

## Background note

### **Dedicated hearing with social partners on a European Social Security Number**

The Commission announced in its Work Programme 2018 to continue addressing labour mobility and social security coordination challenges by the creation of a multi-purpose European Social Security Number (ESSN) that will simplify and modernise citizen's interaction with administrations in a range of areas.

The proposal for a European Social Security Number is scheduled to be presented by the Commission at the same time as the proposal for a European Labour Authority, i.e. in the first semester 2018.

This initiative is part of the EU's efforts to facilitate the free movement of workers and citizens and the traceability of their rights, while ensuring that national public authorities have all necessary tools to fight fraud or abuse. In that context the European Social Security Number should ensure efficient information exchange between institutions by optimising the use of digital tools and by facilitating administrative procedures for citizens. It would complement the ongoing revision of the social security coordination rules and the setting up of the Electronic Exchange of Social Security Information (EESSI)<sup>1</sup>.

The Commission is currently exploring various options for the introduction of an ESSN and would welcome the social partners' views on the elements set out below.

#### **1. Challenges**

Two main challenges should be addressed by the initiative:

- **It is cumbersome for insured persons to prove and for social security institutions to determine the identity of the person for social security purposes across borders and throughout their career** given the wide variety of national Personal Identification Numbers used for this purpose. Within many Member States several social security numbers are issued for the same person by the different branches of social security (e.g. health insurance number, pension number, general social security numbers). Personal data are often recorded differently by institutions of different countries. The latest statistics show the extent of this challenge: in 2016 alone at least 1.5 million persons took advantage of healthcare services during their stay in another Member State. In 2015, 2.05 million postings of workers to another Member State took place<sup>2</sup>. In all these cases their social security status needs to be determined by national social security institutions.
- **The determination of the social security coverage of a person by social security institutions or care providers is often time consuming and complex.** It relies on the use by citizens of paper forms (Portable Documents such as the A1, or the European Health Insurance Card (EHIC)). In addition to the existence of these documents, supplementary exchanges between national authorities are also used in order to precisely determine the social security rights of persons.

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<sup>1</sup> <http://ec.europa.eu/social/main.jsp?catId=869>

<sup>2</sup> <http://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=7980&furtherPubs=yes>

## 2. Objectives

Considering the challenges set out above, the ESSN will support the interaction between citizens and institutions, modernising the procedures primarily in the area of social security. It aims to do so by facilitating:

- the identification of persons across borders for the purposes of social security coordination; and
- the quick and accurate verification of their social security insurance coverage status.

To achieve these objectives several options are being considered among which:

**a) Introducing a European format for National Social Security Numbers.** Under this option a standardised and recognisable structure for social security numbers would be used in cross-border cases. It would maintain all existing social security numbers, but for the purposes of cross-border mobility e.g. a prefix could be attached to it, identifying the country or institution where the number is first issued.

**b) Introducing a European Social Security Number** which would come on top of the national social security numbers and would be issued specifically for cross-border purposes.

The practical implementation could start by associating the number with the existing European Health Insurance Card (EHIC) and a few selected areas of social security (e.g. healthcare and posting of workers) and in longer term perspective with all areas of social security or other policy areas.

To ensure full portability of rights and allow for the verification of the citizen's entitlements, both options could foresee the setting up of a verification system which would make use of databases situated either at the national level connected to an EU level interface<sup>3</sup> or with a single database at the central EU level. In both cases, Member States would be responsible to keep the database up to date, connect all their competent institutions and update information whenever the insurance status of a person changes.

## 3. Questions

1. **Which challenges linked to the verification and traceability of social security rights of citizens moving within the EU should the European Social Security Number address?**
2. **What would be the most efficient and effective way of setting up a European Social Security Number that allows addressing the challenges identified?**
3. **In case of a gradual introduction of the European Social Security Number for various branches of social security, what would be the areas that should be covered as a matter of priority?**
4. **What would be in your view the other purposes, beyond social security, for which the European Social Security Number could potentially be used?**

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<sup>3</sup> Similar to the already existing [VAT Information Exchange System](http://ec.europa.eu/taxation_customs/vies/vatRequest.html)  
[http://ec.europa.eu/taxation\\_customs/vies/vatRequest.html](http://ec.europa.eu/taxation_customs/vies/vatRequest.html)