

German Social Insurance  
European Representation  
50 Rue d'Arlon  
1000 Brussels  
Belgium

Phone: +32 2 282 05-50  
info@dsv-europa.de  
www.dsv-europa.de  
Transparency Register ID:  
917393784-81



Deutsche Sozialversicherung  
Europavertretung | DSV

# Proposals from German Social Insurance issued 18 June 2026

Further development of the legislation on the coordination  
of social security systems



## Table of Contents

<b>I. Preliminary remark</b>	<b>3</b>
<b>II. Further Development of the Rules on Applicable Legislation and Reimbursement Procedures</b>	<b>4</b>
<b>1 _ Further Development of the Rules on Applicable Legislation</b>	<b>4</b>
<b>1.1 _ Priority of Employed Activity</b>	<b>4</b>
<b>1.2 _ Simultaneous Activities as a Civil Servant in Several Member States</b>	<b>6</b>
<b>2 _ Further Development of Reimbursement Procedures</b>	<b>7</b>
<b>2.1 _ Abolition of Reimbursement Based on Lump-Sum Amounts</b>	<b>7</b>
<b>2.2 _ Codification of Objection Procedures and Modernisation of Payment Deadlines</b>	<b>10</b>
<b>3 _ Annexes</b>	<b>14</b>
<b>3.1 _ Annex 3 to Regulation (EC) No 987/2009</b>	<b>14</b>
<b>III. Additional Legislative Action</b>	<b>15</b>
<b>1.1 _ Summary of the provisions on the electronic exchange of social security data and the protection of personal data</b>	<b>15</b>
<b>1.2 _ Further development of the provisions concerning retroactive changes of the applicable legislation</b>	<b>15</b>

## I. Preliminary remark

The revision of Regulations (EC) No 883/2004 and (EC) No 987/2009 on the coordination of social security systems adapts the coordination framework to current social policy developments and the case-law of the Court of Justice of the European Union. The political agreement reached in trilogue on 29 April 2026 constitutes an important step towards the modernisation of the coordination framework, which DSV expressly welcomes.

Despite the overall positive outcome of the negotiations, DSV considers that further legislative and technical adjustments remain necessary. This paper sets out proposals for the further practical development of the coordination framework beyond the scope of the current revision.

Part II contains concrete proposals concerning the rules on applicable legislation and the reimbursement of costs between Member States. These proposals concern both coordination Regulations as well as an amendment to an Annex to Implementing Regulation (EC) No 987/2009. Their objective is to better reflect and regulate contemporary patterns of cross-border economic activity and to improve reimbursement procedures through clearer deadlines and harmonised standards. Furthermore, DSV proposes the abolition of reimbursement based on lump-sum amounts and the systematic alignment of inter-State reimbursement procedures with actual expenditure. An adequately long transitional period should be provided in order to allow Member States to implement the necessary national adjustments.

Part III contains additional suggestions for future legislative action. In DSV's view, the increasing number of cases in which the applicable legislation changes retroactively demonstrates the need for clearer legal provisions. Furthermore, the cross-border exchange of social security data should be fully compliant with data-protection requirements and should be expressly regulated within the coordination framework.

## II. Further Development of the Rules on Applicable Legislation and Reimbursement Procedures

### 1 \_ Further Development of the Rules on Applicable Legislation

#### 1.1 \_ Priority of Employed Activity

Article 13(3) of Regulation (EC) No 883/2004 establishes an unconditional priority of employed activity. Consequently, where a person simultaneously pursues employed and self-employed activities in different Member States, the legislation of the Member State in which the employed activity is pursued applies.

#### Article 13 (3) of Regulation (EC) No 883/2004

##### Proposed Amendment

The unconditional priority currently granted to employed activity vis-à-vis self-employed activity when determining the applicable legislation should be replaced by a rule based on the relative extent of the activities pursued.

	<b>Current wording</b>	<b>Amendment</b>
<hr style="width: 100px; margin-left: 0;"/> <b>Art. 13</b>  Par. 3	(3) A person who normally pursues an activity as an employed person and an activity as a self-employed person in different Member States shall be subject to the legislation of the Member State in which he/she pursues an activity as an employed person or, if he/she pursues such an activity in two or more Member States, to the legislation determined in accordance with paragraph 1.	3) A person who normally pursues an activity as an employed person and an activity as a self-employed person in different Member States shall be subject to the legislation of the Member State <del>in which he/she pursues an activity as an employed person or, if he/she pursues such an activity in two or more Member States, to the legislation determined</del> <b>in accordance with paragraph 1. of residence in which he/she pursues a substantial part of the activities in that Member State. Where he/she does not pursue a substantial part of the activities in the Member State of residence and the activity as an employed</b>



***person constitutes the principal part of the activities, the applicable legislation shall be determined in accordance with paragraph 1b; otherwise, he/she shall be subject to the legislation of the Member State in which the centre of interest of his/her activities is situated.***

### **Justification**

The unconditional priority currently granted to employed activity is difficult to justify and may create unintended incentives. In particular, persons whose principal professional activity is self-employment but who pursue a limited employed activity in another Member State enjoy considerable flexibility in influencing the determination of the applicable legislation.

Under the current framework, the legislation of the State of employment generally takes precedence irrespective of the actual extent of the employed activity, except in cases involving marginal activities. The applicable legislation should therefore be determined more closely in line with the genuine scale and economic significance of the activities pursued.

### **Article 14(8) of Regulation (EC) No 987/2009**

#### **Proposed Amendment**

Consequential amendment resulting from the proposed revision of Article 13(3) of Regulation (EC) No 883/2004.

	<b>Current wording</b>	<b>Amendment</b>
<b>Art. 14</b>  Par. 8	(8) In applying Article 13(1) and (2) of the basic Regulation [...]	(8) In applying Article 13(1) <del>and</del> , (2) <b>and (3)</b> of the basic Regulation [...]



## 1.2 \_ Simultaneous Activities as a Civil Servant in Several Member States

Article 13 determines the applicable legislation for persons pursuing activities in two or more Member States. The objective is to ensure that only one Member State's legislation applies and to avoid situations of double insurance. To this end, Article 13 establishes a number of priority rules, including the principle that a person is, as a rule, subject to the legislation of the State in which employed activity is pursued. However, Article 13 does not currently contain a specific rule for situations in which a person simultaneously performs activities as a civil servant, or a person treated as such, in two or more Member States.

### Article 13(4) of Regulation (EC) No 883/2004

#### Proposed amendment

Introduction of a specific rule governing situations in which a person is employed as a civil servant, or a person treated as such, in two or more Member States.

	Current wording		Amendment
<b>Art. 13</b>	(4) A person who is employed as a civil servant by one Member State and who pursues an activity as an employed person and/or a self-employed person in one or more other Member States shall be subject to the legislation of the Member State to which the administration employing him/her is subject.		(4) A person who is employed as a civil servant by one Member State and who pursues an activity as an employed person and/or a self-employed person in one or more other Member States shall be subject to the legislation of the Member State to which the administration employing him/her is subject. <b>Where the person is employed as a civil servant in more than one Member State, the applicable legislation shall be determined in accordance with paragraph 1.</b>
Par. 4			

#### Justification

The current wording of Article 13 gives rise to practical difficulties. Where a person is employed as a civil servant, or a person treated as such, in more than one Member State, national authorities currently apply different approaches. Some Member States

subject the person to insurance under their domestic legislation, resulting in double insurance. Others determine the applicable legislation by analogy with Article 13(1), while some Member States rely on an exception agreement pursuant to Article 16. The absence of a clear legal rule and the resulting divergent administrative practice lead to unequal treatment of persons employed as civil servants in several Member States. A specific legislative provision would enhance legal certainty and ensure a uniform application of the coordination rules throughout the Union.

## 2 \_ Further Development of Reimbursement Procedures


### 2.1 \_ Abolition of Reimbursement Based on Lump-Sum Amounts

Since the entry into force of Regulation (EC) No 883/2004, Member States whose legal and administrative structures render reimbursement on the basis of actual expenditure impracticable have been permitted to use reimbursement based on lump-sum amounts. Detailed implementation and calculation rules are laid down in the Implementing Regulation.

#### Article 35(2) and Article 87(10c) of Regulation (EC) No 883/2004

##### Proposed amendment

The possibility of reimbursement on the basis of lump-sum amounts shall be abolished. The new provisions shall apply from 1 January 2030. See also the consequential amendment proposed for Article 62 of Regulation (EC) No 987/2009.

	<b>Current wording</b>		<b>Amendment</b>
<hr style="width: 100px; margin-bottom: 5px;"/> <b>Art. 35</b>  Par. 2	(2) The reimbursements referred to in paragraph 1 shall be determined and effected in accordance with the arrangements set out in the Implementation Regulation, either on production of proof of actual expenditure, or on the basis of fixed amounts for Member States the legal or administrative structures of which are such that the use of reimbursement on the basis of		(2) The reimbursements referred to in paragraph 1 shall be determined and effected in accordance with the arrangements set out in the Implementation Regulation, <del>either</del> on production of proof of actual expenditure, <del>or on the basis of fixed amounts for Member States the legal or administrative structures of which are such that the use of reimbursement on the basis of</del>



actual expenditure is not appropriate.

~~actual expenditure is not appropriate.~~

---

**Art. 87**

Par. 10,  
letter c)  
(new)



***(c) Reimbursements pursuant to Article 35(1) may continue to be determined and effected on the basis of fixed amounts in accordance with the Implementing Regulation until 31 December 2029 for Member States whose legal or administrative structures do not yet permit reimbursement on the basis of actual expenditure.***

**Justification**





The possibility of reimbursement on the basis of lump-sum amounts should already have been phased out when Regulation (EC) No 883/2004 entered into force. By its nature, lump-sum reimbursement does not ensure cost neutrality or cost equity in individual cases. This is particularly evident where persons insured in Germany reside in another Member State, such as Spain, but travel to Germany for more extensive treatment without transferring their habitual residence. In such cases, German health insurance funds must bear the costs of treatment in Germany while simultaneously continuing to pay the per-capita lump-sum amounts due to the State of residence, irrespective of actual utilisation of benefits. In addition, reimbursement based on lump-sum amounts creates practical difficulties, for example in relation to the authorisation and financing of treatment in a third Member State. Furthermore, the administrative structures of the Member States currently using lump-sum reimbursement have undergone significant modernisation in recent years as a result of national digitalisation initiatives.

The Electronic Exchange of Social Security Information (EESSI) now provides the technical conditions necessary to enable reimbursement based on actual expenditure throughout the coordination system. Nevertheless, the transition requires adjustments to national administrative procedures in those countries that currently operate lump-sum reimbursement systems (United Kingdom, Norway, Spain, Portugal, Sweden, Ireland and Cyprus). To ensure that the affected States have sufficient time to adapt to the new reimbursement methodology, an adequate transitional period should be provided until 31 December 2029 and set out in a dedicated transitional provision.

## Articles 62 et seq. of Regulation (EC) No 987/2009

### Proposed amendment

The abolition of reimbursement based on fixed amounts in Regulation (EC) No 883/2004 requires corresponding amendments to the Implementing Regulation.

	<b>Current wording</b>		<b>Amendment</b>
<hr/> <b>Art 62</b>  Par. 1	(1) For the purposes of applying Articles 35 and 41 of the basic Regulation, the actual amount of the expenses for benefits in kind, as shown in the accounts of the institution that provided them, shall be reimbursed to that institution, except where Article 63 of the Implementing Regulation is applicable.		(1) For the purposes of applying Articles 35 and 41 of the basic Regulation, the actual amount of the expenses for benefits in kind, as shown in the accounts of the institution that provided them, shall be reimbursed to that institution, <u>except where Article 63 of the Implementing Regulation is applicable.</u>
<hr/> <b>Art 62</b>  Par. 2			<b><i>deleted</i></b>
<hr/> <b>Art 63, 64, 65</b>			<b><i>deleted</i></b>
<hr/> <b>Art 95a</b>  (new)			<b><i>Transitional provision concerning reimbursement based on fixed amounts</i></b>  <b><i>Reimbursements referred to in Article 87(10c) of the basic Regulation shall continue to be</i></b>



***determined and effected in accordance with Articles 62(2), 63, 64, 65 and 67(2) of this Regulation as applicable before [date of entry into force].***

### **Justification**

See the justification relating to Article 35(2) and Article 87(10c) of Regulation (EC) No 883/2004.

## **2.2 \_ Codification of Objection Procedures and Modernisation of Payment**

### **Deadlines**

The reimbursement provisions contained in Articles 66 et seq. of Regulation (EC) No 987/2009 allow the debtor institution to challenge reimbursement claims received from another Member State where justified grounds exist. At present, however, the detailed procedural rules governing objections and the associated response deadline are laid down only in Administrative Commission Decision No S11. Furthermore, reimbursements carried out through the clearing procedure are to be settled “as soon as possible”. Article 67(5) currently establishes a payment deadline of eighteen months following the month in which the claim was submitted to the liaison body of the debtor Member State.

### **Article 67 of Regulation (EC) No 987/2009**

#### **Proposed amendment**

In future claims should be submitted at least on a quarterly basis. Settlement between institutions should take place within twelve months. The procedural rules currently contained in Administrative Commission Decision No S11 should be incorporated directly into the Implementing Regulation. The resulting deadlines would be as follows:

<b>Subject matter</b>	<b>Deadline</b>	<b>Provision</b>
Submission of claims	At least quarterly	Art. 67(1)
Payment of uncontested claims	12 month after submission	Art. 67(5)
Deadline for objections	12 month after submission	Art. 67(5)
Response to objections	9 month after receipt of objections	Art. 67(5a)



Resolution and payment of disputed claims	24 month after submission	Art. 67 (6)
Opinion of the Audit Board	12 month after referral	Art. 67(7)
Deadline for referral to the Audit Board	12 month after expiry of Article 67(6) deadline	Art. 67(7)
Time bar for disputed claims where no referral is made	36 month after submission	Art. 67(8)

### Current wording

#### Art 67

Par. 1

(1) Claims based on actual expenditure shall be introduced to the liaison body of the debtor Member State within 12 months of the end of the calendar half-year during which those claims were recorded in the accounts of the creditor institution.

### Amendment

1) Claims based on actual expenditure shall be introduced to the liaison body of the debtor Member State within 12 months of the end of the calendar half-year during which those claims were recorded in the accounts of the creditor institution. **Claims shall be submitted at least on a quarterly basis.**

#### Art 67

Par. 2

**deleted**

#### Art 67

Par. 5

(5) The claims shall be paid to the liaison body of the creditor Member State referred to in Article 66 of the Implementing Regulation by the debtor institution within 18 months of the end of the month during which they were introduced to the liaison body of the debtor Member State. This does not apply to the claims which the debtor institution has

(5) The claims shall be paid to the liaison body of the creditor Member State referred to in Article 66 of the Implementing Regulation by the debtor institution within ~~18~~**12** months of the end of the month during which they were introduced to the liaison body of the debtor Member State **or, for justified reasons, disputed vis-à-vis the liaison body of the Member State entitled to the claim. For the purposes of**



rejected for a relevant reason within that period.

***compliance with the time limit, the date of receipt of the payment or of the dispute by the liaison body of the Member State entitled to the claim shall be decisive.***

~~This does not apply to the claims which the debtor institution has rejected for a relevant reason within that period.~~

---

**Art 67**

Par. 5a  
(new)

***(5a) Claims, or the relevant parts thereof, which have been contested within the deadline referred to in paragraph 5 shall lapse if the liaison body of the creditor Member State does not respond to the objection within a period of nine months. For the purpose of compliance with this deadline, the second sentence of paragraph 5 shall apply mutatis mutandis.***

---

**Art 67**

Par. 6

(6) Any disputes concerning a claim shall be settled, at the latest, within 36 month following the month in which the claim was introduced

(6) Any disputes concerning a claim shall be settled, at the latest, within ~~36~~ **24** month following the month in which the claim was introduced.

---

**Art 67**

Par. 7

(7) The Audit Board shall facilitate the final closing of accounts in cases where a settlement cannot be reached within the period set out in paragraph 6, and, upon a reasoned request by one of the parties, shall give its opinion on a dispute within six months following the month in which the matter was referred to it.

(7) The Audit Board shall facilitate the final closing of accounts in cases where a settlement cannot be reached within the period set out in paragraph 6, ~~and~~ ***as well as in cases where claims that have not been disputet remain unpaid after the period referred to in paragraph 5 has expired. The Audit Board***, upon a reasoned request by one of the parties, shall give its opinion on a dispute within ~~six~~ **12** months following the month in



which the matter was referred to it.  
***The applicant party shall submit its reasoned request no later than 12 month after the expiry of the period referred to in paragraph 5 or 6.***

---

**Art 67**

Par. 8  
(new)

***(8) Unpaid claims for which neither party has initiated the procedure referred to in paragraph 7 within twelve months following the expiry of the relevant deadline shall be deemed to have lapsed. Until the procedure referred to in paragraph 7 has been initiated, both parties shall continue their efforts to reach a final settlement of the outstanding claims.***

---

**Art 67**

Par. 9  
(new)

***(9) The liaison bodies of the Member States may agree bilaterally on the final settlement of claims on behalf of the institutions falling within their respective competence. Such arrangements may also include general solutions that are not limited to individual cases.***

**Justification**

The current legal framework does not contain any provision governing the frequency with which claims are to be submitted to liaison bodies. Introducing an obligation to exchange claims on a regular and timely basis would contribute significantly to accelerating reimbursement procedures and would reduce the financial burden borne by creditor institutions. Claims should therefore be submitted at least quarterly.

Under the current system, payments are frequently made only at the end of the eighteen-month period provided for in Article 67(5) of Regulation (EC) No 987/2009, resulting in a considerable delay between the provision of benefits in kind and the

corresponding reimbursement. Following the successful implementation of EESSI, significantly faster reimbursement procedures are now operationally feasible. Reducing the payment deadline from eighteen months to twelve months better reflects the technical and administrative capacities currently available to social security institutions and would contribute to achieving the objective laid down in Article 66(1), namely the prompt settlement of claims. In practice, the legally binding nature of Administrative Commission Decision No S11 is repeatedly questioned by certain Member States when dealing with the operational management of contested claims. In the interest of legal certainty and uniform application, the substantive rules contained in Decision No S11 should therefore be incorporated directly into the Implementing Regulation. The newly proposed provisions concerning objections, response deadlines and settlement procedures serve precisely this purpose. The creditor Member State should be required to respond to an objection no later than nine months following the end of the month in which the objection was received by its liaison body. In the absence of such a response, the objection should be deemed accepted. Furthermore, in order to avoid unnecessary disputes between Member States, it should be expressly clarified that all deadlines laid down in Article 67 constitute receipt-based deadlines. Compliance should therefore depend on the date of receipt by the relevant liaison body rather than on the date of dispatch.

### **3 \_ Annexes**

Pursuant to Article 92 of Regulation (EC) No 987/2009, Annexes 1 to 5 may be amended by means of a Commission Regulation at the request of the Administrative Commission. DSV proposes the following amendment.

#### **3.1 \_ Annex 3 to Regulation (EC) No 987/2009**

Annex 3 shall be deleted with effect from 1 January 2030 as a consequence of the abolition of reimbursement based on fixed amounts.

### III. Additional Legislative Action

In the view of the DSV, further legislative amendments should be considered with regard to the issues set out below.

#### **1.1 \_ Summary of the provisions on the electronic exchange of social security data and the protection of personal data**

Digitalisation in the field of the coordination of social security systems has progressed considerably in recent years. A key element of this development is the extensive exchange of data through the Electronic Exchange of Social Security Information (EESSI) system. Provisions governing the processing of data within the framework of EESSI exchanges should in future be laid down directly in the Regulations. To this end, detailed legal provisions should be established, either in a dedicated chapter on EESSI within Regulation (EC) No 987/2009 or in a separate Regulation governing digitalisation in the field of the coordination of social security systems as a whole, including the future European Social Security Pass (ESSPASS). The relevant Decisions of the Administrative Commission concerning the electronic exchange of social security data should be incorporated into such a chapter or Regulation. This concerns, inter alia, the determination of the legally effective date of delivery of EESSI messages, which triggers time limits laid down in the Regulations.

In addition, comprehensive provisions on the protection of personal data are required in order to ensure that the operation of the EESSI system is fully compliant with Regulation (EU) 2016/679 (General Data Protection Regulation). For this purpose, the definitions set out in Article 1 of Regulation (EC) No 987/2009 should also be supplemented accordingly.

#### **1.2 \_ Further development of the provisions concerning retroactive changes of the applicable legislation**

The 2016 revision of the Regulations on the coordination of social security systems provides for a comprehensive amendment of Articles 5 and 73 of Regulation (EC) No 987/2009 concerning the legal effects of documents issued in another Member State and the reimbursement and recovery of benefits and contributions in cases involving a retroactive change of the applicable legislation.

Since then, the Court of Justice of the European Union has developed extensive case-law concerning the binding effect of the A1 certificate. Article 5 of Regulation (EC) No 987/2009 should therefore be reviewed in order to determine to what extent this case-law should be reflected in the text of the Regulation and whether the principles established by that case-law should also be extended to other documents, such as the Portable Document S1. In practice, an increasing number of cases

involving retroactive changes of the applicable legislation can be observed. This development is linked to the fact that employment and activity patterns have become more complex and more dynamic since the entry into force of Regulations (EC) No 883/2004 and (EC) No 987/2009, particularly in situations involving activities pursued in two or more Member States. As a consequence, retroactive changes of the applicable legislation occur more frequently.

For both insured persons and institutions, long-term care benefits are expected to assume increasing importance within the framework of the coordination of social security systems. The reimbursement and recovery of long-term care cash benefits already give rise to considerable practical difficulties, given the significant differences between national long-term care schemes. Article 73 of Regulation (EC) No 987/2009 should therefore be further specified with regard to the reimbursement and recovery of benefits in kind, cash benefits and contributions, including situations involving the retroactive implementation of insurance coverage

---

## About us

The German Federal Pension Insurance (DRV Bund), the German Social Accident Insurance (DGUV), the National Association of Statutory Health Insurance Funds (GKV-Spitzenverband), the national associations for statutory health and long-term care insurance funds at the federal level and the Social Insurance for Agriculture, Forestry and Horticulture (SVLFG) have joined forces to form the "German Social Insurance - Working Group Europe" (Deutsche Sozialversicherung Arbeitsgemeinschaft Europa e. V.) with a view to their common European policy interests. The association represents the interests of its members vis-à-vis the bodies of the European Union (EU) as well as other European institutions and advises the relevant stakeholders in the context of current legislative projects and initiatives. As part of the statutory insurance system in Germany, health and long-term care insurance with 75 million insured persons, pension insurance with 57 million insured persons and accident insurance with more than 70 million insured persons in 5.2 million member companies offer effective protection against the consequences of major risks of life.