

CROATIAN PARLIAMENT

4098

Based on Article 88 of the Croatian Constitution, I hereby declare the

DECISION

ON THE LAW ON COMPULSORY HEALTH INSURANCE

I establish the Law on Compulsory Health Insurance Act, passed by the Croatian Parliament at its session on December 15, 2008.

Class: 011-01/08-01/177

Reg: 71-05-03/1-08-2

Zagreb, December 18, 2008.

President of the
Republic of
Croatia
Stjepan Mesic.

LAW

ON COMPULSORY HEALTH INSURANCE

I. GENERAL PROVISIONS

Article 1

This Law shall regulate compulsory health insurance in Croatia, the scope of the right to health care and other rights and obligations of insured persons required under this Act, the conditions and ways of their realization and financing, as well as the rights and obligations of the compulsory health insurance, including the rights and obligations of the contractual subjects of health care through the compulsory health insurance.

Article 2

Compulsory health insurance is regulated by the Croatian Health Insurance Council (hereafter: Council).

Compulsory health insurance insures all insured persons the rights and obligations under the compulsory health insurance based on the principles of reciprocity, solidarity and equality, in the manner and under the terms of this Act and the regulations made based on this Act.

The scope of rights derived from the compulsory health insurance, which is under the same conditions provided to all insured persons, is determined by the provisions of this Act and regulations made under this Act.

II. COMPULSORY HEALTH INSURANCE

Article 3

All persons with residence in Croatia, as well as foreigners with permanent residence permits in the Republic of Croatia, if the international agreement on social insurance does not stipulate otherwise, are obliged to be insured with compulsory health insurance under one of the foundations of insurance under this Act.

Exceptionally, children up to 18 years of age with residency, or permanent residence permit in the Republic of Croatia are considered to be insured persons with insured rights and obligations arising from the compulsory health insurance.

Insured persons, who are exercising the rights and obligations arising from the compulsory health insurance following this Act, are considered to be insured subjects, members of their families and other insured persons covered by health insurance in certain circumstances.

Article 4

Foreigners with temporary residence permit in the Republic of Croatia are insured with compulsory health insurance under the provisions of this Act on the basis of employment with an employer based in the Republic of Croatia, and on the basis of professional activities in the Republic of Croatia if not decided otherwise in the terms under special regulations governing the issue of residence and employment of aliens in the Republic or an international agreement on social insurance.

Article 5

The rights and obligations belonging to insured persons referred to in Article 3 Paragraph 3 of this Act and the regulations made under this Act cannot be transferred to other persons and cannot be inherited.

Notwithstanding the provisions of paragraph 1 of this article, the rights to overdue cash payment, which remained unpaid because of the death of the insured person can be inherited.

III. INSURED PERSONS

1. BENEFICIARIES

Article 6

The following groups are entitled to be insured and acquire the status of beneficiaries to the compulsory health insurance under this Act:

1. persons employed by domestic or foreign employer based in the Republic of Croatia,

2. persons who are elected or appointed to permanent posts in certain government bodies and local and district (regional) governments, if this work is being paid,
3. persons with temporary or permanent residence permit in the Republic of Croatia employed by a foreign employer with no health insurance of foreign holders of health insurance or who are not insured under international regulations in the manner specified by international agreement on social security,
4. members of societies if they do not hold compulsory health insurance on the basis of work,
5. persons who, upon graduation are undertaking professional training without work contract (volunteer work),
6. persons on Croatian territory engaged in economic activity of craft and similar activities, persons who independently in form of free profession are conducting professional activity and persons conducting activities in agriculture and forestry as the sole or main profession, if they are paying income tax, and do not hold health insurance on the basis on their work,
7. persons employed in agriculture in Croatia engaged in agricultural activities as their only or principal occupation if they are owners, occupiers or tenants, and if they are not subject to income tax or corporate income tax, and are not insured on the basis of work,
8. priests, and other religious officials from the religious community officially registered by the state authority in charge, if not insured on the basis of work,
9. beneficiaries of old-age pensions and beneficiaries of vocational rehabilitation according to the regulations on pension insurance of the Republic of Croatia, domiciled or with approved permanent residence in Croatia,
10. beneficiaries of pension and disability insurance obtaining that right solely by foreign holders of pension and disability insurance, if an international agreement does not stipulate otherwise, domiciled or with approved permanent residence in Croatia,
11. persons who at the time of termination of employment were using right to salary compensation in case of injuries and occupational illnesses, according to the report of the Croatian Council for Health Insurance for Health Protection at Work,
12. persons with residence or permanent residence permit in the Republic of Croatia, who are not insured on another basis and are reported to the Council:
 - a) within 30 days of termination of employment or business activities or from the termination of them receiving salary compensation to which they are entitled under this Act, or under the regulations based on this Act, or from the termination of insured status established under item 11 of this paragraph,

b) within 30 days from the date of early termination of the voluntary military service, or from the date of the prescribed deadline for voluntary military service,

c) within 30 days of discharge from the institution for enforcement of criminal and penal sanctions, from health or other specialized institutions, in case of implemented security measures of compulsory psychiatric treatment or compulsory treatment of addiction in a medical institution,

d) within 30 days from the day of turning 18 years of age if they are not insured on other bases,

e) within 30 days from the date of termination of receiving remuneration to which they are entitled under this Act or the regulations made under this Act,

f) within 90 days from the last day of school year in which they finished regular schooling in accordance with regulations of the regular education in the Republic of Croatia, or within 30 days from the day they passed the final exam,

13. high school students and regular students of higher education who are Croatian citizens and have permanent or temporary residence in the Republic of Croatia and foreigners with approved permanent residence permits in the Republic of Croatia, who are not insured as family members of insured persons, while they can use this right until the end of the school year in which they finished regular schooling,

14. persons with residence in Croatia, who, according to the regulations on education in the Republic of Croatia, lost their status of school or full-time university students if they are registered with the Council within 30 days of losing the status of school students or full-time university students, if they cannot obtain the right to compulsory health insurance on other grounds,

15. spouses of the deceased insured person who after the death of a spouse is not entitled to survivor's pension, if they joined the Council within 30 days from the death of a spouse, and the right to compulsory health insurance cannot be achieved on other grounds,

16. residents and foreigners with permanent residence permits in the Republic of Croatia, who have been recognized as military or civilian war invalids and peacetime military invalids, or hold the status of the beneficiary of the family's disability benefit under the Law on the Protection of Military and Civilian War Invalids, if the right to compulsory health insurance cannot be obtained on other grounds,

17. war veterans from the Croatian Homeland War if they apply to the Council and if the right to compulsory health insurance cannot be achieved on other grounds,

18. persons who provide care and help to Croatian war invalids according to the regulations on the Rights of Croatian Homeland War Veterans and their family members, if they are not subjects to compulsory health insurance on other grounds,

19. persons with residence in the Republic of Croatia who were users of health care under the Law on Basic Rights of disabled veterans and families of fallen combatants (Official Gazette no. 53/91), Law on disability supplement and other rights of disabled veterans (Official

Gazette no. 75/85., 55/86. and 57/89.), Law on the Protection of National Liberation War Veterans (Official Gazette no. 57/85., 55/86. and 57/89.), Law on protection of victims of fascist terror and civil war victims (Official Gazette no. 57/85., 55/86., 27/88. and 57/89.), Law on the special monetary compensation for veterans of the National Liberation War and pre-war revolutionaries (Official Gazette no. 52/78., 48/80., 20/86. and 27/88.), and the Regulation on the protection of victims of war for the defense of the Republic of Croatia and their families (Official Gazette no. 52/91.), if they cannot obtain the right to compulsory health insurance on other grounds,

20. persons serving military service or voluntary military service (conscripts), and reserves during service in the Croatian Armed Forces, if they do not hold the right to compulsory health insurance on other grounds,

21. persons who ended their work because a legal or natural person sent them to education or training, during the length of this education or training,

22. persons given scholarships to practical work by legal or natural persons prior to being employed by that legal or natural person, for practical work in another legal entity or with another natural person for purposes of professional training, during the duration of the practical work,

23. persons sent abroad in the framework of international technical-educational and cultural cooperation, while they are abroad on this basis,

24. persons who have been granted the status of parent care-giver on the basis of special regulation,

25. family members of imprisoned or missing Croatian defenders for the duration of receiving benefits in accordance with the regulations on the rights of Croatian Homeland War veterans and their family members, if compulsory health insurance is not realized on other grounds,

26. persons granted asylum status in Croatia.

The employment contract in accordance with paragraph 1 item 1 of this article assumes the relationship between employers and workers based on labor regulations and other regulations governing employment issues.

Activities of persons under paragraph 1 item 6 of this article are: registered activities in business, agriculture and forestry, free professions (professional services) and other independent activities for whose conduct the approval has been issued by the competent authority to independently perform activities of natural persons, registered in the appropriate register of that body, and activities that have the characteristics of independence, durability and intention to create a permanent source of income of the taxpayer entered into the register of income taxpayers, in accordance with the Income Tax Act when it comes to independent professions that can be conducted without the authorization or obligation to register such activity.

For persons under paragraph 1 items 12, 14, 15 and 17 of this article, the Council and the Croatian Employment Service will mutually exchange data on unemployed persons who are kept in the records of the Croatian Employment Service.

For persons under paragraph 4 of this article, who are not in the records of the Croatian Employment Service as unemployed, the insured status shall be determined by them applying to the Council.

Terms and methods of acquiring the status of insured person in accordance to the paragraph 1 of this article, the Office will closely prescribe by the general act.

Article 7

The rights of the compulsory health insurance to the extent to which they belong to beneficiaries, unless provided otherwise by this Act, are held also by the residents, or holders of permanent residence permits in the Republic of Croatia, who, according to the regulations of the Income Tax Act, establish second income, and in accordance with the regulations on compulsory insurance paid by one or several payments in the last five years of contributions for compulsory health insurance than the amount of contributions calculated on the lowest base for calculation of contributions for compulsory health insurance for a period of six months, if not entitled to compulsory health insurance on other grounds.

Persons from paragraph 1 of this Article shall have the status of the insured persons by the Council for the duration of time while on the basis of contributions paid on other income from which, according to the legislation on income tax, other income is determined, and in accordance to the provisions on compulsory insurance, have monthly contribution at least on the minimal basis for calculation of contributions.

2. FAMILY MEMBERS

Article 8

According to this Act, the status of insured person by being members of the families of insured persons can gain:

1. spouse (married, and unmarried, in accordance with the regulations on family relations),
2. children (born in wedlock, out of wedlock or adopted, stepchildren), and other children without parents, if their care-giver is an insured person,
3. parents (father, mother, stepfather, stepmother and adoptive parents) who live with the insured in the same household if they are incapable of independent life and work, if they have no means of subsistence, and if they are provided for by the insured person,
4. grandchildren, brothers, sisters, grandparents who live with the insured in the same household if they are incapable of independent life and work, if they have no means of subsistence, and if they are provided for by the insured person,

Family members insured under paragraph 1 of this article shall have the right under this Act provided that the same right cannot be achieved by some of the bases from the Article 6 of this Act, and if they have a residence or permanent residence in Croatia, if not regulated otherwise by an international agreement.

The Council will with a general act establish the conditions under which it is considered that the person referred to in paragraph 1 of this article is incapable of independent life and work and does not have the means of subsistence, and lives in the same household with the insured.

Article 9

Spouse after divorce retains the status of the insured person at the Council as a family member of the former spouse:

1. if the court decision grants the person the right to alimony, for the duration that the alimony is provided for,
2. if at the time of divorce the person was fully and permanently incapacitated for work in accordance with the pension regulations,
3. if by the court decision on divorce the children are entrusted to this person, provided that he/she reports to the Council within 30 days from the date of judicial decisions, if the right to compulsory health insurance cannot be achieved on other grounds.

Persons from Item 1 of this Article retain the status of the insured person as family members, and upon the termination of support provided they apply to the Council within 30 days from the date of finality of judicial decisions, if the law on compulsory health insurance cannot be achieved on other grounds.

Article 10

Children insured under article 8 paragraph 1 item 2 of this Act shall retain the status of family members after turning 18 years of age if they are enrolled in regular secondary or higher education as defined by the regulations on regular education of the Republic of Croatia, until the completion of their regular education, or until they reach 26 years of age.

Regular education as defined in paragraph 1 of this article is considered education to complete their higher education, and undergraduate or graduate university study.

With the exceptions of provisions of paragraph 1 of this article, children of insured persons who because of illness or injury interrupted regular education, are extended the right to compulsory health insurance for the duration of illness or injury.

Children insured under paragraph 3 of this article shall be extended the right to compulsory health insurance for the duration of regular education for the period of time equal to that of the interruption of regular education.

Children of insured persons who become fully and permanently incapable of independent life and work in accordance with special regulations before the age of 18 years, or during regular education are entitled to compulsory health insurance for the duration of the disability.

The right to compulsory health insurance is also held by children who after the age of 18 became fully and permanently incapable of independent life and work in accordance with special regulations, if their care-giver is an insured person.

Children who have one or both parents, but an insured person is their care-giver are entitled to compulsory health insurance as members of the family of the insured person, if the parents of these children due to their health situation or for other reasons are not capable to take care of the children.

3. OTHER INSURED PERSONS

Article 11

Persons with temporary or permanent residence permit in the Republic of Croatia, who cannot obtain their right to compulsory health insurance based on one of the bases of insurance established in article 6 to 10 and article 12 and 13 of this Act are required to insure themselves to the compulsory health insurance as insured persons.

Persons from paragraph 1 of this article acquire the rights and obligations under the compulsory health insurance under the condition that they previously paid one-time contribution for compulsory health insurance on the lowest basis for calculation of contributions for compulsory health insurance from the date of termination of the previous status of the insured person for a maximum period of 12 months.

Article 12

Croatian citizens working abroad for a foreign employer are required to be insured with compulsory health insurance and pay a prescribed amount for each member of their family with temporary or permanent residence in Croatia who are not medically insured by foreign insurance carriers, and were before the insured person's going to work abroad, insured by health insurance in the Republic of Croatia as a member of his/her family in accordance with article 8 of this Act.

Article 13

Persons with temporary or permanent residence permit in the Republic of Croatia who are incapable of independent life and work and have no means of support are entitled to compulsory health insurance as the insured person on the decision issued by the office of the state administration responsible for social welfare, if the right to compulsory health insurance cannot be achieved on other grounds.

The criteria and procedure for determining inability to live and work independently and lack of means from paragraph 1 of this Article shall be prescribed by the minister responsible for social welfare.

The right to compulsory health insurance on the basis of ensuring the provision set forth in paragraph 1 of this article is valid until the changes in circumstances on the basis of which the right is recognized.

IV. RIGHTS FROM MANDATORY HEALTH INSURANCE

Article 14

The rights of the compulsory health insurance under this Act include:

1. right to health care,
2. right to financial compensation.

1. RIGHT TO HEALTH CARE

Article 15

The right to health care from the compulsory health insurance established by this Act and regulations adopted on the basis of this Act includes the right to:

1. primary health care,
2. specialist health care,
3. hospital health care,
4. right to use medication determined by the list of basic and supplementary medicine by the Council,
5. right to dental prosthetic assistance and dental prosthetic restorations,
6. right to orthopedic and other aids,
7. right to health care abroad.

The right of insured persons to health care under paragraph 1 item 1 to 6 of this article is ensured by the implementation of measures of health care.

Health care measures in paragraph 2 of this Article shall be based on the plan and program of health care by the Minister for Health on the proposal of the Council and the Croatian Institute for Public Health, with the prior opinion of the competent institutions, in accordance with the financial resources provided and available health facilities.

Insured persons can obtain health protection under paragraph 1 item 1 to 5 of this article at the expense of the means of the Council in health care facilities and with private health workers with whom the Council has concluded the contract on providing health care (hereinafter referred to as the contracting subjects of the Council) in a manner and under the conditions determined by this Act and the regulations of the Council.

Insured persons obtain health care under paragraph 1 Item 6 of this article at the expense of the means of the Council with the legal or natural persons licensed to manufacture and retail sale of orthopedic and other aids in accordance with special regulations, with whom the Council has signed an agreement, in accordance with the terms and conditions as stipulated by the regulations of the Council, on supply of orthopedic and other supplies to insured persons (hereinafter referred to as contracting aids suppliers).

Article 16

The right to health under Article 15 of this Act shall be ensured under the same conditions for all insured persons of the Council.

To the insured persons of the Council, in obtaining their right to health care through the compulsory health insurance under Article 15 of this Act, the Council provides the full payment of medical services for:

1. overall health care for children under the age of 18 and children under Article 10 Paragraph 5 and 6 of this Act,
2. preventive and specific health care for school children and students,
3. women's health in relation to pregnancy and childbirth,
4. preventive and curative health care with regards to HIV infections and other infectious diseases for which there are legal regulations to prevent their transmission and spread,
5. compulsory vaccination, immunoprophylaxis and chemoprophylaxis,
6. hospital care for chronic psychiatric patients,
7. overall treatment of malignant diseases,
8. hemodialysis and peritoneal dialysis,
9. health protection in connection with taking and transplanting parts of the human body for medical purposes,
10. outpatient emergency care,
11. home visits and home treatment,
12. nursing care,
13. medical transport for special categories of patients in accordance with the regulations issued by the Minister for Health,
14. medication from the basic list of medicines prescribed by the Institute of prescription,
15. health care at home.

Insured persons are obliged to participate in health care costs by the amount of 20% of the full cost of health care, and which shall not be less than the percentage of the budget base set in points 1 to 9 of this item for:

1. laboratory, radiological and other diagnostic level of primary health care - 0.45% of the budget base,

2. specialist health care, including day hospitals and surgeries in a day hospital, except for outpatient physical medicine and rehabilitation - 0.75% of the budget base,
3. specialist diagnosis that is not on the level of primary health care - 1.50% of the budget base,
4. orthopedic and other devices determined by the regulations of the Council - 1.50% of the budget base,
5. specialist health care in the outpatient physical medicine and rehabilitation and physical medicine and rehabilitation at home - 0.75% of the budget base per day,
6. treatment abroad in accordance with the regulations of the Council,
7. costs of hospital care - 3.01% of the budget base per day,
8. dental health care in the mobile and fixed prosthodontics of adults aged between 18 and 65 years of age - 30.07 of the budget base,
9. dental health care in the mobile and fixed prosthodontics of adults older than 65 years - 15.03 budget base.

Insured persons are obliged to participate by the amount of 0.45% of the budget base for:

1. health care provided by selected physicians of primary health care: the family (general) medicine, gynecology and dentistry,
2. issuance of medication by prescription.

The maximum amount of participation in health care costs in paragraph 3 and 4 of this article that the insured person is obliged to pay in one invoice for the provided health care amounts to the maximum of 90.20% of the budget base.

Article 17

The basic and supplementary list of medicines of the Council from article 15 paragraph 1 item 4 of this Act includes medicines that are approved for placing in circulation in the Republic of Croatia.

List of Medicines of the Council from paragraph 1 of this article shall contain medicines according to the anatomical-therapeutic-chemical code (ATC) classification of medicines by the World Health Organization, the normal (unprotected) name, (protected) name of medication, name of manufacturer, forms and applications, the medicine cost for the defined daily dose, the price of packaging and forms of the drug nit, and the rules prescribing the medicine that can be applied in the treatment within the health care system through the compulsory health insurance.

The basic list of medications of the Council includes medical-economic most appropriate medication for the treatment of all diseases. Reference drug prices (the price paid by the

Council of compulsory health insurance at the lowest price that guarantees the supply of insured persons by the Council) shall be in the process of public bidding in accordance with special regulations.

Supplementary list of medications includes medicines with a higher price level compared to prices from basic list of medicines when the Council provides coverage of costs at the price equivalent to the price of medicine set by the special law, on the basic list of medicines.

Supplementary list of medications by the Council except for the full price of the medicine must also contain the amount of participation in the price of medicines provided by the person insured by the Council, directly or through supplementary health insurance according to the Act on Voluntary Health Insurance.

Basic and supplementary list of medicines, with the prior opinion of the Croatian Medical Chamber and the Croatian Dental Chamber, is determined by the Administrative Council of the Council.

If the chamber under paragraph 6 of this article within 30 days from the date when the Council was requested to submit an opinion on the basic or supplementary lists of medicines, does not submit an opinion, it is considered that a positive opinion is given.

Patterns of medicine prescriptions from the primary and supplementary lists of medicines of the Council will be prescribed by the general act of the Council.

Article 18

Person insured under the right to health care through compulsory health insurance has the right to use medicines determined by the basic and supplementary list of medicines by the Council, under terms and conditions prescribed by the regulations of the Council.

Exceptionally, the insured person in whose case treatment is not possible for medical reasons with the basic and supplementary medicines from the Council's list, may be entitled to a medicine that was not determined on that list, provided that the need to use this medicine is approved by the medical council from the hospital where the insured person is being treated, and at the expense of this health institution which is obliged to ensure the supply of the medicine.

Article 19

Insured persons are entitled to orthopedic and other aids and dental prosthetic assistance and dental prosthetic restorations, if they meet the terms of compulsory health insurance in the Council at least 12 months continuously, or 18 months with interruptions in the last two years before the onset of the case.

The provision of paragraph 1 this article shall not apply to an insured person under the age of 18 years and the insured persons with disabilities in their physical and mental development, who are incapable of independent life and work.

Insured person's health care under paragraph 1 of this article shall be exercised in accordance with the general regulations of the Council.

Article 20

The right to health care abroad implies a right to referral to treatment abroad, the right to access to health care during their stay abroad in accordance with international agreements and other health care abroad in accordance with the general regulations of the Council.

The insured person can only obtain the right to referral to treatment abroad if the necessary treatment cannot be carried out in healthcare institutions in the Republic of Croatia as determined by contract, but can be successfully implemented abroad.

Implementing regulations on rights, conditions and means of use of health care abroad in paragraph 1 of this article shall be subject to the approval of the Minister of the Department of Health.

Article 21

Standards and norms of health care through the compulsory health insurance, including a list of types and number of therapeutic and diagnostic procedures per insured person annually, the amount of funds required in accordance with the secured means, as well as the manner of exercising the rights of insured persons to health care through the compulsory health insurance, is determined for each calendar year by the administrative committee of the Council with the approval of the Minister of Health, following the previously consulted opinion of the competent organs in charge.

Article 22

Insured persons of the Council in the framework of health care through the compulsory health insurance are not provided with the full payment of the costs of health care services that are provided in the manner and following the procedure that is not prescribed by this Act or regulations adopted on the basis of this Act, as well as for:

- difference to the increased medical costs resulting from the personal wishes of the insured person because of his/her religious or other beliefs, and which represents treatment outside the established health care standards in the compulsory health insurance provided for all insured persons under the same conditions,
- experimental treatment, experimental medical products, supplies and medicines that are under clinical trials, therapeutic and diagnostic procedures, as well as for medicines at the request of the patient in circumstances where these procedures and medications are not determined by the contracting health care facilities or contractual doctors from the Council within the use of rights from the compulsory health insurance or by their type and quantity are not classified as a right stemming from compulsory health insurance,
- reconstructive cosmetic surgery, except for aesthetic reconstruction of congenital anomalies, breast reconstruction after mastectomy, cosmetic reconstruction after severe injury,
- treatment of voluntarily acquired sterility,
- surgical treatment of obesity,

-treatment of medical complications that arise from the use of health care beyond the mandatory health insurance,

- health care, which under the laws and regulations provide employers or local governments (regional) governments,

- health protection at work.

Article 23

Insured persons are obliged to participate in health care costs under Article 16 Paragraph 3 and 4 and Article 17 Paragraph 5 of this Act.

Insured person pays the costs of health care from paragraph 1 of this Article when using health care or through supplementary health insurance in accordance with the Voluntary Health Insurance Act.

Funds generated by the participation of the insured person in health care costs under Article 16 Paragraph 3 and Article 17 Paragraph 5 of this Act are the revenue of the contractual subjects of the Council, the contracted supplier of medical aids, and foreign medical institutions in which the insured persons used health care in accordance with Article 20 of this Act, while funds referred to in Article 16 Paragraph 4 are revenues of the Council.

Children up to the age of 18 and children under Article 10 Paragraph 5 and 6 of this Act are not required to participate in costs of health care for all forms of health care within the established standards of medical care through the compulsory health insurance.

2. RIGHT TO CONTRIBUTIONS

Article 24

Insured under the law of compulsory health insurance are entitled to:

- salary compensation for temporary incapacity, or inability to work due to the use of health care or other circumstances under Article 26 of this Act (hereinafter referred to as salary compensation),

- financial compensation due to inability to work on the basis of which are realized other types of income determined by other revenues, according to the provisions on compulsory insurance,

- reimbursement of travel expenses in connection with the use of health care through the compulsory health insurance.

Right from the first paragraph subparagraph 3 of this article also belongs to other insured persons.

ENTITLEMENT TO SALARY COMPENSATION

Article 25

The right to salary compensation for temporary incapacity, or inability to work because of the use of health care or other circumstances under article 26 this Act (hereinafter referred to as sick leave) belongs to the insured persons under article 6 Paragraph 1 item 1 - 4, item 6, item 8, item 18 and items 24 of this Act, unless a special regulation is not stated otherwise.

Under the sick leave during which the insured is entitled to compensation on the basis of this Act shall be considered absence from work due to illness or injury or other circumstances set forth in Article 26 of this Act for which the insured is unable to fulfill his/her obligation to work in accordance with the contract, other agreement or act.

Article 26

The right to salary compensation belongs to the insured in connection with health care through the compulsory health insurance, or other circumstances set forth in this Act, if he/she is:

1. temporarily unable to work due to illness or injury, or is for treatment or medical test located in a health facility,
2. temporarily unable to work due to certain medical treatments or tests that cannot be conducted outside working hours of the insured,
3. isolated as carriers or due to the occurrence of infection in his/her surrounding area, or is temporarily unable to work due to the transplantation of living tissue and organs for the benefit of other insured persons of the Council,
4. designated to accompany the insured person referred to treatment or medical examination to the contracting entity outside of the place of residence or residence of the insured person that is being referred for treatment,
5. designated as care-taker for ill child or spouse under the conditions prescribed by this Act,
6. temporarily unable to work due to illness and complications related to pregnancy and childbirth,
7. temporarily unable to work due to maternity leave and the right to work half time as determined by Article 15 Paragraph 2 and 3 of the Law on Maternity and Parental Benefits,
8. temporarily unable to work due to the use of leave in case of death of the child, in the case of a stillborn child or child's death during maternity leave,
9. temporarily unable to work due to wounds, injuries or illness that is a direct result of participation in the Homeland War.

Article 27

Salary compensation in connection with the use of health care from article 26 items 1 and 2 of this Act is paid to the insured from their own funds by:

1. legal or natural person - the employer for the first 42 days of sick leave and while the insured is working abroad in which he was sent to a legal or natural person or has been self-employed abroad,
2. legal persons for vocational rehabilitation and employment of disabled persons, or legal or natural person - the employer of the insured workers who suffer from work-related disability for the first 7 days of sick leave.

Article 28

Salary compensation for sick leave under article 26 item 3 to 8 of this Act shall be paid to the insured at the expense of the Council from the first day of the use of rights.

Salary compensation under article 26 item 9 of this Act is paid by the Council to the insured person at the expense of the state budget.

Compensation of salary during sick leave under article 26 item 1 and 2 this Act from the 43th day, or 8th day of sick leave is calculated and paid by a legal or natural person - the employer, provided that the Council shall return the remuneration within 45 days of receipt of request for a refund.

Compensation of salary during sick leave under article 26 item 4 and 5 of this Act from the first day of sick leave is calculated and paid by legal or natural person - the employer, provided that the Council shall return the remuneration within 30 days of receipt of the request for a refund.

In the case of legal or natural person is unable, for reasons of insolvency, to pay wages, salary or compensation for the duration of at least three calendar months, the payment of remuneration referred to in paragraph 3 and 4 this Article shall be made by the Council.

Implementing regulations on the manner of exercising the right to salary compensation will be decided by the Council.

Article 29

The right to salary compensation during sick leave to care for the insured person - a child under article 26 item 5 of this Act with whom the insured lives in a shared household includes for each identified disease up to 20 working days, and for a child up to 7 years of age up to 40 working days.

The right to salary compensation during sick leave to care for the insured person - spouse in article 26 item 5 this Act with whom the insured lives in a shared household includes for each identified disease up to 15 working days.

If according to the opinion of medical doctors of primary health care, the health condition of a family member, child until 18 years of age, is such that the duration of parental care specified

in paragraph 1 this article is insufficient, the duration of care is determined by a medical commission appointed by the Council.

The same household as defined in paragraph 1 and 2 of this article is considered the community of shared living, earning and spending of the obtained revenues of the family.

Article 30

In the event of bankruptcy proceedings of the employer, pay compensation for sick leave under article 26 items 1 and 2 and point 4 and 5 of this Act, when the remuneration is paid from funds of the Council, is paid to the insured by the Institute.

Article 31

In cases when a legal or natural person - the employer did not pay to the insured person the salary compensation determined in the manner and amount provided by this Act and regulations adopted based on this Act within 60 days, the insured is entitled to file a complaint to the Council. The Council will calculate the salary compensation and submit the calculation to the insured and to the legal or natural person within 30 days.

Legal or natural person shall pay compensation to the insured within 30 days according to the calculation provided by the Council.

Article 32

Salary compensation during sick leave is provided to the insured persons during the duration of their sick leave, and for the longest period as decided by this Act.

Salary compensation belongs to the insured only for the days or hours, for which the insured would be entitled to a salary that is in accordance with regulations on work unless otherwise prescribed by this Act.

Article 33

The right of insured persons to sick leave is determined by a selected physician of primary care in a medical institution or in private practice.

The selected physician in paragraph 1 of this article determines the length of sick leave depending on the type of disease, at the longest until than the deadline established by regulation which is determined by the Health Minister based on the proposal of the Croatian Medical Chamber, or Croatian Dental Chamber and according to the prior opinion of the professional societies of the Croatian Medical Association.

After the expiry of deadline in paragraph 2 of this article, the right to sick leave and its length of the insured person is determined by a medical commission of the regional office of the Council.

The selected doctor is obliged to stop the sick leave of the insured persons before the deadline established by regulation under paragraph 2 this article, or before the deadline fixed by the

competent medical commission, if the Council determines that the health condition of the insured has improved so that he/she is able to work.

Supervision over the use of sick leave in accordance with the provisions of this Act and regulations based on this Act shall be conducted by the Council.

The employer of the insured person may require the justification of the Council for the sick leave throughout its duration.

Article 34

Insured has the right within 8 days to complain regarding the assessment of selected physicians in primary health care on the right to use the sick leave to the medical commission of the regional office of the Council.

A decision based on administrative procedure review will be made to the insured person not satisfied by the assessment and opinion of medical commission of the regional office of the Council.

An appeal against the decision referred to in paragraph 2 of this Article shall not delay its execution.

In the second instance of administrative procedure review, opinion is given the medical commission of the Directorate of the Institute.

Article 35

The insured person during the duration of the sick leave under article 26 item 1 to 6 and 9 of this Act shall be entitled to salary compensation at the expense of mandatory health insurance, or the state budget, until a medical doctor of primary health care, or an authorized medical committee of the Council does not establish that he is able to work or until an authorized institution for evaluation of pension insurance determines the insured person's general disability or occupational disability.

When according to the opinion of the selected doctor, and after the treatment and medical rehabilitation, the health condition of the insured is such that further treatment cannot improve it, and the insured person is permanently incapable to work, as in the case when the duration of illness is continuously for 6 months for the same disease, the designated physician of primary health care is required to examine the insured to make the assessment of work ability and disability, and with all the prescribed documents to refer the insured person to the competent authority on pension insurance to make an assessment of the insured person's ability and disability within 30 days of receipt of the proposal from the designated doctor of primary health care and notify the designated doctors of primary health care and competent regional office of the Council within 8 days from the date of the findings, opinions and ratings.

The competent authority of pension expert in their finding, opinion and evaluation decided after the suggestion of the designated physician by the proposal in paragraph 2 of this article only determines that the insured's disability does not exist or that the insured suffered general and professional work disability.

Once the competent authority decides that that the insured person is disabled and incapable to work, it is required to state in the finding, opinion and evaluation the duties and tasks which the insured person can perform with respect to the remaining capacity, and what jobs and tasks he/she cannot perform.

If the authority does not issue findings, opinion and evaluation and does not inform the designated doctors of primary health care and the competent regional office of the Council within the deadlines from paragraph 2 of this Article, the insured person from the first day following the expiry of 30 days referred to in paragraph 2 of this Article obtains salary compensation at the Croatian Council for Pension Insurance at the expense of this Council.

The Processing of the insured person to make the assessment of work ability and disability is funded by the Council only in cases when the designated physician of primary care sent the insured in accordance with paragraph 2 of this article, or following the suggestion of a medical committee of the Council.

Article 36

To the insured person for whom the findings, opinion and evaluation of relevant expert bodies established disability due to occupational disablement, the employer is required from the first day of the adoption of these findings to reassign the insured person to other duties and tasks that correspond to the founding and his/her remaining working ability, or following working hours that correspond to less than a half of the full working hours.

An employer who fails to comply with paragraph 1 of this article is obliged to pay for salary compensation to the insured at his own expense.

The insured person under article 6 paragraph 1 item 6 and 8 of this Act, when the findings, opinion and evaluation of relevant expert bodies established disability due to occupational incapacity for work is not entitled to salary compensation at the expense of the compulsory health insurance for sick leave.

Article 37

The insured person who fulfills the conditions for old age pension according to regulations on pension insurance of the Republic of Croatia is not entitled to salary compensation at the expense of the compulsory health insurance for sick leave, but at the expense of the employer or of the insured person liable to pay contributions.

Article 38

Insured person whose work contract or personal work activities were terminated during their sick leave is entitled to remuneration, no longer than 30 days after the termination of employment or after performing personal work activities.

Notwithstanding paragraph 1 of this article, if the insured person at the time of termination of employment was using sick leave, which is a direct result of participation in the Homeland War, is entitled to salary remuneration for the mentioned sick leave even after the termination of employment or personal business activities until he is again capable of working, or expert evaluation of the competent authority of old-age pension does not established disability in

accordance with Article 35 of this Act, and for the longest until the expiration of the deadline of exercising the right to salary compensation at the expense of the means of mandatory health insurance provided for in Article 39 of this Act.

During the sick leave due to illness and complications related to pregnancy and childbirth, the use of the right to maternity leave and the right to work half-time from article 26 item 7 of this Act, and the right to leave for the death of the child under article 26 item 8 of this Act, the insured who uses one of these rights shall be entitled to reimbursement of salary also upon termination of employment or performing personal work activities.

The insured person who in the course of exercising the rights referred to in paragraphs 1, 2 and 3 of this article commenced full or part-time employment or began to conduct independent work activity is no longer entitled to salary in accordance with this article.

Article 39

The insured person is entitled to the funds of the Council for salary compensation during sick leave under Article 26 item 1 to 5 and item 9 of this Act for the same diagnosis of illness for a maximum period of three years without interruption.

The insured person under paragraph 1 of this Article shall be entitled to compensation in the amount determined in accordance with this Act and the regulations of the Council until the expiration of 18 months of sick leave, and then in the amount of 50% of the last paid salary compensation for that sick leave.

The provisions of paragraph 2 of this article for the part related to a reduction in the amount of salary compensation to 50% of the last salary compensation shall not apply to the insured person who is on sick leave due to the treatment of malignant disease, or is on hemodialysis or peritoneal dialysis, and who is on sick leave in connection with the transplantation of human body parts.

Article 40

The insured person is not entitled to salary compensation if he/she has:

- knowingly caused a temporary inability to work,
- failed to report his/her illness to the designated physician in primary health care within three days after onset of illness, or within three days after the end of the reason that was stopping him/her to do so,
- intentionally prevents healing, and getting well,
- works during sick leave,
- without reasonable excuse, fails to respond to the demand for a medical examination by the designated physician in primary health care or medical committee of the Council,
- the designated physician from primary health care, the body of the Council authorized to control sick leave or medical committee of the Council have found that he/she does not

comply with guidelines for treatment, or without the consent of the designated physician leaves his/her place of residence or misuses the right to use sick leave in any other way.

In the cases referred to in paragraph 1 of this Article, the insured is not entitled to reimbursement of salary from the starting date of such cases, up to the date of their termination, or termination of consequences they produced.

Article 41

Salary compensation is determined from base for contribution calculated from the average salary that the insured person has been paid in the last six months preceding the month in which occurred the case on the basis of which the right to compensation is obtained, regardless on whose expense it is being paid, with the exception of cases where is determined otherwise by special regulations.

The salary on the basis of which is determined the salary compensation refers to, under this Act, the regular monthly salary determined in accordance with the regulations on work and other regulations on the determination of salary, and the salary compensation paid during absence from work (vacation, paid vacation and sick leave) that is being paid by the legal or natural person who is the employer of the insured person.

For the insured person from article 6 paragraph 1 items 3, 4, 6 and 8 of this Act, the basis for compensation is the monthly insurance basis for the calculation and payment of contributions for compulsory health insurance for the last six months preceding the month in which occurred the case on the basis of which the insured person obtains the right to salary compensation, decreased by the statutory reserve contributions, taxes and surtaxes determined by regulations.

Exceptionally, the insured persons who obtain the right to compensation of salary during sick leave at the expense of the Council or from the state budget, the basis for remuneration under paragraph 1 of this article includes also other revenues generated by proceeds from which, according to the legislation on income tax, other revenue is determined, and in accordance to the provisions on compulsory insurance if they are paid in the six-month period on the basis of which is established the basis for compensation, and have achieved years of insurance in the Council stipulated by article 43 paragraph 1 of this Act.

In case when the basis for compensation cannot be determined according to paragraph 1 of this article, the basis for compensation is calculated from the salary paid up to date of the case on the basis of which the right to salary compensation is obtained, or the salary based on work contract, other contract or act so that the basis determined in such a way, when the compensation is paid from the Council's budget, cannot be greater than the lowest basis of insurance that is being used to calculate the contributions for compulsory health insurance, valid for the month preceding the month in which the insured case took place.

When an insured person receives salary compensation continuously for more than three months, the basis for determining compensation under paragraph 1 of this Article shall be extended in accordance with the increase in salaries of employees in the Republic of Croatia, if this increase is greater than 5%.

Salary compensation under paragraph 6 of this article belongs to the insured from the first day of next month after three months of continuous use of sick leave, if the conditions for increasing benefits are being met.

The Council shall with general regulations prescribe in more detail the method of determining the base salary compensation in paragraph 3 of this article.

Article 42

Salary compensation cannot be lower than 70% of base compensation, unless otherwise prescribed by this Act, and the monthly amount cannot be less than 25% of the budget base.

Salary compensation is 100% of the basis for compensation:

1. during sick leave due to wounds, injuries or illness that is a direct result of participation in the Homeland War,
2. during sick leave due to illness and complications related to pregnancy and childbirth,
3. during maternity leave and the right to work half-time from article 26 item 7 of this Act,
4. when using the leave for the death of child under article 26 item 8 of this Act,
5. during care for ill child younger than three years of age,
6. during sick leave due to the transplantation of living tissue and organs for the benefit of another person,
7. while the insured is isolated as carrier or due to occurrence of infection in the surrounding area.

The amount of compensation to be paid from the funds of the Council is determined by the Council, while the highest monthly amount of compensation calculated according to the provisions of this Act and regulations made under this Act may not exceed the budget base increased by 28%, with the exception of compensation referred to in paragraph 2 item 3 and 4 of this article.

Article 43

Salary compensation paid from the funds of the Council belongs to the insured person in the amount prescribed by this Act or the rules and regulations adopted based on this Act, under conditions that prior to the date of the case on the basis of which he/she obtains the right to compensation, he has the record of insurance with the Council based on employment, economic activities or independent professional activities, or on the basis of receiving salary compensation based on salary after termination of employment or termination of independent professional activities under this Act either for at least 12 months or 18 months with breaks over the last two years, if not otherwise stated by specified regulations.

Insured person who does not meet the requirement of previous insurance referred to in paragraph 1 of this Article has the right to salary compensation for the duration of the illness in the amount of 25% of the budget base.

MONETARY COMPENSATION FOR THE INABILITY TO PERFORM WORK ON THE BASIS OF WHICH IS OBTAINED INCOME IN ACCORDANCE TO CONTRIBUTIONS FOR COMPULSORY INSURANCE

Article 44

Monetary compensation due to inability to perform work on the basis of which is obtained income in accordance to regulations for compulsory health insurance shall be determined in accordance with the regulations of other income on contributions for compulsory insurance determined by the average base for contribution payment for compulsory health insurance.

The average base referred to in paragraph 1 of this article refers to the average base on which insurance was paid in contributions for compulsory health insurance in the last six months preceding the month in which inability to perform work took place on the basis of which is obtained income.

Article 45

Monetary compensation from article 44 paragraph 1 of this Act is 70% of the average base provided that the amount of compensation cannot be higher than the amount of remuneration referred to in article 42 paragraph 3 of this Act, and shall be paid from the first day of the use of rights at the expense of the means of the Council, for a period longer than six months continuously.

Article 46

The insured person obtains the unemployment benefit from Article 44 of this Act provided that he/she is temporarily incapable of performing the contracted work due to illness confirmed by the medical commission of the Council.

Article 47

Insured person who earns compensation because of the impossibility of performing tasks for obtaining income in accordance with the provisions on compulsory insurance, and whose insured status has been terminated in accordance to Article 7 Paragraph 2 of this Act, shall be entitled to monetary compensation up to 30 days from the date of termination of insured status.

Article 48

The Council will formulate the general Act on procedure and manner of exercising the right to financial compensation for the inability to perform work on the basis of which is obtained income in accordance with the provisions on compulsory insurance.

COMPENSATION OF COST OF TRANSPORTATION IN RELATION TO THE USE OF THE RIGHT TO HEALTH PROTECTION FROM COMPULSORY HEALTH INSURANCE

Article 49

The insured person when exercising the right to health protection through compulsory health insurance is entitled to reimbursement of transportation costs if he/she is directed outside the place of residence for the purpose of health care.

Insured persons under paragraph 1 of this Article shall be entitled to reimbursement of transportation costs if the health care is used in the contractual health care institution, or private practice of contracted physician or contracting delivery of aids in place that is more than 30 kilometers from the place of his/her residence or because the necessary medical care could not be obtained in a nearer contracted medical institution or private practice of contracted physician or contracting delivery of aids.

The right to reimbursement of transportation costs, regardless of the distance mentioned in the second paragraph of this article is accorded to persons under 18 years of age, the insured person referred for treatment abroad in accordance with the regulations of the Council, the insured person who is donor of organ, tissue or cells, and the insured person who is chronic kidney patient and uses dialysis.

In accordance with the provisions of paragraph 3 of this Article, the right to reimbursement of transportation expenses is extended to insured persons residents of islands and in special areas designated by the Law on Mountainous areas and the Law on Areas of Special State Concern.

Insured person who wants to use health care in another contracting health institution or private practice of contracted physician or the contracted supplier of aids on the territory of the Republic of Croatia and not where the person is addressed in accordance with paragraph 2 of this Article has the right to obtain such health care at the expense of the compulsory health insurance, but without the right to reimbursement of transportation costs and the right to medical transportation.

Article 50

The council bears the cost of transportation of the deceased insured person who was referred for treatment outside the place of residence in accordance with Article 49 of this Act.

Department bears the cost of transportation of the deceased insured person to the place of residence, if that person was organ donor for transplantation purposes outside of his/her residence.

Article 51

The right to reimbursement of transportation costs is also given to one person assigned to accompany the insured person referred to in Article 49 of this Act if the designated physician of primary care determines the need for accompaniment.

It is considered that the children under the age of 18 years as well as the insured persons under article 10 paragraph 5 and 6 this Act require accompaniment.

Article 52

Under the transportation costs from Article 49 of this Act are included the costs of public transport at the lowest price and the shortest route according to the official measurement of distances of public transport.

Notwithstanding paragraph 1 of this Article, the insured person because of his/her medical condition, in accordance with the regulations of the Council, may be entitled to the use of more expensive public transport.

V. FINANCING OF THE COMPULSORY HEALTH INSURANCE

1. Sources of funds

Article 53

Funds for the compulsory health insurance include:

- 1) contributions of the insured persons,
- 2) employer contributions,
- 3) contributions for unemployed persons under article 6 paragraph 1 items 12, 14, 15 and 17 and article 9 paragraph 1 Item 3 of this Act;
- 4) contributions from other payers of contributions established by this and other laws,
- 5) a special contribution for the use of health care abroad,
- 6) contributions from the state budget,
- 7) income from participating in health care costs of insured persons, or their insurers in supplementary health insurance,
- 8) income from dividends, interest and other income,
- 9) 32% of the total revenue from the excise tax on tobacco products,
- 10) income from the compulsory automobile liability insurance.

Contributions from paragraph 1 point 10 of this Act shall be allocated by the insurance company by 10% of insurance premium paid by the compulsory automobile liability insurance. This amount represents compensation for the damage caused to the Council in cases under Article 113 of this Act caused by the owners or users of the insured motor vehicle.

Article 54

Expenses of compulsory health insurance include expenses for:

- 1) health care,
- 2) compensation paid for sick leave,
- 3) monetary compensation for the inability to perform tasks on basis of which is obtained income in accordance with the provisions on compulsory insurance,
- 4) compensation expenses in connection with health care through the compulsory health insurance,
- 5) implementation of mandatory health insurance,
- 6) work of the governing body of the Council,
- 7) other expenses.

Article 55

Expenses of compulsory health insurance for one calendar year are covered by revenues in the same calendar year.

2. Contributions and contribution payers

Article 56

Base and rate of contributions for compulsory health insurance are regulated by special law, unless provided otherwise by this Act.

Article 57

If not stated otherwise in this Act or in special act, the bases, method of calculation and payment, amount, and those required to pay contributions for compulsory health insurance shall be prescribed by the regulations of the Council.

Article 58

Funding for the compulsory health insurance of family members of insured persons under article 6 of this Act shall be provided from the same sources from which are provided the funds for compulsory health insurance of the insured, unless stipulated otherwise by this Act or other special act.

Article 59

Agricultural worker from article 6 item 7 of this Act who has attained the age of 65 shall be exempt from contributions for compulsory health insurance if he/she meets the conditions prescribed by the Minister responsible for social welfare.

Article 60

Taxpayers paying the special contribution for the use of health care abroad, established under special legislation may be exempted from payment of contributions for an insured who is not insured by foreign insurance providers if they perform activities in a country with which the Republic of Croatia has not concluded an agreement on social security or the interstate contract provides otherwise, if the health care abroad is ensured on own expense.

At the request of the taxpayer to pay contributions under paragraph 1 of this Article, the termination of payment of contributions shall be determined by the Council in accordance with regulations.

Special contribution for the use of health care abroad can be paid by persons at the Council who are residents abroad due to private reasons.

Insured persons under paragraph 3 of this Article who fail to submit an application to the Council regarding they stay abroad and have not previously paid the special contribution for the use of health care abroad for the duration of the time abroad, if not decided otherwise by the regulations, do not have the right at the expense of the compulsory health insurance to realize the compensation of costs and health care.

Base and rate, as well as method of calculation and payment of special contributions from paragraph 4 of this Article, unless not specified otherwise by special law, is determined by the Council.

Article 61

In order to determine the accuracy of data and facts on which the exercise of rights under compulsory insurance is based, the Council has the right to inspect business records, financial documents and other records of taxpayers of the pay of contributions.

Tax Administration, Central Registry of the insured, government bodies and other competent authorities are obliged to submit to the Council the information they hold and on which they hold official records required to exercise the rights under compulsory health insurance.

Article 62

The insured persons under article 6 paragraph 1 items 3, 4, 6, 7 and 8 of this Act, the beneficiaries of pension and disability insurance who are entitled to that right solely by foreign holders of pension and disability insurance referred to in article 6 paragraph 1 point 10 of this Act and article 11 this Act - taxpayers to calculate and pay contributions for compulsory health insurance and who have not paid contributions for at least 30 days, are limited in their use of rights from compulsory health insurance, except the right to emergency medical assistance.

The emergency medical assistance means the provision of diagnostic and therapeutic procedures that are necessary to eliminate immediate dangers to life and health.

The suspension of the use of rights under paragraph 1 of this Article shall be established in advance, from the date of settlement of the necessary amount of the contribution with interest accrued.

3. Securing funds from the state budget

Article 63

The Republic of Croatia ensures in the state budget special funds for rights under the compulsory health insurance, and for:

1. funds for the payment of remuneration during the temporary incapacity for work under Article 26 item 9 of this Act,
2. funds for health care costs for:
 - a) implementation of measures of increased health care for insured persons over 65 years of age as well as for the insured persons children under 18 years of age,
 - b) health education,
 - c) treatment under special regulations,
 - d) emergency medical assistance on state roads,
 - e) difference in health care costs caused by large deviations in the organization of health care than the prescribed norms for reasons of demographic characteristics (islands, population density),
 - f) persons whose address is unknown,
 - g) insured under article 6 points 13, 16, 18, 19, 20, 25 and 26 of this Act,
 - h) insured persons referred to in article 13 of this Act,
 - i) insured person referred to in article 59 of this Act,
 - j) international obligations in the field of health insurance,
 - k) insured under Article 6 items 12, 14, 15 and 17 and article 9 paragraph 1 item 3 of this Act.

4. Financial operations of the Council

Article 64

Department has business funds for:

- rights from the compulsory health insurance
- supplementary health insurance in accordance with a separate law.

Article 65

Department has a reserve for the enforcement of the compulsory health insurance.

If the final account determines the surplus revenue, the surplus is brought into the reserve fund of at least 50% of surplus revenue.

The supervision over the use of the reserve is done by the Governing Board of the Council.

Article 66

The reserve from article 65 of this Act may not exceed one-twelfth of the planned expenditure in the current year to implement the established scope of the rights of compulsory health insurance.

Over the year the reserve can be used as working capital to meet ongoing obligations of the Institute and as a loan with an obligation to return until the end of next year with interest.

The reserve serves for covering of excess expenditures over revenues and protection against losses of the Council.

Article 67

For the purpose of ensuring the data necessary for the implementation of compulsory health insurance, and supervision over the exercise of rights under compulsory health insurance, record keeping is being conducted in the Council.

General acts on means and place, form, content and deadlines of register for taxpayers' records and record keeping, will be established by the Governing Board of the Council.

VI. RELATIONSHIP BETWEEN THE COUNCIL AND HEALTH INSTITUTIONS, HEALTH WORKERS IN PRIVATE PRACTICE AND THE SUPPLIERS OF TECHNICAL AIDS

1. Concluding contracts on health care

Article 68

The council based on general regulations with the consent of the Minister of Health, on the basis of the prior opinion of the competent chambers, in accordance with the agreed scope of rights to health care in articles 16 and 17 of this Act and with established standards and norms of health care from the compulsory health insurance sets the way of implementing health care and other bases for contractual agreement with medical institutions and private health workers

involved in the network of public health services and cost of health care in the total amount for the full value to health care from the compulsory health insurance.

Article 69

In accordance with article 68 of this Act, the Council regularly every three years establishes a competition for making contracts with medical institutions and private health workers to conduct health care through the compulsory health insurance in the activities at the primary, specialist-consultative and hospital health protection.

Based on the bids for the implementation of health care according to the published tender, the Council, with the consent of the Minister of Health, makes a decision on the choice of the most competitive bidder.

The party proposing offer under paragraph 2 of this article that is not selected may request that the choice is made through arbitration.

For arbitration referred to in paragraph 3 of this Article, two representatives of the Council shall be appointed, one representative of the competent chamber, one representative of the applicant's offer and one representative from the Ministry of Health.

Article 70

In accordance with a decision under article 69 paragraph 2 of this Act on the arbitration decision from article 69 paragraph 4 of this Act, the Council makes contracts for the implementation of the established scope of the right to health protection under article 68 of this Act.

In the event that the selected physician of primary care abuses the right under Article 33 of this Act, the Council will initiate the procedure of the termination of the contract from paragraph 1 of this Article and inform the relevant chamber about this.

Article 71

Type, scope, quality and deadlines for achieving the contracted health care from compulsory health insurance according to the standards and norms for each activity at the primary, specialist and hospital health, as well as cost, method of calculation and payment terms of health care, supervision over the contractual obligations, contractual penalties for failure to meet contractual obligations, the conditions under which there is a contract termination and other mutual rights and obligations of the parties are determined by the contract under article 70 paragraph 1 of this Act.

Article 72

Contracts are concluded within 90 days from the date of the decision from article 69 of this Act.

If agreement is not concluded within the deadline set in the first paragraph of this article, the resolution of the contested issue is submitted to arbitration.

In arbitration, each contracting party shall appoint two representatives, and the president of the arbitration shall be appointed by the Minister for Health.

Arbitration decisions are taken by majority vote of the participants in arbitration latest within 30 days from the date of the arbitration, and the decision is final and binding to the arbitration participants.

Article 73

The contracts are concluded in advance. Until the conclusion of a new contract, obligations under previous contract are valid.

Agreement concluded on the basis of the decision of the arbitration is valid in advance, unless decided otherwise by arbitration.

Article 74

Until a new contract from article 73 paragraph 1 of this Act, the Council with health institutions and private health workers confirms the changes in the price of health care, the largest amount of funds per year for the implementation of the contracted hospital care and other issues of importance to the implementation of the contracted health care.

Article 75

The contract on providing health care for general practitioners in primary health care must contain the following provisions:

- the price of health care for the rights to health care according to the number of insured persons of the Council according to the general act from Article 68 of this Act, as well as the list of procedures with a set price for which the selected physician will be able to issue invoices to the Council up to the amount set by the regulations of the Council under Article 68 of this Act,
- the price of health care that are recognized for preventive medical examination of the insured persons means until which the selected physician of primary health care has the right to issue orders for specialized examinations for the insured persons in accordance with the general regulations of the Council under article 68 of this Act,
- the amount of funds up to which the selected primary care physician has the right to issue orders for the specialist-consultative health care examinations to insured persons in accordance with the general regulations of the Council under article 68 of this Act,
- the amount of funds for medicines up to which the selected primary care physician may prescribe prescription medicines for the insured person, taking into account the health and age structure of the insured persons, in accordance with the general regulations of the Council under article 68 of this Act, with the exception of medicines whose value exceeds the amount determined by the regulations of the Council.

In the case when legal obligations under paragraph 1 subparagraph 3 and 4 of this Article are not respected, the contract on providing health care is terminated.

Article 76

Agreement on the implementation of institutional health care must contain the largest annual amount of funds to implement the agreed institutional health care established by the regulations adopted by the Administrative body of the Council with the approval of the Minister of Health.

Director of the hospital health facilities is responsible for implementation of institutional health care within a stipulated amount under paragraph 1 of this Article, while the head of organizational unit of the hospital health institutions is responsible for implementation of institutional health care within a certain amount determined for the operation of that organizational unit.

Article 77

The Council determines health care contracts in the exercise of rights to orthopedic and other aids in accordance with this Act, the Act on medical products and special regulations established by the regulations of the Council.

2. Supervision of the execution of contractual obligations of the contracting subjects of the Council

Article 78

During the contract period, the Council supervises the execution of contractual obligations of health care institutions, private medical professionals and contracting suppliers of aids.

Supervision from the first paragraph of this Article shall be conducted in accordance with the provisions of this Act and general acts of the Council:

- through review and examination of financial, medical and other documentation in the medical institution and at private health workers, or the contracted supplier of aids,
- through review and examination of the documentation provided in the organizational units of the Council.

The process of supervision from paragraph 1 of this article specifically monitors whether the selected medical doctor, dentist, health care worker employed in a private health institution or private health care worker:

1. implements measures for health protection through the compulsory health insurance on his/her level of health services determined by the scope of the right to health protection from Article 16 and 17 of this Act,
2. applies rules of the profession, and when prescribing therapy the recommendation regarding pharmacotherapy, clinical guidelines and principles of pharmacy-economics taking into account the interactions and counter indications of a particular case

3. acts contrary to the provisions of this Act, the Health Protection Act, other laws, specific regulations, laws and general acts of the Council,
4. abuses the right from Article 33 Paragraph 1 of this Act.

Article 79

In order to implement monitoring of the implementation of contractual obligations, the contracting subjects of the Council are obliged to submit to the Council business reports in accordance with the regulations of the Council, and hospital health care facilities are required to deliver monthly report on the operations to the Council no later than the 10th day of month for the previous month.

Article 80

The manner, procedure and contents of conducting supervision over the implementation of contractual obligations of health care institutions and private health workers and contracting suppliers of aids will be prescribed by the Council by a specific act or identify by the contract itself.

VII. CROATIAN COUNCIL FOR HEALTH INSURANCE

Article 81

The activities of compulsory health insurance provided by this Act are performed by the Croatian Council for Health Insurance.

The Council is a public institution to which the regulations on institutions apply to if this Act does not specify otherwise.

The Council is a legal person with rights, obligations and responsibilities established by this Act and the Statute.

In addressing the rights and obligations under the compulsory health insurance, the Council has public authority.

The Headquarters of the Council are in Zagreb.

Article 82

The Council performs the following tasks in the implementation of compulsory health insurance:

- implements the politics of development and improvement of health protection from the compulsory health insurance,
- carries out activities in connection with the exercise of rights of insured persons, is responsible for the lawful exercise of these rights and provides necessary expert assistance in exercising rights and protection of interests,

- plans the funding of compulsory health insurance and pays services to contractual subjects of the Council,
- proposes to the Minister for Health the scope of the right to health from Article 16 of this Act,
- gives the Minister of Health the opinion on the establishment of medical facilities and the approval of health workers in private practice for inclusion in the network of public health services,
- engages in contracts with the contracting subjects of the Council and the contracting suppliers of aids,
- determines the cost of health care in the total amount for the full value of the rights of the compulsory health insurance, with the consent of the Minister of Health,
- determines the manner of exercising rights to health care at the expense of the Council in cases when insured persons cannot get health protection at the contracted subjects of the Council, within the period prescribed by the regulations of the Council,
- ensures the implementation of international treaties from the part related to health insurance,
- supervises the fulfillment of contractual obligations of contracting subjects of the Council in accordance with the agreed contract,
- regulates other matters related to the exercise of rights from compulsory health insurance.

1. The structure of the Croatian Council for Health Insurance

Article 83

The Council carries out its activities in the following organizational units:

- the central organizational unit,
- the regional organizational units.

Organizational units of the Council perform the activities of the Council under the name of the Council and their own name, when they must indicate the headquarters of the Council and their own headquarters.

Article 84

The central organizational unit of the Institute is central office with headquarters in Zagreb.

Regional structural units of the Institute are regional offices.

Article 85

Statute of the Council determines the scope of organizational units, names of internal organizational units, as well as other issues relevant to conducting operations of the Council.

2. The bodies of the Institute

Article 86

The Council is managed by the Governing Board.

The Governing Board consists of nine members, appointed by the Croatian Government on the recommendation of the Minister of Health, namely:

- 2 representatives of insured persons of the Council,
- 2 representatives of providers of health services - health workers,
- 3 representatives of the Economic and Social Council,
- 1 representative from the Ministry of Health,
- 1 representative of the Council.

President of the Governing Board is elected by its members.

The mandate of the Governing Board lasts four years.

The Governing Board shall take decisions by a majority vote of all members.

Jurisdiction, powers and responsibilities of the Governing Board shall be determined by the Statute.

Article 87

The Governing Board performs the following tasks:

1. adopts the Statute of the Council,
2. adopts the financial plan and final accounts of the Council,
3. adopts measures to balance revenues and expenditures in cases of reported excess of expenditure over income in the operations of the Council in three-month period,
4. adopts decisions and general acts, and implements other activities decided by this Act and the Statute of the Council.

The Statute of the Council is approved by the Croatian Government.

Article 88

The Statute of the Council in particular determines: the structure of the Council, rights, obligations and responsibilities of the divisions of the Council, the public relations of the Council and its bodies, the organization of administrative and other activities, as well as other issues relevant to the work of the Council.

The Statute and other acts of the Council that determine the rights and obligations of insured persons from compulsory health insurance are published in the Official Gazette.

Article 89

The work of the Council is managed by the director.

The director must have a completed university undergraduate degree and at least five years of experience in management.

Director of the Council has a deputy and assistants.

Article 90

Director of the Council shall be appointed by public tender.

Director of the Council shall be appointed and dismissed by the Croatian Government, on recommendation of the Minister of Health.

Director of the Council shall be appointed for a term of four years.

Article 91

Director of the Council is responsible for the financial operations of the Council.

Director of the Council is responsible for balancing expenditures with revenues of the Council, and is required to deliver quarterly reports on the financial operations of the Council to the Minister for Health and the Minister of Finance.

Article 92

Director of the Council may be dismissed before the expiration of the mandate.

Proposal for dismissal of the Director before the expiration of the mandate may be submitted by at least one third of the members of the Governing Board and the Minister for Health.

Article 93

The Governing Board shall propose to the Minister for Health and the Croatian Government the dismissal of the Director before the expiration of the mandate if:

- the Director requires this personally,
- one the reasons occurs that according to special rules or regulations governing labor relations lead to the termination of the employment contract,

- in a six-month period there is a reported excess of expenditure over income,
- the Director causes by negligence or unlawful operation significant damage to the Council, neglects or recklessly performs his/her duty so that greater damage may have arisen or may arise in the performance of activities of the Council,
- In his/her work violates the regulations and general acts of the Council or unreasonably fails to comply with decisions of the Governing Board, or act contrary to them.

The Governing Body shall, before making a decision on the motion for dismissal, inform the Director about the reasons for dismissal and give him/her the opportunity to respond in writing about them.

Article 94

The Deputy Director must have completed a university undergraduate degree and at least five years of experience in management.

Deputy Director of the Institute shall be appointed by public tender.

Deputy Director of the Institute shall be appointed and dismissed by the Croatian Government on the proposal of the Minister of Health.

Deputy Director of the Institute shall be appointed for a term of four years.

Article 95

Deputy Director of the Institute may be dismissed before the expiry of the tenure.

The proposal for the dismissal of the Deputy Director before the expiration of the mandate may be submitted by the Minister for Health, at least one third of the members of the Governing Board and the Director.

Article 96

The Governing Board shall propose to the Minister for Health and the Croatian Government, the dismissal of Deputy Director before the expiration of the term for which he was elected due to reasons from Article 93 of this Act.

The Governing Board shall, before making a decision on the motion for dismissal, inform the Deputy Director of the reasons for dismissal and give him/her the opportunity to respond in writing about them.

Article 97

The number of assistants to the Director and the manner of their appointment shall be determined by the Statute of the Council.

Article 98

The manner of appointment and dismissal of heads of regional offices of the Council is determined by the Statute of the Council.

Article 99

The scope of work, authority and responsibility of the Director, Deputy Director, assistants to the Director of the Council and the head of the regional office of the Council are established by the Statute of the Institute.

3. Supervision over the work of the Council

Article 100

Supervision over the legality of the work and general acts of the Council is performed by the Ministry of Health.

In conducting surveillance under paragraph 1 of this Article, the Ministry of Health may:

- require reports, data and other information about the performance,
- propose to the Croatian Government to start the legal process before the Constitutional Court to review the compatibility between the general acts of the Council with the law and the Constitution,
- inspect the structure and operations, and propose measures for the execution of certain tasks,
- take other measures prescribed by this Act or other regulations.

Article 101

The Director of the Council is obliged to submit to the Minister for Health and the Croatian Government an annual report on the operations of the Council not later than March 1 of the current year for the previous year, a monthly report on the execution of contractual obligations of contracting subjects of the Council until the 15th day of the month for the previous month.

Article 102

If the Croatian Government established that the losses of the Council in the implementation of compulsory health insurance are caused by objective circumstances, recovery of losses will be covered from the state budget.

VIII. RIGHTS AND OBLIGATIONS OF COMPULSORY HEALTH INSURANCE

Section 103

The right to compulsory health insurance is determined by recognizing the status of insured persons by the Council.

The status of the insured person is terminated with the termination of circumstances under which this status is acquired.

The status of the insured person is proven by a special decree.

General act on the content and format of the documents referred to in paragraph 3 of this article, as well as the manner of their issuance, will be decided by the Council.

Article 104

The status of insured persons is determined by the Council on the basis of applications for compulsory health insurance that is, by the provisions of this Act, demanded by the person paying contributions, the insured person when he/she is obliged to pay contributions, or legal or natural person for the insured person.

Demand for compulsory health insurance, demand for a change in the compulsory health insurance, and the termination of compulsory health insurance shall be filed within 15 days from the date of creation, change or termination of the circumstances under which the person acquires the status of the insured person.

Person for whom the person obliged to pay contributions does not demand registration or deregistration from compulsory health insurance, the Council will issue a decision on the acquisition or termination of insured person status in accordance with the regulations of this Act.

Article 105

All legal and natural persons shall submit to the Council all information concerning registration and deregistration of the insured persons and the purpose of exercising the rights and obligations from compulsory health insurance and issuing a special document from article 103 paragraph 3 of this Act.

If the person obliged to pay contributions under paragraph 1 of this article within 30 days from the start of the circumstances for obtaining the status of the insured person fails to submit the status for compulsory health insurance, the Council shall by its official duty make a decision on recognition of the status of the insured person in accordance with the regulations of the Council.

Article 106

The Council has the right and obligation to report the receipt of the application for compulsory health insurance as well as for the duration of the status of the insured persons to verify the circumstances under which the application is filed, or on the basis of which the person is admitted to this status.

Legal and natural persons, applicants for compulsory health insurance and insured persons are obliged to request the Council to present all the facts and evidence to prove the merits of applications for compulsory health insurance, or validity of the current status of the insured person.

If the Council does not accept the submitted application or determine the status of insured persons on any other basis, or deny the status of the insured person in the compulsory health insurance due to the absence of conditions based on which this status established, it establishes a resolution submitted by the applicant and the person concerned in accordance with the regulations of the Council.

General act on the reporting and terminating the status of the insured person and the determination and control of circumstances that are the basis for acquiring the status of the insured person will be determined by the Council.

Article 107

The Council decides on the rights under compulsory health insurance.

The Council makes the decision on the rights of the compulsory health insurance when this is prescribed by the regulations of the Institute or at the request of the insured person.

Article 108

For the protection of the rights under this Act, the Council provides the insured persons with a two-stage resolution of the procedure initiated by the insured person.

The two-stage resolution of the Council is final and a legal procedure against it cannot be initiated.

Article 109

The questions regarding rights under compulsory insurance are resolved by:

1. in the first stage - regional offices of the Council based on the place of residence or temporary residence of the insured person,
2. in the second stage - the Directorate of the Council.

The Law on Administrative Procedure applies in the process of deciding on the rights from the compulsory health insurance, unless specified otherwise by this Act.

Section 110

In exercising the rights to health care from the compulsory health insurance under the provisions of this Act, the insured person has the right to free choice of physicians and dentists in primary health care.

Insured person chooses a physician and dentists in primary health care for a minimum period of one year.

The general act about how to exercise the right to free choice of physicians and dentists in primary health care will be established by the Council, taking into consideration the opinion of the chamber in charge, and with the consent of the Minister of Health.

Article 111

The medical committee of the Council is involved in the procedures for granting the rights of the compulsory health insurance under this Act.

The general Act on the composition, powers and the ways of work of the medical commission of the Council shall be adopted by the Administrative Council of the Council.

IX. COMPENSATION

Article 112

Insured person is obliged to provide compensation to the Council:

- if he/she has received funds from the compulsory health insurance, or the state budget on the basis of false or inaccurate information which he/she knew or should have known were untrue or inaccurate, or has been receiving the funds in some other unlawful manner or in a greater extent than what belongs to him/her,

- if he/she has received funds from the Council due to his/her failure to report a change that affects the loss or the scope of rights from the compulsory health insurance, and he/she knew or should have known about this change.

Article 113

The Council is required to claim compensation for the caused by the person who caused the illness, injury or death of the insured person.

For damage caused to the Institute in cases under paragraph 1 of this article committed by a worker at work or in connection with the work is responsible a legal or natural person - the employer.

The council is required in cases referred to in paragraph 2 of this article to demand compensation also directly from the employee, if the damage was caused intentionally or by gross negligence. When the Council requires the compensation of damage from legal persons, natural persons and of the workers, they are jointly responsible for damages.

Article 114

The insured person who is paid from the Institute the amount of money that he/she was not entitled to is obliged to refund the excess amount increased by the statutory penalty interest.

Article 115

The Council is required to claim compensation for damage caused by legal or natural person:

- if the damage occurred because the information was not provided, or the information given was false or inaccurate about the facts on which the acquisition or the scope of rights depends,

- if the payment was made on the basis of false or inaccurate information included in the application of the entry of workers to work,
- if the payment was made because report on changes that affect the loss or the extent of workers' rights was not provided, or the report of the withdrawal of workers from work or if the report was filed after the due date,
- if the damage was made by the filing of the claim for compulsory health insurance based on employment contract, whose purpose was not performing the work in accordance with that agreement, but solely obtaining rights of compulsory health insurance.

Insured persons who are required to submit the application or provide certain information regarding their rights and obligations, are required in cases referred to in paragraph 1 of this Article to themselves compensate the Council for the damage caused because the application was not filed or false information was provided.

For damages in cases referred to in paragraph 1 of this Article, legal or natural person shall be responsible regardless of guilt, and the insured person in cases referred to in paragraph 2 of this Article shall be responsible for damages if he/she knew or should have known that the information provided was false or inaccurate, or if they knew or should have known about changes that affect the loss or range of rights, and these changes were not reported.

Article 116

The Council is required to claim compensation for damage caused by legal or natural persons, if disease, injury or death of the insured person resulted because safety measures were not implemented for protection at work or other measures for protection of citizens.

The Council is required to claim compensation for damage caused by legal or natural persons, also when the damage occurred because the worker came to work without any previous prescribed medical examination, a medical examination later determined that the person to health has not been able to work in certain jobs.

Article 117

Department is required to claim compensation for damage caused in the cases referred to in Article 113 of this Act directly from the insurer with whom these persons are insured against responsibility for damage caused to third parties, according to the regulations on compulsory insurance of this risk.

Article 118

The Council is required to claim compensation for damages caused by the use of vehicles of foreign registration on the territory of the Republic of Croatia, which has a valid international certificate of automobile responsibility directly from the Croatian Insurance Office.

The Council is required to seek compensation also if the damage was made abroad in accordance with the provisions of the Insurance Law and international treaties.

Section 119

The Council is required to claim compensation in cases predicted by this Act, regardless of the fact that the damage was caused to the payment of benefits which as a right belong to the insured person from the compulsory health insurance, or the state budget.

Article 120

The damage compensation at which the Council has the right to demand in the cases referred to in articles 112, 113, 115 to 119, of this Act covers the cost of health care and other services and the amounts of allowances and other benefits paid by the Council.

Article 121

Health care institutions, private health care provider and the contracting supplier of aids are responsible to the Council for the damage caused during the performance of or in connection with the performance of their activities in accordance with the provisions of the Law on Obligations.

Article 122

In determining the right to compensation for damage caused to the Council, the corresponding provisions of the Law on Obligations, and any special rules on compensation are applied.

Article 123

Claim compensation, according to the provisions of this Act, expire upon expiration of deadlines determined by the Law on Obligations.

Expiration dates of the claim compensation under the provisions of this Act begin:

- in cases referred to in article 112 and article 115 paragraph 1 of this Act, the day it is decided that the payment received did not belong or belonged to a lesser extent to the recipient,
- in cases referred to in article 113 and 116 of this Act, from the date of the enforcement decision that granted the right to receive funds from the Council,
- in other cases where the compensation is required for certain benefits paid from article 119 of this Act, from the day of payment of each benefit.

As an exception from paragraph 2 of this article, the questions on expiry for compensation for damage caused by the criminal offense apply time limits prescribed by the Law on Obligations.

Article 124

When it is determined that damage has been made, following the indication of evidence, the Council demands damage compensation from the insured person, the legal or natural person, legal entity for securing property and persons or another person who is required to compensate for damage.

If the damage is not compensated by a certain date, the Council realizes the claim by a lawsuit with the competent court.

The Council is entitled to penalty interest at the rate prescribed by the Law on default interest, from the date of damage.

The Council does not have the right without the explicit consent of the insured person to obtain damage compensation through suspension of compensation payments or refraining from monetary compensation to which the insured person is entitled to based on the rights of the compulsory health insurance.

X. PENAL PROVISIONS

Article 125

A fine amounting to HRK 100,000.00 to 500,000.00 shall be imposed on a legal entity – the payer of contributions for compulsory health insurance companies that together with the payment of salaries, and no later than the end of the month for the previous month does not pay contributions for compulsory health insurance.

A fine amounting to HRK 10,000.00 to 50,000.00 for the infraction from paragraph 1 of this Article shall be imposed on a responsible person in a legal entity and natural person - payer of contributions for compulsory health insurance.

For the infraction referred to in paragraph 1 of this Article, in addition to the fine, the legal or natural person may be imposed the protective measure of temporary prohibition of the performance of activities.

Article 126

A fine amounting to HRK 70,000.00 to 100,000.00 for infraction shall be imposed on legal persons who fail to submit an application for compulsory health insurance to the Council (article 104 paragraph 2).

A legal person who submits an application for compulsory health insurance based on employment contract, whose purpose was not to perform tasks in accordance with that agreement, but only to obtain rights under the compulsory health insurance, will be fined by the fine from paragraph 1 of this article.

A fine from HRK 8,000.00 to 15,000.00 shall be imposed on the responsible person in legal entity or natural person for an infraction under paragraph 1 and 2 of this article.

For the infraction referred to in paragraph 1 of this Article, together with the fine, the legal person or natural person may be imposed protective measure temporarily prohibiting the performance of activities.

Article 127

A fine amounting to HRK 80000.00 to 150,000.00 shall be imposed on a legal person for infraction for failing to pay the salary compensation to the insured person in accordance with the calculation submitted by the Council (article 31, paragraph 2).

The responsible person in legal entities and natural person will be punished for the infraction referred to in paragraph of this Article by a fine of HRK 8000.00 to 15000.00.

For the infraction referred to in paragraph 1 of this Article, together with the fine, the legal person or natural person may be imposed protective measure temporarily prohibiting the performance of activities.

Article 128

A fine amounting to HRK 10,000.00 to 15,000.00 shall be imposed on a legal or natural person who fails to provide the Council with information concerning registration and deregistration of the insured person in order to exercise the rights and obligations under the compulsory health insurance (Article 105).

To infraction referred to in paragraph 1 of this Article shall be fined in the amount of HRK 3,000.00 to 5,000.00 also to the responsible person in the legal entity.

Article 129

Fine ranging from HRK 8000.00 to 15000.00 shall be imposed on the insured person for infraction if he/she:

- has deliberately caused a temporary inability to work, within three days after onset of illness does not notify the selected physicians in primary health care of the illness, or within three days from the reason that was making it impossible, deliberately prevents recovery, works during sick leave, without reasonable excuse fails to respond to a call for a medical examination of the selected physicians in primary health care or medical committee of the Council, fails to comply with guidelines for treatment, or without the consent of selected physicians of primary health care leaves from place of residence or abuses the right to use sick leave in any other manner (Article 40),

- qualified for reimbursement of travel expenses in connection with the rights to health care through the compulsory health insurance, and had no legal basis (Article 49),

- used a document indicating the status of insured persons in a manner contrary to the provisions of this Act and regulations made under this Act (Section 103).

XI. TRANSITIONAL AND FINAL PROVISIONS

Article 130

In cases when authorized by the law, the competent minister shall issue regulations within six months from the date of the enactment of this Act.

Article 131

The Council will general acts to which it is authorized by this Act issue within six months from the date of enactment of this Act.

Article 132

Until the entry into force of regulations under Article 130 and 131 of this Act, the following shall remain in effect:

1. Regulations on rights, conditions and manner of exercising rights under the basic health insurance (Official Gazette no. 120/06., 136/06., 56/07., 80/07., 96/07. and 45/08.),
2. Regulations on the exercise of rights of insured persons of the Croatian Health Insurance on the free choice of physicians and dentists in primary health care (Official Gazette no. 41/07.),
3. Regulations on conditions and manner of exercising rights under the compulsory health insurance for hospital treatment of medical rehabilitation and physical therapy at home (Official Gazette no. 26/96., 79/97., 31/99., 51/99., 73 / 99, 40/07., 46/07. - consolidated text, 64/08.),
4. Regulations on the composition, powers and mode of medical commissions of the Croatian Health Insurance (Official Gazette no. 57/07. And 96/07.),
5. Regulations on prescribing and dispensing of prescription drugs (Official Gazette no. 120/06., 40/07., 112/07. and 134/07.),
6. Regulations on conditions and manner of exercising the right to orthopedic and other aids (Official Gazette no. 25/05., 41/05., 88/05., 125/05., 155/05., 24/06., 36/06., 46/06., 88/06., 96/06., 112/06., 136/06., 48/07., 57/07., 80/07., 89/07. - consolidated text, 134/07., 11/08., 34/08., 79/08. and 128/08.),
7. Regulations on standards and norms of the right to health care through the compulsory health insurance (Official Gazette no. 142/06., 11/07., 80/07., 134/07., 34/08. and 129/08.),
8. Regulations on rights, conditions and methods of use of health care abroad (Official Gazette no. 80/07. And 85/07.),
9. Rules on ways of registration and termination, and acquiring the status of insured persons through compulsory health insurance (Official Gazette no. 31/07., 56/07., 96/07., 130/07. and 33/08.),
10. Regulations on conditions and manner of exercising rights under the compulsory health insurance for home health care of the insured persons (Official Gazette no. 40/07.),
11. Regulations of the longest possible periods of sick leave depending on the type of illness (Official Gazette no. 5 / 03.),

12. Regulations on the powers and means of control of the Croatian Health Insurance (Official Gazette no. 80/07.),
13. Regulations on criteria and procedures for determining incapacity for independent life and work and lack of means of support for persons with permanent residence in the Republic of Croatia, for whom health care is not provided on other grounds (Official Gazette no. 39/02.),
14. Regulations on conditions for exemption from payment of contributions for basic health insurance of agricultural workers older than 65 years of age (Official Gazette no. 122/02.),
15. Decision on determining the basic list of medicines of the Croatian Health Insurance (Official Gazette no. 132/07., 134/07., 16/08., 33/08., 68/08., 90/08. and 134 / 08),
16. Decision on establishing the supplementary list of medicines of the Croatian Health Insurance (Official Gazette no. 132/07., 134/07., 68/08. And 134/08.),
17. Decision on the content and form of documents proving the status of the insured person of the Croatian Council of Health Insurance for basic health insurance (Official Gazette no. 28/02., 11/03., 158/03., 161/04., 51 / 05 and 155/05.),
18. Decision on establishing the list of particularly expensive medicines established by the Decision on determining the basic list of medicines by the Croatian Health Insurance (Official Gazette no. 13/07., 77/07., 96/07., 134/07., 64/08., 90/08. and 116/08.),
19. Decision on the bases for concluding the contract on providing health care from compulsory health insurance (Official Gazette no. 142/06., 143/06., 11/07., 41/07., 96/07., 117/07., 119/07., 134/07., 34/08., 45/08., 85/08., and 90/08.),
20. Decision on special standards and criteria for their application in the implementation of primary health care from compulsory health insurance (Official Gazette no. 142/06., 13/07., 34/08. And 45/08.),
21. Decision on the content and form of documents proving the status of insured persons (Official Gazette no. 4 / 07.),
22. Decision on the establishment of a list of diagnostic and therapeutic procedures in health care activities - time and personnel standards (Official Gazette no. 15/92., 29/93., 65/93., 31/95., 73/99., 3 / 00th, 18/00., 118/01., 44/02., 76/02., 85/02., 92/02., 130/02., 151/02., 11/03., 32 / 03, 43/03., 203/03., 30/05., 88/05., 136/06., 16/07., 40/07., 57/07., 80/07., 84 / 07, 98/07., 111/07., 130/07., 54/08. and 85/08.),
23. Terms of the contract on providing health care through the compulsory health insurance (Official Gazette no. 11/07., 40/07., 117/07., 11/08., 21/08. And 45/08.).

Article 133

The Council is required to align its organization with the provisions of this Act within one year from the date of its entry into force.

Article 134

All legal and natural persons in the exercise of rights and obligations under the compulsory health insurance are obliged to align their operations with the provisions of this Act within six months from the date of enactment of this Act.

The revenues of Article 53 Paragraph 2 of this Act are calculated and allocated to contract by insurance companies from car responsibility insurance concluded from the entry into force of this Act.

Article 135

Insured persons who have begun to realize the right to health care and other rights arising from compulsory health insurance before coming into force of this Act, from the date of its entry into force exercise their rights under its provisions.

Persons from paragraph 1 of this Article who based on the provisions of this Act do not meet the prescribed requirements for the exercise of the rights recognized under the regulations in force before the day of the entry into force of this Act, continue with the started use of that right based on provisions of this Act, as if they fulfill the conditions prescribed by the Act, or based on this Act.

Article 136

Complaints filed against a decision made before the entry into force of this Act, shall be settled according to regulations in force until the date of its entry into force.

Article 137

Insured persons of the Council who obtained exemption from the surcharges achieved on the basis of the Law on Compulsory Health Insurance (Official Gazette no. 85/06., 105/06., 118/06., 77/07., 111/07. and 35/08.) retain this right even after the entry into force of this Act until the expiry of validity of certificates entitled to an exemption from the surcharges, and latest until June 30, 2009.

Insured persons referred to in paragraph 1 of this article have the right for covering the cost of health care from article 16 paragraph 3 and 4 of this Act from 1 April 2009. to insure themselves with supplementary health insurance at the Council in accordance with the provisions of the Act on voluntary health insurance at the expense of the state budget.

Article 138

Revenues from Article 53 Paragraph of 2 this Act are calculated and allocated to contracts of automobile responsibility insurance by insurance companies concluded from the date of the entry into force of this Act.

Article 139

On the date of enactment of this Act, the Law on Compulsory Health Insurance (Official Gazette no. 85/06., 105/06., 118/06., 77/07., 111/07. And 35/08.) and the Decision on the form, content and manner of issuing a certificate proving the right to exemption from co-payments (Official Gazette no. 120/06.) are no longer in force.

Article 140

This Act shall be published in the Official Gazette and shall come into force on January 1 2009.

Class: 500-01/08-01/12

Zagreb, December 15, 2008.

CROATIAN PARLIAMENT

President of the
Croatian
Parliament
Luka Bebic