calendar year using the wage coefficient referred to in section 96 of the Employees' Pensions Act. The sums of money provided in sections 51, 52, 86 and 93 and section 109(1) are adjusted each calendar year using the earnings-related pension index referred to in section 98 of the Employees' Pensions Act.

Workers' compensation pension, rehabilitation allowance beginning from the anniversary of the date of the claim event, continuous compensation for functional limitation and survivors' pension are adjusted each calendar year using the earnings-related pension index referred to in section 98 of the Employees' Pensions Act. A lump sum compensation payment is index-adjusted in accordance with the date of payment.

Section 269

Rounding sums of money

The sums adjusted in accordance with section 268 above and provided in sections 51, 52 and 93 and section 152(4) are rounded to the nearest cent; the sums provided in section 44(1)(2), sections 79 and 86, section 109(1) and section 184 are rounded to the nearest full EUR 10; and the sum provided in section 3(2) to the nearest full EUR 100.

Section 270

Insurance institution's right of recovery

The insurance institution which has paid compensation for the injury is entitled to a compensation from the person who is liable for the injured person under the Tort Liability Act or any other law. The compensation under the right of recovery may not exceed the amount which the person liable to pay damages would be liable to pay in compensation to the injured person.

However, there is no right of recovery against an employer if compensation has been paid from an insurance taken out pursuant to this Act, unless the employer has caused the injury intentionally or by gross negligence. The provisions of this subsection shall also apply to the state as the employer of an injured person. Neither is there right of recovery against a natural person unless the person has caused the injury intentionally or by gross negligence.

Section 271

Insurance institution's right to a refund of the fee for the actual cost of medical treatment

The insurance institution which has paid the fee for the actual cost of medical treatment laid down in section 40 for the injury is entitled to be compensated for the same injury by the traffic insurance institution liable to pay damages in the amount it is required to pay under the Traffic Insurance Act.

Section 272

Display for public inspection of this Act

The employer shall display at the workplace this Act and information on the insurance company insuring the work.

Section 273

Questioning of witnesses

The insurance institution is entitled to have witnesses questioned at the Administrative Court on its own initiative or at the request of a party in order for the present matter to be settled.

Section 274

Disqualification

Notwithstanding the provisions of section 28, subsection 1, paragraphs 4 and 5 of the Administrative Procedure Act, an employee of the insurance institution may deal with the matter within the execution of this Act, which

concerns the employer who arranged the cover provided in this Act in the insurance institution or the employee or self-employed person working for such employer.

Section 275

Safekeeping of documents

The insurance institution shall keep the documents relating to the arranging of the insurance coverage in accordance with this Act and the documents relating to the claim as provided in the Archives Act (831/1994). If the National Archives Service has not ordered the documents to be kept permanently, the insurance institution shall keep the documents and information as follows:

- 1) insurance application; notice of termination of insurance and other comparable documents and information concerning the commencement, validity and expiry of the insurance; notification of the claim event; statements, certificates, comments and examination results provided by a health care professional or any other party on the injured person's health, need for assistance, ability to work and functional ability, rehabilitation and death; injured person's and his or her beneficiary's income details; insurance institution's decisions regarding the insurance and compensation, and other comparable documents and information concerning the circumstances and compensability of the claim event and compensation and expiry of compensation for the said event, for at least 100 years;
- 2) documents relating to an appeal provided in this Act for at least 50 years, unless they are to be kept for a longer period of time pursuant to paragraph 1;
- 3) documents and information relating to the policyholder's business ownership relations, policyholder's income affecting the annual earnings of the self-employed person's voluntary working hours insurance, the employees' pay provided by the policyholder and necessary for determining the insurance premium, the employer's accident statistics and other criteria for determining the insurance premium, collection of the insurance premium,

prohibition on compensation payment, and the insurance institution's right of recovery, for at least 10 years;

4) information in the insurance registry for at least 50 years from entry of information;

5) other documents relating to the enforcement of this Act for at least six years.

The time for which documents and information relating to compensation under this Act are to be kept begins when the claim is instituted by the insurance institution. The time for which documents and information relating to insurance under this Act are to be kept begins when the document or information is instituted by the insurance institution.

Section 276

Assignment and attachment prohibition

A personal compensation granted to an injured person or his or her beneficiary under this Act cannot be assigned to another.

Care allowance, clothing allowance, compensation for functional limitation, funeral assistance or compensation for costs paid under this Act cannot be attached.

Section 277

Accident representative

One or more accident representatives shall be appointed for government agencies and departments employing persons entitled to compensation, referred to in section 8. The accident representative is responsible for the functions set out for an employer under this Act.

The agency or the department appoints a public servant employed by the agency or the department as the accident representative. The duties of the accident representative are carried out as part of the public duties of the office. The agency or the department shall inform the Treasury of the accident representative.

Section 278

Insuring a person engaged in vocational rehabilitation under the earnings-related pension acts

The authorised pension provider which pays compensation for the costs of vocational rehabilitation under the earnings-related pensions acts referred to in section 3, subsection 1 and subsection 2, paragraph 1 and paragraphs 3-6 of the Employees' Pensions Act shall insure the person engaged in rehabilitation on an insurance policy provided in section 3(1) of this Act against a claim event occurring during a work or training trial, job coaching or work experience placement included in the rehabilitation.

By derogation from sections 71-80, the annual earnings of the person engaged in rehabilitation are considered in the amount of the rehabilitation allowance granted under this Act or the annualised amount of compensation for functional limitation and rehabilitation increase combined. If the person engaged in rehabilitation has been granted a partial rehabilitation allowance, the annual earnings are considered to be the annualised full rehabilitation allowance.

By derogation from sections 58 and 59, the daily allowance is 1/360 of the annual earnings.

Chapter 37.

Penal provisions

Section 279

Breach of the employer's obligation

An employer or his or her representative who deliberately fails to submit the notification provided in section 111 by the time limit laid down in subsection 1 of that section, shall be sentenced to a fine for a violation of employer obligation under the Occupational Accidents and Diseases Act, unless the act, taking into account its harmful and dangerous nature and other related factors, is deemed to be petty when assessed as a whole or unless it is subject to more severe punishment provided elsewhere in the law.

For the purposes of subsection 1:

1) employer means a person who in an employment relationship or in an employment relationship governed by public law or in a comparable public-service employment relationship commissions work, as well as

the person who actually exercises the power of decision belonging to the employer;

2) employer's representative means a member of the statutory or any other decision-making body of the legal person as an employer, as well as the person who instead of the employer directs or supervises the work.

A person who has committed an act or failure in violation of his or her obligations shall be sentenced to a punishment for a violation of employer obligations under the Occupational Accidents and Diseases Act. In assessing this, the position of the party, the quality and extent of his or her duties and powers, and otherwise his or her share in the origin and continuation of the illegal state shall be taken into account.

Section 280

Reference to the Criminal Code

The penalty for accident insurance payment fraud is laid down in Chapter 29, section 4c of the Criminal Code (39/1889)

Chapter 38.

Entry into force

Section 281

Entry into force

This Act enters into force on 1 January 2016. However, section 252(1)(4) applies from 1 July 2015.

Section 282

Repealed acts

This Act repeals:

- 1) Employment Accidents Insurance Act (608/1948);
- 2) Occupational Diseases Act (1343/1988);
- 3) Act on rehabilitation compensation paid under the Employment Accidents Insurance Act (625/1991); and
- 4) Act on accident compensation for public servants (449/1990).

Section 283

References to the previous act

If elsewhere in the legislation reference is made to an act repealed by this Act, this Act applies instead of the said act.

Section 284

The Finnish Workers' Compensation Center

Upon entry into force of this Act, the name of the Federation of Accident Insurance Institutions changes to the Finnish Workers' Compensation Center. What is provided elsewhere the Federation of Accident Insurance Institutions shall apply to the Finnish Workers' Compensation Center from the time when this Act enters into force.

The first term of office of the Board of Directors of the Finnish Workers' Compensation Center beings on 1 January 2016 and ends on 31 December 2018. The members and deputy members of the Board of Directors representing the members of the Finnish Workers' Compensation Center Accident were elected in the General Meeting of the Federation of Accident Insurance Institutions, held in 2015.

Section 285

Base year for sums of money

The sums of money provided in section 3(2), section 44(1)(2), sections 51, 52, 79, 86, and 93, section 109(1), section 152(4) and section 184 correspond to the 2014 index level.

Section 286

Transitional provisions

The provisions of law in force at the time of the entry into force of this Act apply to claim events that occurred before the Act's entry into force.

By way of derogation from subsection 1:

- 1) workers' compensation pension and compensation for functional limitation paid under the Employment Accidents Act can no longer be exchanged for their capital value after the entry into force of this Act;

2) provisions of section 32 apply to an occupational disease that manifested prior to the entry into force of this Act if the claim concerning it was instituted after the Act's entry into force;

3) provisions of Parts IV and VIII also apply to claim events that occurred prior to the entry into force of this Act;

4) sections 39-42 also apply to claim events that occurred after 1 January 2005.

Supervision referred to in sections 177 and 179 of this Act can also be applied to the time before this Act's entry into force.

The provisions of sections 181-183 apply to negligence cases that were pending in the Federation of Accident Insurance Institutions and waiting for a decision when this Act entered into force.

The provisions of section 231, subsection 1, paragraphs e and 4 of this Act apply to the costs arising from an occupational disease and suspected occupational diseases if the exposure that could have last resulted in the occupational disease occurred after 31 December 2007.

In Helsinki on 24 April 2015

President of the Republic
SAULI NIINISTÖ

Minister of Social Affairs and Health *Laura Rätty*