



Self-Employed Persons Voluntary Accident Insurance

Low-Cost Cover for Self-Employed Persons in Case of Accidents

Self-employed persons are dependent on the general health insurance cover should they sustain an accident at work, on a trip to/from work or in leisure time. They can, however, take out self-employed persons' voluntary accident insurance, which provides them with a substantially better cover.

Cover for accidents and occupational diseases

Self-employed persons' accident insurance covers expenses and loss of income resulting from accidents and occupational diseases sustained by self-employed persons. It is a voluntary insurance as per the Finnish Workers' Compensation Insurance Act and it is valid both at work and in leisure time.

- The extensive cover provided by the insurance can be granted to private entrepreneurs and owners who work for their company and who are not included in the scope of statutory workers' compensation insurance cover. Unlike in self-employed persons' accident insurance, compensation paid by the Social Insurance Institution on the basis of the Health Insurance Act includes restrictions and qualifying periods. In addition to daily allowance paid under self-employed persons' accident insurance, a person injured in an accident is usually also entitled to daily allowance as per the Health Insurance Act.
- Self-employed persons' voluntary accident insurance provides wide and extensive compensation in case of accidents. For instance, daily allowance is paid for every day after the accident day, provided that disability has lasted at least three days running after the day of accident.
- The insurance also covers sports accidents provided that no earned or other income is paid for sports.
- Insurance premiums are tax-deductible in the company's taxation and can be flexibly paid in instalments.

Scope of cover of self-employed persons' accident insurance

The insurance covers work-related occupational diseases and accidents sustained at work or in leisure time. Self-employed persons's voluntary accident insurance does not include restrictions related to sports provided that engaging in sports takes place in leisure time without remuneration.

Injuries and losses excluded from self-employed persons' accident insurance cover

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- assaults sustained in leisure time
- accidents sustained in professional sports
- road accidents sustained in leisure time
- accidents occurring in leisure time and for which the injured person is entitled to compensation on the basis of some other law than the Workers' Compensation Insurance Act (such as the Act on Rescue Services, the Patient Injuries Act and the Military Injuries Act)
- illnesses that are not caused by accidents and that are not occupational diseases.

Who can take out self-employed persons' accident insurance?

In the following table, you can see whether you are eligible for statutory workers' compensation insurance or whether you can be insured under self-employed persons' voluntary accident insurance.

Company form	Ownership	Person included in obligatory statutory workers' compensation insurance	Person can be insured under self-employed persons' voluntary accident insurance
Proprietorship/ Private entrepreneur	<ul style="list-style-type: none"> - Employer - Employer's spouse - Employer's common law spouse - Employer's family member who lives permanently in the employer's household and who is related to him/her in direct ascending or descending line - Such family member's spouse - Such family member's common law spouse 	<ul style="list-style-type: none"> • • 	<ul style="list-style-type: none"> • • • •
General partnership	<ul style="list-style-type: none"> - Partner who, alone or together with a family member*, has over 50% of partnership shares or partnership authority in the company - Partner who, alone or together with a family member* has a maximum of 50% of partnership shares or partnership authority in the company 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> •
Limited partnership **)	<ul style="list-style-type: none"> - General partner (active partner) who, alone or together with a family member*, has over 50% of the general partners' controlling authority or of the overall partnership shares. - General partner (active partner) who, alone or together with a family member*, has a maximum of 50% of the general partners' controlling authority or of the overall partnership shares. 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> •
Limited liability company	<ul style="list-style-type: none"> - Shareholder who is in executive position and owns over 50% of the company's stock of shares alone or together with a family member* - Shareholder who is not in executive position - Shareholder who owns a maximum of 50% of the company's stock of shares alone or together with a family member* 	<ul style="list-style-type: none"> • • 	<ul style="list-style-type: none"> •

* A family member refers to a spouse and to family members and their spouses as defined in the section Private entrepreneur of the above table. Those living in a registered partnership are comparable to spouses.

** A silent partner of a limited partnership company who, against remuneration, participates in the work undertaken in the company is always obligatorily included in statutory workers' compensation insurance.

Premium determined on the basis of risk involved in work and of the agreed annual earnings

The amount of premium depends on the risk involved in work and on the annual earnings agreed when concluding the insurance contract. The self-employed person defines the type of work (occupational title) which best describes the hazardous nature (risk) of work. The agreed annual earnings must correspond to the average salary paid for the work or to a salary which would be paid for the same work to an equally qualified person. The agreed annual earnings are adjusted by the TyEL index (TyEL = the Finnish Employees Pensions Act) each year.

Flexible premium instalments in accordance with the agreed schedule

Self-employed persons's accident insurance premium is collected in advance for each insurance period. The premium may also be paid in several instalments. Each instalment must be a minimum of EUR 50. Each instalment includes an annual interest of around 5%.

Insurance is always valid

Self-employed persons' accident insurance is always valid – at work and in leisure time all over the world. The insurance becomes effective at the earliest on the date when you have verifiably agreed with a Pohjola representative on the commencement of an insurance contract. The insurance ends as of the date when Pohjola has received a written notice of termination which you have signed.

Responsibility for notifying changes

According to the insurance terms and conditions, the company or private entrepreneur that has taken out self-employed persons' accident insurance is obliged to notify the insurer of any changes in the data of those insured. Changes impacting the premium include for instance a change in the insured person's profession or position in the company.

As regards the validity of the insurance, significant matters include for instance changes in the insured person's personal data, changes in the company form and ownership and interruption or termination of business activities. Self-employed persons' accident insurance – as implied by the name – is designed for private entrepreneurs or owners working for their companies.

How to get self-employed persons' accident insurance

The insurance can be taken out by calling us on the service numbers printed on the back of this brochure, by calling your contact person or by visiting one of our branch offices.

Self-employed persons' accident insurance covers expenses, loss of income and handicap

Self-employed persons' accident insurance covers in full any expenses incurred from treatment of occupational diseases and accidental injuries given in a private medical centre or private hospital in Finland. These expenses include, for instance, doctors' fees, medication, medical examination and treatment expenses and daily hospital charges. Compensation is paid provided that the examination or treatment is prescribed by a physician and necessary for examination and treatment of the injury.

All compensation under the insurance is paid in accordance with the Workers' Compensation Insurance Act. Loss of income is covered as per the agreed annual earnings.

Daily allowance for Saturdays, Sundays and public holidays

Daily allowance is paid when the injured person is fully or partly disabled for at least three days running after the day of accident. Daily allowance is paid for all calendar days for a maximum of one year – excluding the day of accident.

Disability pension up to 85 % of agreed annual earnings.

Disability pension is paid provided that disability still continues after the daily allowance period. Full disability pension is 85 % of the agreed annual earnings until the date the pensioner reaches the age of 65. After that, full pension is 70 % of annual earnings.

Handicap benefit

Handicap benefit is paid if permanent handicap remains from an occupational disease or an injury caused by an accident. The amount to be paid is based on the handicap classification confirmed by the Finnish Ministry of Social Affairs and Health. Depending on the handicap class, handicap benefit is after the daily allowance period has ended paid as a lump sum or as a continuous benefit.

Rehabilitation

Full daily allowance or disability pension is paid for the period of vocational rehabilitation. The insurance also covers other expenses incurred from rehabilitation, such as studying, travel and housing expenses. The expenses incurred from alteration work in a seriously disabled person's home can, among other things, be indemnified as other rehabilitation.

Survivors' pension

On the basis of self-employed persons' accident insurance, survivors' pension is paid to widow(er)s and children under 18 years of age. Disabled or studying children are entitled to pension until the age of 25. Common-law spouses are entitled to a surviving spouse's pension if the spouses have a child together or if they have a mutual maintenance agreement attested by the authorities. The number of children has an effect on the amount of survivors' pension paid.

Funeral grant

The amount of funeral grant payable to a death estate is not dependent on the insured person's annual earnings. The Ministry of Social Affairs and Health confirms the amount of funeral grant annually.

Other compensation

If an accident causes a physical injury, spectacles, prostheses and other similar aids damaged in the accident are also indemnified. Other material damage, such as a broken bicycle helmet, and clothes are not covered under the insurance.

If an injury is suspected to be an occupational injury or a disease an occupational disease, any necessary expenses incurred from finding out the reason for the injury or disease are covered under the insurance, even if the findings of the examination would show that the disease was not an occupational disease or that the injury was not caused by an occupational accident. Any justifiable and necessary medical examinations and related travel costs are covered as examination expenses. Any loss of income arising from the examinations is not covered.

If the injured person cannot cope with household tasks and it causes further expenses, the insurance covers any reasonable further expenses for a maximum of one year from the date the accident occurred or the occupational disease was detected.

Supplementary handicap benefit is paid if the injured person, owing to his/her occupational disease or injury sustained in an accident, needs another person's assistance in his/her daily activities.

The injured person is paid clothing allowance provided that the use of an artificial limb or similar aid causes chafing of clothes.

Compensation vs. other statutory forms of compensation

A notable benefit is that the injured person is, in addition to the daily allowance paid under self-employed persons' accident insurance, generally also entitled to daily allowance as per the Finnish Health Insurance Act – with the exception of road accidents.

Self-employed persons' accident insurance covers road accidents if they occur at work or on the way to/from work. Another insurance providing cover for such accidents is motor liability insurance. Because motor liability insurance is a statutory insurance, the Social Insurance Institution does not pay compensation on the basis of the general Health Insurance Act. On the other hand, motor liability insurance does not indemnify the injured party for the part of the daily allowance or of expenses compensation which has been covered under self-employed persons' accident insurance, because in motor liability insurance, self-employed persons' accident insurance is considered to be comparable with other forms of statutory insurance as it is based on the Workers' Compensation Insurance Act. In these cases, however, compensation can be claimed for instance for pain and suffering under motor liability insurance. Injuries sustained in road accidents in leisure time are not covered under self-employed persons' accident insurance.

Employee pension insurance companies integrate any compensation for loss of income paid under self-employed persons' accident insurance, provided that the injured person is, on the basis of the same injury, also entitled to disability pension under statutory employee pension insurance.

Examples of loss of income compensation

Example 1

Disabled at the age of 37

A self-employed hairdresser took out self-employed persons' accident insurance with Pohjola. Her annual earnings were set at EUR 18,500. The insurance was valid both at work and in leisure time.

The hairdresser developed a serious rash following the use of hairdresser chemicals. Owing to the occupational disease, she had to give up her profession at the age of 37. After a year-long daily allowance period, she was, under the insurance, paid a taxable annual pension of EUR 15,725 increased by the TyEL index. In addition, the hairdresser received compensation for a three-year training for a new profession. After the training, she immediately got a job. Her earnings remained unchanged when the new earnings were compared to the agreed annual earnings increased by the TyEL index. Disability pension was paid for the entire training period. Other training-related expenses were also covered in accordance with the confirmed norms.

Example 2

Thrill of speed – resulting in an accident and long sick leave

Self-employed persons' accident insurance was taken out for the Managing Director of a company. The Managing Director owns 75% of the company's shares. The agreed annual earnings totalled EUR 42,000.

The Managing Director fell over when snowboarding in his leisure time. His right wrist was fractured and he was taken to a medical centre. Following the accident, he was on sick leave for 90 days. In addition to medical treatment expenses, the insurance paid out daily allowance of EUR 90 x 116,67 per day for 90 days, which totalled EUR 10,500. A withholding of tax of 50% was levied on the daily allowance.

Primary forms of compensation paid under Workers' Compensation Insurance Act

Type of compensation	Amount of compensation	Taxation	Coverable expenses	Period of compensation
Medical treatment expenses	All necessary expenses resulting from occupational diseases and injuries caused by accidents	Tax-free benefit		No time limit
Daily allowance	one 360th of annual earnings	Taxable income		Maximum of one year
Disability pension	Full disability pension – 85 % of annual earnings – 70 % of annual earnings	Taxable income		– up to age 65 – from age 65 for lifetime
Handicap benefit	Determined on the basis of handicap class, age and sex	Tax-free income		Paid as lump sum or continuous benefit
Rehabilitation enhancing capacity to work, earn living and engage in various activities	Daily allowance or pension as per full disability is paid for period of rehabilitation and training. In addition, all rehabilitation expenses are covered.	Taxable income Expenses compensation tax-free	Expenses incurred from rehabilitation in period of rehabilitation	
Survivors' pension for widor(er)s and children	Total maximum of 70% of annual earnings	Taxable income		Child's pension for children up to age 18 and for studying children up to age 25
Funeral grant for death estates	Amount confirmed separately each year	Tax-free benefit		

* Annual earnings refer to the insured person's agreed annual earnings valid at the time an accident occurs or an occupational disease is detected.

Please contact Pohjola

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