



Unpaid leave

Options for continued insurance coverage under an occupational pension scheme

What is unpaid leave?

Do you want to go travelling, take a sabbatical, complete further training or extend your maternity leave? Then unpaid leave is the ideal option. Although the employment relationship between you and your current employer remains in legal force, your obligation to work, and your employer's obligation to pay your salary, are suspended for the duration of the leave period.

What options are there for pension fund insurance coverage?

You can choose from three options:

1. To enjoy comprehensive cover, you can continue to maintain comprehensive insurance cover, protecting yourself against death and disability risks and continuing to put money aside for old age.
2. If provision for retirement is not your primary concern, you can also choose only to take out risk cover for death and disability. This means that saving for old age is suspended, although you can opt to pay extra capital to make up for your time off when you start work again. With these two options, the benefits are continued in line with the regulations that apply at the level of your employer, meaning that nothing changes for you in this respect.
3. You can also opt not to continue your insurance coverage, meaning that you interrupt your protection in full.

Why does it make sense to continue your insurance coverage?

As you do not receive any salary payments, your occupational pension insurance is suspended for the duration of your unpaid leave. You may, however, require risk protection to avoid shortfalls: if you die or become disabled, no benefits will be paid out, and as you are contributing less in retirement credits, your pension entitlement from the pension fund will also be lower.

What are the costs involved and who pays?

As the benefits do not change, the costs correspond to the rates that have applied to date. The premiums, however, are borne by you as the insured person, including both the employer's and the employee's contribution. If your Fund Regulations provide for a different solution, this solution is applicable.

The premium is transferred by your employer. You will have to reach an internal agreement with your employer on how to settle the costs.

How long can my unpaid leave last for?

From the pension fund's perspective, unpaid leave can be taken for at least one month and no more than twelve months. Following this, the insurance relationship will be considered terminated. You will be insured again once you have returned from unpaid leave and received a salary subject to the BVG.

What do you have to do as an employee?

You have to notify us of your unpaid leave and the continued insurance coverage option you have selected before you go on leave. Please do so using the notification form that you can find on our website or obtain from your employer.

Both you and your employer need to sign this form. You should then hand it over to your employer so that it can be passed on to us.

Once we have received the notification, you will receive a confirmation, together with a breakdown of the costs for your records.

Make sure that you also take out accident insurance cover, as your employer's accident insurance cover is normally suspended in cases involving unpaid leave. In such cases, you have to take out additional personal accident insurance for the duration of your unpaid leave. If you are taking up to six months' leave, you can do this by taking out interim accident insurance with your employer's current accident insurer. If your unpaid leave lasts more than six months, you can contact your health insurer, for example, regarding insurance for treatment costs.

Please contact your employer or Baloise Insurance Ltd if you have any questions.

What does your employer need to do?

Your employer needs to send us the notification form for the unpaid leave via Business Life Direct, by post or by email.

Your employer will receive an invoice for the premiums listed in the confirmation. Your employer will then reach an agreement with you on the internal settlement.