**Old Age, Disability, and Survivors**

**Regulatory Framework**

First law: 1924.

Current law: 2000 (code for compulsory social insurance).

Type of program: Dual social insurance system and mandatory private insurance.

Note: A new system consisting of a mandatory social insurance first pillar plus a second pillar of individual accounts was implemented in January 2002. Coverage under the first pillar is universal. The mandatory private insurance under the second pillar covers all employees born after December 31, 1959.

**Coverage**

Employees, self-employed persons, artists, craftsmen, and farmers.

**Source of Funds**

**Insured person:** 21.75% of earnings (social insurance) and 0.5% of earnings (mandatory private insurance).

**Self-employed person:** 29% of declared income (social insurance) and 2% of declared income (mandatory private insurance).

**Employer:** 7.25% of payroll (social insurance) and 1.5% of payroll (mandatory private insurance).

**Government:** Any deficit in the public scheme.

**Qualifying Conditions**

**Old-age pension (social insurance):** Age 61 and 6 months (men) and age 56 and 6 months (women); to be increased by 6 months every year until 2009 when the retirement age will be age 63 (men) and age 60 (women). The insured’s age plus the insured’s length of insurance must be equal to at least 100 points for men and 90 points for women (individuals are awarded one point for each year of age as well as one point for each year of insurance coverage).

**Disability pension for general disease (social insurance):** Based on the number of years of contributions, taxable income, and age of the insured if younger than retirement age. Depends on the degree of disability.

**Disability pension for work injury or occupational disease (social insurance):** Based on the number of years of contributions, taxable income, and age of the insured if younger than retirement age. Depends on the degree of disability.

**Survivor Benefits**

**Survivor pension (social insurance):** One survivor, 50% of the disability pension of the insured; two survivors, 75%; three or more survivors, 100%.

The minimum pension for each survivor is 90% of the social pension (44 leva a month).

**Administrative Organization**

National Social Security Institute administers the public social insurance scheme.

State Insurance Supervision Agency supervises the mandatory private scheme.

**Sickness and Maternity**

**Regulatory Framework**

First law: 1918.

Current laws: 1998 (health insurance law) and 2000 (code for compulsory social insurance).

Type of program: Social insurance.
Bulgaria

Coverage

Cash benefits: Employees, self-employed persons, members of liberal professions, artists, craftsmen, and farmers. Covered individuals must be insured for all contingencies.

Medical care: Compulsory insurance for all residents.

Source of Funds

Insured person: Cash benefits, 0.75% of earnings. Medical care, 1.5% of earnings.

Employer: Cash benefits, 2.25% of payroll. Medical care, 4.5% of payroll.

Government: Cash benefits, none. Medical care, 80% of hospital care.

Qualifying Conditions

Cash sickness and maternity benefits: Six months of insurance period. No qualifying period is required for maternity benefit.

Medical care: Residence in the country.

Sickness and Maternity Benefits

Sickness benefit: 80% of the average daily gross wage or the average daily insurance basis for the 6 calendar months before the onset of sickness.

Maternity benefit: 90% of the daily insurance basis. The benefit is paid for a period of 135 days, commencing 45 days before the expected date of childbirth.

Funeral grant: Two minimum wages (or 200 leva).

Workers' Medical Benefits

Health insurance system introduced in 1999.

Medical services are provided directly to patients according to a National Framework contract between medical institutions and the National Health Insurance Fund and include general and specialist care in health centers, outpatient departments of hospitals, or at home; hospitalization; prescribed medicines; dental care; and necessary appliances.

Dependents' Medical Benefits

The same as for insured workers (see above).

Administrative Organization

National Health Insurance Fund.

National Social Security Institute.

Work Injury

Regulatory Framework

First law: 1924.

Current law: 2000 (code for compulsory social insurance).

Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: None.

Employer: 0.7% of payroll.

Government: None.

Qualifying Conditions

Work injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Calculated as 90% of earnings. Payable from the first day of incapacity until recovery or certification of long-term disability.

Permanent Disability Benefits

Permanent disability pension: Benefit depends on the degree of loss of work capacity, from 50% to 100%.

Minimum disability pension: Benefits are expressed as a percentage of the social pension (44 leva a month). If incapacity is determined to be more than 90%, 150% of the social pension is paid; if incapacity is between 71% and 90%, 140% of the social pension is paid; if incapacity is between 50% and 70%, 115% of the social pension is paid.

Survivor Benefits

Survivor pension: One survivor receives 50% of the work injury disability pension of the insured; two survivors receive a combined total of 75%; three or more survivors receive a combined total of 100%.

The minimum pension is 90% of the social pension (44 leva a month).

Administrative Organization

National Social Security Institute.
Unemployment

Regulatory Framework
First law: 1925.
Current law: 2002 (code for compulsory social insurance, amended 2002).
Type of program: Social insurance system.

Coverage
Employed persons.

Source of Funds
Insured person: 1% of earnings.
Employer: 3% of payroll.
Government: None.

Qualifying Conditions
Unemployment benefit: Nine months of insurance period.

Unemployment Benefits
Calculated as 60% of average earnings for the last 9 months. The duration of benefit depends on the length of service and increases from 4 months of payment for the minimum service period of up to 3 years to 12 months of payment for more than 25 years of service.

Administrative Organization
National Social Security Institute.
Employment Agency of the Ministry of Labor and Social Policy.

Family Allowances

Regulatory Framework
First law: 1942.
Current law: 1968.
Type of program: Employment-related system.

Coverage
Employees, self-employed persons, artists, craftsmen, and farmers. Covered individuals must be insured for all social risks.
Special systems for students in higher education, families of military personnel, families of unemployed, and single mothers.

Source of Funds
Insured person: None.
Employer: None.
Government: Total cost.

Qualifying Conditions
Family allowances: No minimum qualifying period.

Family Allowance Benefits
Family allowances: 8.54 leva a month for each child below age 16 (or age 18 if the child attends secondary school); 36% of the minimum wage (100 leva) for a disabled child.
Birth grant: 100 leva on the birth of the first child, 200 leva for the second, 250 leva for the third, and 100 leva on the birth of each subsequent child.

Administrative Organization
National Social Security Institute.
Municipal Social Assistance Centers (for uninsured parents).