

Evaluation of invalidity insurance retraining measures

Federal Social Insurance Office

Key facts

The invalidity insurance (IV) can retrain people who can no longer pursue their current occupation for health reasons. Retraining includes a wide range of measures, such as courses lasting a few weeks, continuing professional development, vocational apprenticeships or tertiary studies. Every year, around 4,000 insured persons undergo such retraining. The costs amount to around CHF 100 million. On top of that, approximately CHF 270 million in daily allowances is paid out during training. The Swiss Federal Audit Office (SFAO) examined the way retraining works and its effectiveness. Among other things, it conducted case studies in four cantons (Bern, Geneva, Schwyz, St Gallen) and a survey of 1,500 insured persons.

The SFAO concluded that retraining is an important tool in the IV's integration efforts. The individual occupational situation can undergo a more fundamental change than with less far-reaching measures. Many people subsequently take up gainful employment and earn an income comparable to that before the onset of the health condition. However, around 20% do not succeed in doing so. These people do not earn any income and are dependent on other social security systems for their subsistence.

The Federal Social Insurance Office (FSIO), together with the cantonal IV offices, should orient its retraining measures more systematically according to considerations of effectiveness. This requires greater interaction between the IV offices on successful practices and improved reporting on the results achieved. Equal treatment of insured persons in terms of access to retraining should also be promoted in view of the differences that exist between IV offices.

The FSIO's steering should be more closely geared to effective employment

The aim of retraining is to enable insured persons to earn roughly the same as before the health condition started. The IV is not responsible for making sure that people actually take up gainful employment and earn an income after retraining. Its main focus is on the employment *opportunities* for the insured persons.

In the SFAO's view, the FSIO should pay more attention to the question of the extent to which insured persons are actually working after retraining. At present, the IV offices hardly know how well and sustainably they are succeeding in integrating people into the labour market. At the same time, the FSIO and the IV offices agree that retraining should have an effective impact on the labour market.

In some cases, successful integration can also be achieved with shorter measures that lead to higher qualifications. This can be an upskilling in the previous field of activity, which offers better prospects of success than a basic vocational training course lasting several years in a completely new field. In the SFAO's view, such retraining should be consistently promoted if it is both promising and more cost-effective. Until now, the legal framework has tended to focus on the aspect of equivalence between training courses.

No universal doctrine on access to retraining

A drop in earnings of around 20% plays an important role in entitlement to retraining. This is calculated by the IV offices by comparing two incomes: the income that a person earned before invalidity occurred and the income with invalidity. The latter corresponds to the income that a person can still earn after the onset of the health condition.

The IV offices often have specific access regulations for younger insured persons, even if they do not reach the 20% drop in earnings. They also consider various other aspects. These include, for example, the level of education, the motivation of the insured person, their capabilities and their state of health. These various criteria allow for a great deal of leeway. In addition, it is not clearly defined how the IV offices should calculate the drop in earnings.

The SFAO considers the scope for discretion in this area to be too great. This does not ensure equal treatment of insured persons. The FSIO and the IV offices should work together to establish clearer rules for accessing retraining measures. In doing so, considerations about the effectiveness and economic efficiency of the measures should play an important role. For example, consideration should be given to whether and when IV pensions can also be avoided through retraining.

Dialogue between the FSIO and the cantonal IV offices must be strengthened

If a person is entitled to retraining, the IV offices have considerable leeway in how it is structured. The SFAO considers this to be fundamentally positive, and good knowledge of the labour market is also important. At the same time, the existing leeway results in different forms of implementation. For example, certain IV offices award longer training courses, such as apprenticeships, more frequently than others. There are also cantonal differences in the way they deal with different groups of insured persons, such as persons with mental illness, for whom retraining requires particular measures.

The SFAO believes that the entire system can learn from the different approaches. However, so far there has been little discussion of this at the national level. In view of the financial resources spent on retraining, the SFAO considers it important that the FSIO and the IV offices identify the best implementation strategies and promote their wider application.

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