

# What impact does working from home have on your accident & health insurance?

Under existing employment arrangements, many employers offer their employees the chance to perform all or part of their work (regularly or irregularly) at home instead of at the office. During the coronavirus pandemic, many companies introduced or had to introduce working from home arrangements across the board.

The LAA ad hoc Commission has revised its previous recommendation and redefined the criteria for distinguishing between occupational (BU) and non-occupational (NBU) accidents when working from home. In addition, the exemption agreed with the EU/EFTA in connection with insurance affiliation during the coronavirus pandemic was extended.

This leaflet explains what impact your employees working from home has on accident & health insurance based on current conditions.

## Introduction/principle

By **accident & health insurance**, we mean Swiss social insurance schemes such as OASI, IV, EO, ALV, mandatory occupational benefits insurance (BVG), compulsory accident insurance (LAA) and compulsory health insurance (KVG), as well as the other insurance schemes for your employees. These include daily sickness allowance insurance and supplementary accident insurance.

### What impact does working from home have on your accident & health insurance?

For your employees resident in Switzerland and outside the EU/EFTA, all these types of **accident & health insurance** remain **unaffected** by the (partial or temporary) transfer of the workplace to the private environment. All the agreed types of insurance cover also apply when working from home. Likewise, you must pay the contributions and premiums as set out in the policies.

In relation to your accident & health insurance, we see two problem areas in the context of working from home:

1. **People residing in the EU/EFTA may lose their insurance affiliation in Switzerland altogether;**
2. **It is difficult to distinguish between occupational (BU) and non-occupational (NBU) accident insurance if an accident occurs when working from home;**

If an employee does not have NBU cover, this assessment is even more decisive. If an accident occurs at home, an assessment of whether it is subject to BU or NBU is much harder to make

Below we will look at the background to these two problem areas, which can have quite far-reaching consequences.

## 1. Problem area:

# Social security status of employees resident in the EU/EFTA

<p>Social security status of employees resident in the EU/EFTA</p>	<p>Employees who are employed by a Swiss employer but carry out <b>more than 25%</b> of their professional activity at their place of residence in the EU or EFTA must pay all social security contributions <b>to their country of residence</b>. In the case of part-time employment, the proportion of employment in the country of residence in relation to the part-time contract must be considered. With a degree of employment of 80%, this is therefore only 20%.</p> <p>Note that it is not only work for a single employer that counts, but any paid work performed (e.g. in an association) in the country of residence:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p style="text-align: center;">EU Regulation 883/2004, Art. 13: In the case of simultaneous paid employment in several states, the <b>social security obligation</b> applies in <b>the country of residence</b>, provided that the activity is <b>substantial</b> in the country of residence. An activity is substantial if it accounts for <b>at least 25%</b> of total working time</p> </div> <p>Even one day of working from home in the EU/EFTA can result in a change in social insurance affiliation.</p>
<p>Consequences if insurance affiliation ceases to apply in Switzerland</p>	<p><b>The employee</b> is no longer subject to Swiss social security law! This means that all social contributions must be paid to the respective country of residence. Foreign taxes may be higher than Swiss taxes and insurance cover may differ. There is also a risk that the income the employee earns while working in their country of residence will result in them having to pay income tax in their country of residence. All in all, an affiliation to the country of residence can therefore lead to a financial loss.</p> <p><b>The employer</b> must register the relevant employees with the foreign social security institution and pay the foreign social security contributions accordingly. This means added administration. The employer may also have to pay higher foreign social security contributions.</p> <p>Employees working in the same company who are assigned to their country of residence may therefore be subject to different insurance than employees working in Switzerland, which can lead to problems for the employer in processing benefits.</p> <p>If an employee is kept in the Swiss social insurance system by mistake, there is a risk – for example, in the event of an accident – that the Swiss accident insurance system will say it is not responsible, as the employee should be insured abroad. At the same time, the foreign accident insurance company could decline coverage because it has never received any contributions.</p>

<p>Treatment of insurance affiliation during the coronavirus pandemic</p>	<p>Due to the ongoing Covid situation, the exemption regulation with the EU applies until 30 June 2022, meaning that people who were previously subject to Swiss social insurance <b>remain subject to Swiss social insurance legislation</b> despite temporarily increasing home working activity in their country of residence in the EU and EFTA.</p> <p>A temporary fluctuation in activity performed in the country of residence as a result of the coronavirus pandemic will also not have any impact on insurance affiliation.</p>
---	---

## 2. Problem area: Distinguishing between occupational and non-occupational accidents

<p>NBU cover</p>	<p>People who work more than eight hours per week for the same employer are insured against non-occupational accidents (NBU) and occupational accidents (BU). Employees who work less than eight hours per week only have BU cover.</p> <p>For NBU to be effective, the nature of the employment (what was intended?) is decisive, not an accidental deviation below or above the eight hours. This also applies to a temporary reduction in working hours due to short-time work. If NBU cover was in place before short-time work, it will remain in place during the short-time work.</p> <p>If it is not possible to determine the nature of the work, i.e. in the case of irregular working hours, NBU is considered effective provided that over a longer period of time (usually three months) the average weekly working time is at least eight hours, or at least eight hours were worked in more weeks than not. Only weeks in which work was performed are counted.</p>
<p>Accidents when working from home: BU or NBU?</p>	<p>With the introduction of new ways of working, home offices have become more prevalent. Which is why it has also become more important to distinguish between occupational and non-occupational accidents when working from home.</p> <p><b>Occupational accidents (BU)</b> are accidents that occur during activities that are predominantly part of the occupational sphere of life and are in the immediate vicinity of the workplace. Breaks from work that are taken independently within a permitted or tolerated framework and are used solely for recuperation without leaving the domestic environment (flat, house and garden) are also considered BU. Example: Drinking tea and reading the newspaper in the garden.</p> <p><b>Non-occupational accidents (NBU)</b> are any accidents that do not count as occupational accidents. Please note: Accidents related to private life are not BU even in the home office environment. This includes</p>

	<p>leaving the workplace for non-work activities (e.g. household chores and picking up post from the letterbox), even if these take place in the usual work area (e.g. private office activities at the workplace). Breaks from work that are taken independently within a permitted or tolerated framework when leaving the domestic environment (e.g. going for a walk) or that are used for non-work-related activities (e.g. washing up) also count as NBU.</p> <p>We cannot provide a legally binding assessment based on current case law and the legal framework. So, you should consider the explanations and examples shown to be our assessment and interpretation.</p>
<p>Special case: Lunch breaks</p>	<p>When assessing whether an accident qualifies as BU or NBU, it is therefore difficult to distinguish between the two in the home office environment. Especially in cases where employees do not have NBU cover, the question as to whether the accident insurer will pay any benefits depends on whether an accident when working from home is classified as BU or NBU. Although we welcome the clarification provided by the revised LAA ad hoc recommendation, we believe that the following criteria are likely to lead to a lot of discussion in practice.</p> <p>An <b>occupational accident</b> is deemed to have occurred if the lunch break is only for the purpose of eating food in the home environment and the insured person does not do any cooking.</p> <p>Example: The insured person only takes something out of the fridge, heats the meal up briefly or eats a meal prepared by a third party without leaving the domestic environment (the domestic environment then effectively corresponds to the company premises or company canteen).</p> <p>A <b>non-occupational accident</b> occurs if the lunch break is used to prepare and eat a meal or for other non-occupational activities.</p> <p>Examples: The insured person cooks their own lunch, i.e. prepares the food (preparing, cutting, seasoning, frying, cooking, etc.). The performance of general family or household activities during lunch breaks is also considered NBU.</p> <p><b>Special case:</b> If an insured person cooks for themselves and then eats while performing occupational activities, an accident during cooking is classified as NBU and during eating as BU.</p>
<p>NBU cover with several employers</p>	<p>In the case of NBU, the accident insurer of the employer with whom the insured person was <b>last employed and insured for NBU</b> before the accident is liable to pay benefits.</p> <p>The other insurers whose cover also includes NBU must reimburse the liable insurer a share of any pension, integrity allowance or attendance allowance at the latter's request.</p> <p>The share is based on the ratio of the person's insured earnings to their total insured earnings.</p> <p>Example in connection with working from home:</p> <p>The insurer of the employer for whom the employee worked from home before the accident is liable to pay benefits. However, this is only the case if the employee is insured with this employer for both BU</p>

and NBU. If this employer does not provide NBU cover for the employee, the insurer of the employer where the employee was last employed **and** insured for non-occupational accidents is liable.

This leaflet was written by the following authors, who will be happy to answer any questions you may have:



**Jasmine Sandra Forster**  
General Manager Zurich branch /  
Head of accident & health /  
Board of Management



**Corine Weidmann**  
Accident & health Specialist