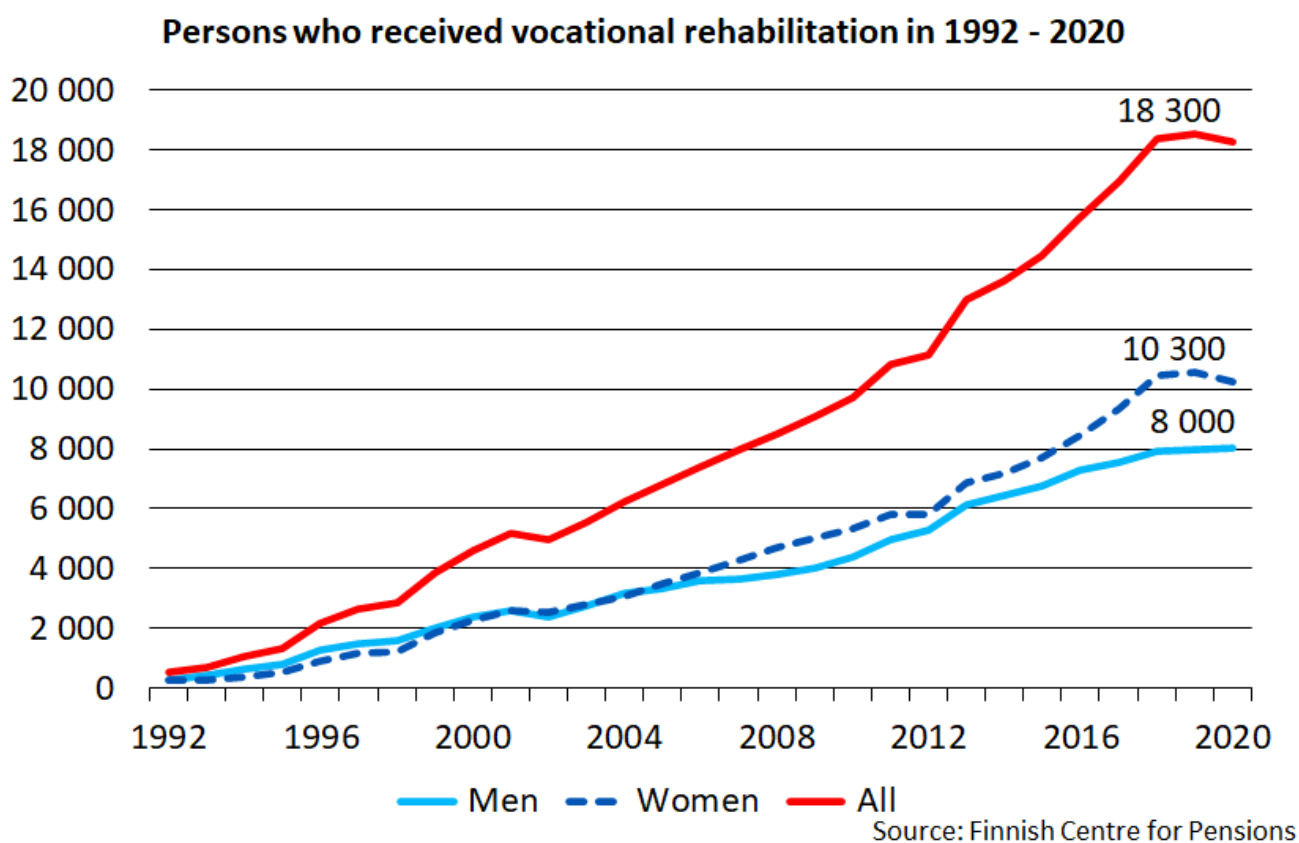


# Rehabilitation 2020

## 18,300 rehabilitees within the earnings-related pension system

In 2020, nearly 18,300 persons (or 1% of the workforce) received rehabilitation within the earnings-related pension system. In 2020, roughly 19,100 persons retired on a disability pension.

The typical rehabilitee within the earnings-related pension system was 47 years old and suffered from a musculoskeletal disease. The rehabilitation was usually carried out in the form of a work try-out either for the current or a new employer.



In 2020, the total expenses for rehabilitation under the earnings-related pension system was 180 million euros. The income compensation accounted for 156 million euros and the service expenses for 24 million euros. An average of 2,900 euros per month was paid as income compensation during rehabilitation.

In 2020, a total of 7,400 persons completed their rehabilitation. Of the rehabilitees, almost 70 per cent returned to work or continued studying. Only 6 per cent retired on a full disability pension.

(Updated on 4 June 2021)

### What is rehabilitation under the earnings-related pension scheme?

The rehabilitation under the Finnish earnings-related pension acts is vocational and individual and intended for persons of working age. The earnings-related pension insurers arrange and finance the

rehabilitation. The purpose of the rehabilitation is to prevent that the individual retires early on a disability pension and to ensure that workers stay in the workforce for as long as possible, despite illnesses, handicaps or injuries.

Measures of the rehabilitation within the earnings-related pension system include guidance, investigations, work try-outs, work training, education, subsidies for starting or carrying on a business and various tools to make working easier.

Income compensation is paid during the rehabilitation period.

### **Who is the rehabilitation within the earnings-related pension system intended for?**

The rehabilitation within the earnings-related pension system is intended for wage earners and self-employed persons who face the threat of retirement on a disability pension unless they take part in rehabilitation. An applicant for rehabilitation is required to be below their old-age retirement age, have a stabilised working life and a certain income level. In addition, the disease of the applicant must be such that it poses a threat of disability in the near future.

## **Quality description: Rehabilitation within the earnings-related pension system 2020**

The statistics Rehabilitation within the earnings-related pension system is released by the Finnish Centre for Pensions.

The Act on the Finnish Centre for Pensions (397/2006) states that the responsibilities of the institution include the compiling of statistics in its field of operation. The Planning Department of the Finnish Centre for Pensions compiles the statistics.

The compilation of statistics on rehabilitation within the earnings-related pension system is based on the follow-up obligation relating to the reform of the rehabilitation laws in 1991 (amendment to Employees' Pensions Act 612/1991). The Finnish Centre for Pensions and the earnings-related pension providers pay the expenses relating to the compiling of the statistics.

### **Relevance of statistical information**

The statistics on rehabilitation within the earnings-related pension system covers all rehabilitation within the earnings-related pension system. The right to rehabilitation within the earnings-related pension system has been regulated in the earnings-related pension acts listed in Chapter 3 of the Employees Pensions Act (395/2006). The statistics on rehabilitation within the earnings-related pension system offers a comprehensive view of vocational rehabilitation financed by private sector earnings-related pension insurance companies, company pension funds and industry-wide pension funds, as well as of publically financed vocational rehabilitation. Rehabilitation arranged by the Social Insurance Institution of Finland (Kela) is not included in the statistics.

The statistics covers the entire rehabilitation process, from rehabilitation application to end of rehabilitation and post-rehabilitation follow-up. The statistics includes data on rehabilitation

applications, rehabilitation decisions, rehabilitees, rehabilitation measures and expenses, rehabilitation programs that have ended and rehabilitation costs.

The central data has been divided based on the background of the rehabilitee, that is, whether the rehabilitee was working or retired when the rehabilitation began. As of 2016, the rehabilitees have been further divided based on individuals applying for rehabilitation on their own initiative and those who have been granted a right to rehabilitation in connection with a disability pension decision. Other classifiers in the statistics include age, gender and diagnosis.

When improving the statistics, the needs of the users (mainly the earnings-related pension providers) and legal amendments have been taken into consideration.

The concepts and definitions used in the statistics are presented on the homepage of the rehabilitation statistics.

The statistics serves rehabilitation specialists, researchers and the media, as well as others in the field who need information on rehabilitation within the earnings-related pension system.

### **Correctness and accuracy of data**

The data of the statistics are based on the statistical database of the Finnish Centre for Pensions and, as for the rehabilitation services, on individual-level data separately compiled from the earnings-related pension providers. The Planning Department of the Finnish Centre for Pensions is responsible for collecting the data. The data are presented according to instructions compiled by the Finnish Centre for Pensions.

Data collected straight from the earnings-related pension providers include type of rehabilitation, rehabilitation costs, statutory workers' compensation insurance contributions for rehabilitees and post-rehabilitation status (that is, what the result of the rehabilitation was).

Data relating to rehabilitation decision statistics needed to produce the statics on rehabilitation under the earnings-related pension scheme have been picked from the pension register. The data include preliminary rehabilitation decisions, rejected and granted rehabilitation applications, the date on which the applications have been instigated, the rehabilitees' pension history, disability diagnosis and income costs during rehabilitation.

Data relating to the effects of rehabilitation have been picked from the earnings register. The data include information on work after rehabilitation. The register includes data on work for which pension accrues: periods of employment and self-employment, as well as unpaid periods due to, for example, unemployment, training and parenthood.

The Finnish Centre for Pensions compiles the basic dataset of the rehabilitation statistics by combining the data collected from the pension providers and the register data needed to compile the statistics.

Together with the earnings-related pension providers, the Register Services Department of the Finnish Centre for Pensions is responsible for the contents of the earnings register, the accessibility, scope, legality and accuracy of the data needed for the implementation of pension provision and for

addressing any errors in the contents. The register's handling systems include permissibility and logical checks where the programme requires correction or verification of data. The error messages may also be comments that do not inhibit the registration of data.

Arek Oy is responsible for the information technology aspects of the earnings register. Arek Oy is a company jointly owned by the pension providers and the Finnish Centre for Pensions.

Flaws detected in the statistics are immediately corrected on the website. The correction procedure follows the guidelines issued by the Advisory Board of Official Statistics of Finland.

### **Timeliness and promptness of published data**

A half-year review of developments during the ongoing year is released at the end of the year. Statistics with data for the whole year is released in June following the statistical year. The release dates are presented in the Release Calendar.

### **Coherence and comparability of data**

The statistics has been compiled since 1992 under the same grounds so the data are comparable since then.

### **Availability and clarity of data**

The statistical data are released annually on the Finnish Centre for Pensions website (pdf file). Some of the data are also released in the Finnish Centre for Pensions statistical database.

A description of the statistics is presented on the homepage of the statistics.

For additional information contact the Finnish Centre for Pensions' statistical service.