

Why do you need daily sickness allowance insurance?

As an employee, you are hit by an income gap in the event of prolonged illness, while the self-employed may be faced with a full loss of earnings. This means that serious illness often comes hand-in-hand with a heavy financial burden that can pose a threat to your very livelihood. Daily sickness allowance insurance allows you to close this pension gap, offering various options for protection levels up to the level of your income.

▼ Example

Tim H. slips on an icy road and breaks his shoulder joint. After surgery and a stay in hospital, he undergoes out-patient treatment. Since his recovery takes longer than expected, he is still signed off sick. Depending on whether Mr. H has **statutory** or **private insurance**, and whether he is a **salaried employee** or **self-employed**, the following situations can arise:

When does a provision gap occur for individuals with statutory insurance?

Self-employed with no entitlement to sick pay **as of the 1st day**



The **self-employed** have no income as of the first day of inability to work. If they have not included sick pay in the scope of cover offered by their statutory health insurance (SHI) fund, this provision gap remains in the absence of any private provision.

Salaried employees and self-employed individuals with an entitlement to sick pay **as of the 7th week**



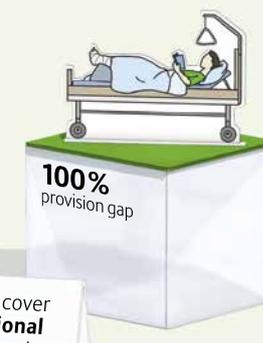
Salaried employees generally receive continued salary payments from their employer up until the seventh week. They then receive approx. 80% of their net income from their statutory health insurance fund as sick pay.

Although self-employed people (with voluntary insurance) also receive the SHI sick pay, they generally do not have any adequate financial protection in the first six weeks of inability to work. You can close these gaps using daily sickness allowance insurance.

Don't forget cover for **occupational incapacity**, too!

When does a provision gap occur for individuals with private insurance?

Self-employed individuals **as of the 1st day**



The **self-employed** have no income as of the first day of inability to work. This means that they are faced with a 100% provision gap from day one. Protection in the form of a private daily sickness allowance can be agreed as of the second week of inability to work.

Salaried employees **as of the 7th week**



Salaried employees generally receive continued salary payments from their employer until the end of the sixth week. As of the seventh week, they have a provision gap of 100% that should be covered via private daily sickness allowance insurance.

Daily sickness allowance insurance – the benefits

Payment of the benefits

- **No maximum benefit period:** The insured daily sickness allowance is paid out for an indefinite period. This does not affect the other termination reasons, e.g. attainment of occupational incapacity status. The agreed benefit payments start after the end of a transition period that depends on the rate selected.
- **Your entitlement:** You receive the daily sickness allowance tax-free for each day of inability to work – including Sundays and public holidays.

Special advantages

- **Europe-wide validity:** Even if you move within the European Union, the European Economic Area or to Switzerland: your daily sickness allowance insurance moves with you.

- **One-stop daily sickness allowance and occupational incapacity insurance:** You can only ensure a smooth transition to an occupational incapacity pension, with no payment gaps, if both insurance policies are tailored to suit each other. This is why you should combine the daily sickness allowance with Allianz occupational incapacity cover. This guarantees end-to-end protection.
- **Index-linked feature:** You have the option of adjusting your daily sickness allowance to reflect general income development, up to the amount of your actual net income, every three years without having to undergo another health check, protecting you against inflation.



Allianz's daily sickness allowance insurance:
Systematically close the provision gap and secure your livelihood if you are hit by prolonged illness.

FOR MORE INFORMATION
www.allianz.de/krankentagegeld



Daily sickness allowance insurance

▼ Principle and benefits

The daily sickness allowance compensates for the loss of income resulting from prolonged illness. You choose the amount of the daily sickness allowance yourself by selecting the amount of the daily rate. Together with statutory sick pay and other forms of sick pay, however, it must not exceed your net income from your professional activity.

Example 1		Example 2	
 <p>Daily sickness allowance approx. 80% of net income</p> <p>Salaried employee with statutory health insurance and an entitlement to sick pay as of the 7th week</p>		 <p>Daily sickness allowance</p> <p>Self-employed person with private insurance as of the first day of inability to work</p>	
Gross income	€ 3,000.00	Annual profit less tax plus depreciation on fixed assets	
Net income	€ 2,100.00	Net income per year	€ 39,480.00
Sick pay before social security contributions (70% of the gross income, no more than 90% of net income)	€ 1,890.00	Net income per month	€ 3,290.00
Social security contributions 11.98%* of € 1,890	-€ 226,42		
Sick pay	€ 1,663.58		
Monthly income gap (21% of net income)	€ 436.42	Monthly income gap (100% of net income)	€ 3,290.00
Benefit provided by Allianz		Benefit provided by Allianz	
A daily rate** of EUR 15 closes the gap: EUR 15 x 30 days	EUR 450	A daily rate** of EUR 110 closes the gap: EUR 110 x 30 days	EUR 3,300

* Contributions to pension, unemployment and long-term care insurance as of January 2013: 11.98%.
For individuals without children, a social security contribution rate that is 0.25% higher applies, namely 12.23%.
** The daily rates have been rounded up to the next value that is divisible by five.

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Good to know:

Particularly recommended for: The daily sickness allowance insurance is particularly well-suited to all individuals with private insurance. It makes sense for individuals with statutory health insurance as an added extra.

Not suitable for: Daily sickness allowance insurance is no substitute for business interruption insurance for the self-employed.

Transition period: The transition period is the period during which policyholders have to bear the loss of earnings themselves: known as the "deferred benefit period" in the terms and conditions of insurance. The duration of the deferred benefit period depends on the rate that has been taken out. Salaried employees should note that the

agreed deferred benefit period must not be shorter than the period of continued salary payment by the employer.

Change in income: Please inform Allianz of any drop in income. If you are a salaried employee and your income has increased, you can adjust your daily sickness allowance within two months from the time of the salary increase without having to undergo a health check.

General Terms and Conditions of Insurance (AVB): This information can only offer you an overview of the services we provide. The General Terms and Conditions of Insurance (AVB) which were in place at the time your policy was taken out are decisive as far as your insurance cover is concerned.

My Allianz & Allianz benefits program

More of an overview, more advantages – day in, day out.
Register at www.allianz.de/meine-allianz

Always there for you when it matters most: