

Allocation rules of the Relief Fund of the Association of Academics (BHM) march 28th 2017

1. INTRODUCTION

The rights of Fund members and the organisation of the Fund is governed by the Charter of the Relief Fund of BHM, approved at the founding meeting of the Fund on 13 June 2001. Under Article 7 of the Charter, the Fund's Board determines detailed rules of allocations and may, under special circumstances, make assessed decisions on allocations from the Fund.

2. FUND MEMBERSHIP

- a. **General rights:** The right to allocations from the Fund is dependent on the prior payment of Fund contributions for the member for a total of six months, thereof three consecutive months, prior to the loss of income or payment of costs, providing entitlement to grants from the Fund, being established. The same applies prior to the birth of a child. However, those who are entitled to payments from the BHM Sickness Fund get immediate rights (when they become members of the BHM Relief Fund). The same applies to those who have gained entitlements from sickness funds in other unions that grant former Fund members of the BHM Relief Fund the same kind of rights. No new rights are established on the basis of dismissal payments.
- b. **Maternity/paternity leave:** Fund members who take maternity/paternity leave and elect to pay union fees during such leave maintain full rights.
- c. **Parental leave:** Fund members who take parental leave are entitled to all grants. Rights are conditional on the individual having started work again. Fund members, however, are not entitled to sick pay during parental leave.
- d. **During illness:** A Fund member who has fully used the right to sickness per diem payments will continue to enjoy other rights from the Fund for up to 6 months provided that no rights are established elsewhere. Fund members who receive rehabilitation pensions from TR (Social Insurance Administration, Tryggingastofnun) retain their rights to grants other than sickness per diem payments.
- e. **Unemployed persons:** Persons with full rights at the beginning of unemployment keep their rights for one year provided that the beginning of the benefit period or the expense initiation is within one year of the beginning of unemployment. It is a precondition that union fees have been paid to the union in question. Unions may extend this period for as long as the member accepts payments from Vinnumálastofnun (Directorate of Labour), provided that they are responsible for paying 0.55% of the premium to the Fund of the unemployment benefits from the beginning of the unemployment period. The unions are to notify the Fund as regards which Fund members they are paying for.
- f. **Membership during unpaid leave:** Fund members retain their entitlements for up to six months during unpaid leave. However, the right to relief is conditional on the individual having started work again. Sickness per diem allowance is not granted for illness during unpaid leave.
- g. **Membership upon retirement or receiving of pension:** Fund members retain their rights for 6 months after they retire and start receiving a pension. Sickness per diem payments, however, are not paid for more than three months. The right to sickness per diem payments lapses when pension payments begin, at 67 years of age at the latest.

3. APPLICATIONS AND DOCUMENTS

- a. **Applications:** Grant applications to the Fund must be made electronically to <http://www.bhm.is/umsoknir/rafraenar-umsoknir/>. Grant applications are processed once a month. Applications, together with the requisite documents/invoices, are to be submitted electronically before the 10th day of each month. As a rule, payments are made on the 24th–26th day of each month or the next working day thereafter.
- b. **Processing of applications:** The Fund's employees process applications according to these allocation rules unless it is otherwise specifically stated in individual provisions that Fund's Board of Directors is to make an assessment-based decision. In the event that a Fund member is not satisfied with the decision of the employees of the Fund, he/she can at all times refer the case to the Board of the BHM Relief Fund.
- c. **Documents:** The necessary documents must be submitted before the Fund member can receive payments from the Fund. These documents are: Electronic or scanned legal invoices with the name of the applicant, verifiably paid. Invoices must contain information on who issued the invoice and the number of times and dates on which treatments or purchases of a product or service were made. The Fund reserves the right to request the original copy of the invoice before paying.
- d. **Follow-up application for sickness per diem payments:** When an application is made for continued sickness per diem payments from the BHM Relief Fund, the Fund member must submit notification of continued inability to work each month. A certificate from a healthcare professional must be submitted for the period to which the application relates.
- e. **Grant amount – withholding taxes:** Grant amounts will not exceed the amount of submitted invoices. Withholding tax is deducted from grant amounts, but not from physical fitness grants, physical and mental treatment and death benefits. Members engaged in part-time work and who pay less than ISK 838 to the fund per month can only receive half grants from the Fund.
- f. **Expiry of applications:** The right to payments from the Fund expires if applications are not made within 12 months from the time of expenditure or loss of income.
- g. **Definitions:**

- i. The term child in these rules includes, in addition to biological children and foster children, step-children and grandchildren living in the home of the Fund member or clearly needing the care of the Fund member.
- ii. Long-term illness denotes illness lasting longer than 30 consecutive calendar days.

4. SICKNESS PER DIEM PAYMENTS DUE TO UNPAID ABSENCE FROM WORK

Monthly payments are based on employment proportion at the beginning of illness. ISK 18,480 is paid for each working day, i.e. 21.67 days, which corresponds to ISK 400,462 per month. Sickness per diem payments are paid in addition to the sickness per diem payments from Tryggingastofnun. See, however, Article 4b as regards unemployed persons.

The aggregate payment from the Fund and the above entities, however, shall never exceed the amount of the loss of income.

If an education or a course is a part of a rehabilitation programme, it is necessary to hand in a confirmation from the relevant school with information on points of credit.

- a. **Fund member illness or accident:** The Fund pays sickness per diem payments for up to 9 months in total due to member sickness or accident when sickness entitlements according to collective wage agreements expire. Retroactive payments, however, do not exceed three months. The Fund member regains the right to sickness per diem payments after 12 months of premium payments after the end of the previous compensation period, being entitled to half rights at that time and full rights after 24 months.
If payments to the Fund have been made for fewer than 9 months, entitlements to sickness per diem payments will be based on the number of months paid. Thus, a Fund member who has paid into the Fund for six months has earned the right to sickness per diem payments for six months.
- b. **Unemployed persons:** Sickness per diem payments can never exceed the amount of the cancelled unemployment benefits.
- c. **Illness and/or accident suffered by a Fund member on maternity/paternity leave:** In the event that a parent cannot take care of their child due to illness and/or accident during maternity/paternity leave, the Fund will cover up to 6 weeks. No payment, however, is made for the first ten days of illness. This is on the condition that the parent does not accept payments from the Maternity/Paternity Leave Fund.
- d) **Illness of a Fund member's child:** An application can be made to the Fund's Board for an allowance of up to six months due to the serious illness of a child. The Fund's Board will evaluate each case individually on the basis of all circumstances, including other grants. Sickness periods shorter than two consecutive weeks will not be paid.
- e) **Illness of a Fund member's spouse:** The Fund will pay sickness per diem payments for up to 2 months for unpaid absence due to the serious or long-term illness of a spouse or common-law spouse. No payment, however, is made for the first ten days of illness.
- f) **Very serious illness of other close relatives:** With respect to other close relatives, the Fund's Board is authorised to pay sickness per diem payments for up to two weeks if the Fund member is not permitted paid leave. No payment, however, is made for the first ten days of illness.
- g) **The demise of a family member:** For a spouse, cohabiting partner or child, the Fund pays sickness per diem payments for up to 2 weeks if the employee entitled to absence from work without a reduction in pay. The same applies in the event of the demise of other close relatives.
- h) **Other:** Sickness per diem payments are paid for medical examinations that are the precursor to further medical treatment, organ donation or treatments considered necessary in the opinion of a physician. This also applies for in vitro and artificial insemination and for alcohol and substance abuse treatment for up to 6 weeks.

5. DEATH OF A FUND MEMBER

Death benefits: Death benefits, amounting to ISK 350,000, are paid to the heirs of the deceased paying Fund member. The same applies to a Fund member who has retired due to age and dies within a year of retiring.

6. PAID-OUT COST FOR PHYSICAL AND MENTAL TREATMENT, OTHER THAN MEDICAL COSTS

Reimbursement for paid-out costs is a maximum of ISK 33,000 per calendar year for the following: Physical therapy, occupational therapy, massage therapy, psychological treatment, nursing, social services, nutritional advice, treatment by a chiropractor, osteopath or other comparable treatment by authorised healthcare professionals. The Fund offers an allowance towards the cost of custom-made shoe insets by an orthotist. Treatment must fall under the certification of the relevant profession.

Payments are generally not made for courses.

- 7. CANCER SCREENING – the following is covered**
Regular cancer screening of breasts, cervix, prostate and colon is paid in full, up to a maximum of ISK 10,000. If a Fund member needs to undergo further testing, the Fund will also cover these costs, up to a maximum of ISK 10,000.
- a. Regular screening of breast and/or cervical cancer is refunded in full, if the member needs to undergo further testing, ISK 10,000 is refunded.
 - b. Colon cancer tests are refunded up to ISK 10,000.
 - c. Prostate cancer tests are refunded up to ISK 10,000.
- 8. RISK ASSESSMENT FROM HJARTAVERND (ICELANDIC HEART ASSOCIATION)**
The Fund subsidizes the initial examination up to a maximum of ISK 10,000.
- 9. STAY AT REHABILITATION CLINIC AT THE RECOMMENDATION OF A PHYSICIAN**
30% of the invoice will be paid. The maximum grant is ISK 50,000 every two years.
- a. Stay at the NLFÍ Spa and Medical Clinic and the Blue Lagoon Clinic for skin treatment.
 - b. Alcohol and/or substance abuse treatment.
- 10. PHYSICAL EXERCISE SUBSIDY**
A physical exercise subsidy for a maximum of ISK 12,000 is paid. The subsidy is fixed to the calendar year. The grant only covers costs for physical activity that is exclusive to the Fund member.
- 11. SPECTACLES AND EYE TREATMENT**
- a. A standard grant amounting to ISK 50,000 is paid for laser eye surgery for one eye, or ISK 100,000 for both eyes, every 10 years.
 - b. A maximum of ISK 30,000 is paid toward the cost of spectacles (lenses and frames) every 36 months. The grant may be used to purchase contact lenses rather than spectacles.
- 12. HEARING AIDS**
A grant is paid for the purchase of hearing aids, up to 30% of the amount of the invoice minus the grant paid by Sjúkratryggingar Íslands (Icelandic Health Insurance). The grant is paid every three years. The maximum grant is ISK 100,000.
- 13. DENTAL REPAIRS**
The Fund offers a 30% grant towards dental costs that exceed ISK 100,000 for the first application of the calendar year. The maximum grant per calendar year is ISK 200,000.
Purely cosmetic work is excluded. Invoices may be up to 12 months' old based on the application date.
- 14. TREATMENT AT AN IN VITRO FERTILITY CLINIC**
The Fund pays 30% of costs from artificial insemination, microscopic or in vitro fertilization treatments, not including medicinal products. The maximum grant is ISK 120,000 per calendar year.
- 15. TRAVEL GRANTS**
Applications may be made for travel grants for the purpose of travelling overseas for medical purposes due to the severe illness of a Fund member, his or her spouse or child if social insurance in Iceland does not take part in the cost.
- 16. ASSISTANCE DUE TO WORK-RELATED TRAUMA OR UNEXPECTED TERMINATION OF EMPLOYMENT**
The Fund offers grants for up to eight treatment sessions with a professional to deal with work-related trauma or unexpected termination of employment, at the request of a shop steward / union.
- 17. HEALTHCARE COSTS**
As a rule, no payment is made for medication costs or other healthcare costs other than that stated elsewhere in these rules and are valid for the discount cards issued by Sjúkratryggingar Íslands. Under special circumstance, such as unexpected considerable costs and/or financial difficulties for various reasons, an application for a grant may be submitted to the Relief Fund's Board. As a rule no payment is made toward an amount less than ISK 150,000. The cost of cosmetic surgery is not paid.
- 18. MATERNITY/PATERNITY GRANT**
- a. Both parents are entitled to a grant if they are both members of the Fund and fulfil the conditions for Fund membership. The amount of grant is based on the proportion of employment.

Applications must be sent within a year of the birth of the child. Maternity/paternity grants are paid to parents in exchange for the submission of a birth certificate and a copy of a recent wage slip (stating the correct employment proportion).

The full grant for a child born in 2016 is ISK 200,000 to a parent for each child and decreases in accordance with the employment proportion.

The full grant for a child born in 2017 is ISK 215,000 to a parent for each child and decreases in accordance with the employment proportion.

b. In the event of miscarriage after 18 weeks of pregnancy or stillbirth of a child, the Fund pays half the grant.

19. MISLEADING OR INCORRECT INFORMATION

Anyone who provides incorrect or misleading information, or neglects to provide necessary information, may lose all entitlement to grants for up to two years according to the decision of the Board. In such cases, the Board may demand that the grant recipient return the entire grant amount together with penalty interest.

20. ENTRY INTO FORCE

These allocation rules were last amended on march 28th 2017 and shall remain in force until the Fund's Board has amended the rules and published the alterations.

21. PUBLICATION

These allocation rules, amendments thereof and new allocation rules must be openly published on the website of BHM www.bhm.is.