Old Age, Disability, and Survivors

Regulatory Framework

First law: 1924.


Type of program: Social insurance, individual account, and social assistance system.

Note: From August 1, 2015, workers born after 1959 may opt into and out of the second-pillar individual accounts multiple times until five years before retirement. New entrants to the labor force are automatically enrolled into the first-pillar pay-as-you-go social insurance program only, but may opt into the second-pillar program.

Coverage

Social insurance: Employed and self-employed persons, including farmers.

Individual account: Persons born after December 31, 1959, who are covered by social insurance and who entered the labor force before December 31, 2014. Persons who entered the labor force after December 31, 2014 can opt into the individual account program.

Social assistance: Residents of Bulgaria.

Source of Funds

Insured person

Social insurance: 8.78% of covered earnings for social insurance only; 6.58% of covered earnings for social insurance and individual account.

The minimum monthly earnings used to calculate contributions are 510 leva.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

Individual account: 2.2% of covered earnings.

The minimum monthly earnings used to calculate contributions are 510 leva.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

Social assistance: None.

Self-employed person

Social insurance: For persons born before January 1, 1960, 19.8% of covered declared earnings; for persons born after December 31, 1959, 14.8% of covered declared earnings.

The minimum monthly earnings used to calculate contributions are 510 leva.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

Individual account: 5% of covered declared earnings.

The minimum monthly earnings used to calculate contributions are 510 leva.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

Social assistance: None.

Employer

Social insurance: 11.02% of covered earnings for social insurance only; 8.22% of covered earnings for social insurance and individual account.

The minimum monthly earnings used to calculate contributions are 510 leva.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

Individual account: 2.8% of covered earnings.

The minimum monthly earnings used to calculate contributions are 510 leva.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

Social assistance: None.

Government

Social insurance: Finances any deficit; contributes as an employer.

Individual account: None; contributes as an employer.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (social insurance): Age 64 and one month (men, rising by one month a year until reaching age 65 in 2029) or age 61 and two months (women, rising by two months a year until 2029 and then by three months a year until reaching age 65 in 2037) with at least 38 years and six months (men, rising by two months a year until reaching 40 years in 2027) or 35 years and six months (women, rising by two months a year until reaching 37 years in 2027) of contributions.

Up to five missing years of contributions may be purchased.

Partial pension: Age 66 and two months (rising by two months a year until reaching age 57 in 2023) with at least 15 years of contributions.
Early pension: Must be up to one year younger than the normal retirement age and meet the contribution requirements for an old-age pension.

Deferred pension: The pension may be deferred. There is no age limit.

The social insurance old-age pension is payable abroad.

**Old-age pension (individual account):** Paid if the insured is entitled to a social insurance old-age pension.

Early pension: An early pension may be possible, depending on the insured's occupation.

The individual account old-age pension is payable abroad under reciprocal agreement.

**Old-age social pension (social assistance, income tested):** Age 70 (age 65 if living alone).

Income test: Family income in the last 12 months must not exceed 12 times the guaranteed monthly minimum income for each family member.

The guaranteed monthly minimum income is 75 leva.

**Disability pension (social insurance):** Must have at least a 50% assessed loss of working capacity and at least one year of contributions if aged 20 to 24; three years of contributions if aged 25 to 30; or five years of contributions if aged 31 or older. There is no contribution requirement if younger than age 20 or assessed as blind.

Ministry of Health Medical Expert Commissions assess the loss of working capacity.

The social insurance disability pension is payable abroad.

**Disability social pension (social assistance):** Must be aged 16 or older with at least a 71% assessed loss of working capacity.

Ministry of Health Medical Expert Commissions assess the loss of working capacity.

**Survivor pension (social insurance):** There is no minimum qualifying period.

Eligible survivors include a widow(er) within five years of the normal retirement age (earlier if disabled), children up to age 18 (age 26 if a student or in military service; no limit if disabled), and parents older than the normal retirement age (at any age if the insured died during military service) who do not receive a pension in their own right.

The social insurance survivor pension is payable abroad.

**Old-Age Benefits**

**Old-age pension (social insurance):** 1.169% of the income basis for each year of contributions is paid.

The income basis is calculated by multiplying the ratio of the insured's average monthly earnings to the national average monthly earnings for the same period by the national average monthly contribution income over the 12 calendar months before the pension is awarded.

The minimum monthly old-age pension is 200 leva.

The maximum monthly old-age pension is 910 leva.

Partial pension: 85% of the minimum monthly old-age pension is paid.

Early pension: The pension is reduced by 0.4% for each month it is claimed before the normal retirement age.

Deferred pension: The pension is increased by 4% for each year it is deferred after the normal retirement age.

Benefit adjustment: The minimum old-age pension is set annually by law.

**Old-age pension (individual account):** An annuity is paid based on the insured's account balance and life expectancy at retirement.

Early pension: Calculated in the same way as the old-age pension.

**Old-age social pension (social assistance, income tested):** 120.98 leva a month is paid.

**Permanent Disability Benefits**

**Disability pension (social insurance):** 1.169% of the income basis for each year of contributions multiplied by the assessed loss of working capacity is paid (for a loss of working capacity greater than 90%, 0.9; for a loss of working capacity of 71% to 90%, 0.7; for a loss of working capacity of at least 50% but less than 71%, 0.5). Years of coverage are proportionately adjusted for partial years of coverage.

The income basis is determined by multiplying the ratio of the insured's average monthly earnings to the national average monthly earnings for the same period by the national average monthly contribution income over the 12 calendar months before the pension is awarded.

The minimum disability pension varies from 85% to 125% of the minimum old-age pension, depending on the assessed loss of working capacity and cause of disability. A disability pension due to work injury or occupational disease must be at least equal to a disability pension for general sickness.

The minimum monthly disability pension is 230 leva.

The maximum monthly disability pension is 910 leva.

**Disability social pension (social assistance):** 120% of the old-age social pension is paid for an assessed loss of working capacity greater than 90%; 110% for an assessed loss of working capacity of 71% to 90%.

The monthly old-age social pension is 120.98 leva.

**Survivor Benefits**

**Survivor pension (social insurance):** 50% of the old-age pension the deceased received or was entitled to receive is paid for one survivor; 75% for two survivors; 100% for three survivors or more. The pension is split equally among...
all eligible survivors. Full orphans receive the sum of the pensions of both deceased parents.
The minimum monthly survivor pension for each survivor is 75% of the minimum monthly old-age pension.
The minimum monthly old-age pension is 200 leva.

**Administrative Organization**

**Social insurance**
Ministry of Labor and Social Policy (https://www.mlsp.government.bg/) is responsible for national social insurance policy.

National Social Security Institute (http://www.nssi.bg/), managed by a tripartite supervisory board of representatives of the government, employers, and workers, administers the social insurance system.

National Revenue Agency (http://www.nra.bg/) collects social security contributions and transfers the contributions to the National Social Security Institute.

National Revenue Agency (https://www.nra.bg/) collects social security contributions and transfers the contributions to the National Social Security Institute.

**Individual account**
Financial Supervision Commission (http://www.fsc.bg/) licenses and supervises pension insurance companies and oversees the system of mandatory individual accounts.

National Revenue Agency (https://www.nra.bg/) collects social security contributions and transfers the contributions to the National Social Security Institute.

National Revenue Agency (http://www.nra.bg/) collects social security contributions and transfers the contributions to the National Social Security Institute.

Pension insurance companies manage the individual accounts and pay benefits directly to the insured.

**Social assistance**
Ministry of Labor and Social Policy (https://www.mlsp.government.bg/) is responsible for national social assistance policy.

**Sickness and Maternity**

**Regulatory Framework**

First law: 1918.

Current laws: 1998 (health insurance); and 1999 (social insurance), implemented in 2000.

Type of program: Social insurance system.

**Coverage**

Cash benefits: Employees working for more than five days or 40 hours a month, including civil servants, military personnel, members of cooperatives, and clergy.

Voluntary coverage for self-employed persons, business owners, farmers, and working pensioners.

Medical benefits: Residents of Bulgaria.

**Source of Funds**

**Insured person**

Cash benefits: 1.4% of covered earnings.
The minimum monthly earnings used to calculate contributions vary depending on occupation and sector.
The maximum monthly earnings used to calculate contributions are 2,600 leva.

Medical benefits: 3.2% of covered earnings.
The minimum monthly earnings used to calculate contributions are 510 leva.
The maximum monthly earnings used to calculate contributions are 2,600 leva.

**Self-employed person**

Cash benefits: 3.5% of covered declared earnings.
The minimum monthly earnings used to calculate contributions are 510 leva.
The maximum monthly earnings used to calculate contributions are 2,600 leva.

**Employer**

Cash benefits: 2.1% of covered payroll.
The minimum monthly earnings used to calculate contributions vary depending on occupation and sector.
The maximum monthly earnings used to calculate contributions are 2,600 leva.

Medical benefits: 4.8% of covered earnings.
The minimum monthly earnings used to calculate contributions are 510 leva.
The maximum monthly earnings used to calculate contributions are 2,600 leva.

**Government:** Finances any deficit; contributes as an employer; the total cost of certain public health programs (emergency care, treatment of psychiatric diseases, HIV, tuberculosis, hemodialysis, methadone programs and health care for war veterans and children at risk).

**Qualifying Conditions**

Cash sickness, maternity and paternity benefits: Must have at least six months of coverage for sickness benefits and 12 months of coverage for maternity and paternity benefits.

There is no minimum qualifying period for an insured person younger than age 18.
Child care benefit, assistance to students, and funeral grant: Must be a resident of Bulgaria.

Medical benefits: There is no minimum qualifying period.

**Sickness and Maternity Benefits**

**Sickness benefit:** 80% of the basic income is paid from the fourth day of sickness until full recovery or certification of permanent disability, whichever occurs earlier. (The employer pays 70% of the basic income for the first three days of sickness.)

Benefits are also paid for the entire period of a temporary incapacity if the insured is quarantined. Benefits may be paid for sanatorium treatment, according to the health authority.

Basic income is the insured's average daily gross wage or average daily covered earnings in the 18 calendar months before the incapacity began.

Benefits are paid for providing care to sick family members and accompanying them to medical treatment. The duration of the benefit varies depending on the age of the sick family member, the length of recovery or confinement, and certain other criteria.

**Maternity benefit:** 90% of the basic income is paid for 410 days, beginning 45 days before the expected date of childbirth.

Basic income is the insured’s average daily gross wage or average daily covered earnings in the 24 calendar months before the maternity leave.

**Paternity benefit:** 90% of the insured’s basic income is paid for 15 days after the childbirth.

Basic income is the insured’s average daily gross wage or average daily covered earnings in the 24 calendar months before the paternity leave.

**Child care benefit:** 380 leva a month is paid until the child is age 2.

**Assistance to students:** Benefits include a lump sum paid during pregnancy, a lump sum paid after childbirth, a monthly allowance paid for each child until he or she leaves secondary education or up to age 20, and a monthly allowance paid for child care for each child up to age 1.

**Funeral grant:** A lump sum of 540 leva is split equally among the surviving spouse, children, and parents.

**Workers' Medical Benefits**

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

Public health care programs include hematology, treatment of mental illness, and transplants.

**Dependants’ Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

**Administrative Organization**

National Social Security Institute (http://www.nssi.bg/), managed by a tripartite supervisory board of representatives of the government, employers, and workers, administers the social insurance system.

Ministry of Health (http://www.mh.government.bg/) administers public health programs and sets health care standards and controls.


National Revenue Agency (http://www.nra.bg/) collects contributions.

**Work Injury**

**Regulatory Framework**

**First law:** 1924.

**Current law:** 1999 (social insurance), implemented in 2000.

**Type of program:** Social insurance system.

**Coverage**

Employees working for more than five days or 40 hours a month, including civil servants, military personnel, members of cooperatives, and clergy.

Voluntary coverage for self-employed persons, business owners, farmers, and working pensioners.

**Source of Funds**

**Insured person:** None.

**Self-employed person:** 0.4% to 1.1% of covered income, depending on the assessed degree of risk.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

**Employer:** 0.4% to 1.1% of covered payroll, depending on the assessed degree of risk.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

**Government:** None; contributes as an employer.

**Qualifying Conditions**

Must be assessed with a work injury or occupational disease.
**Temporary Disability Benefits**

90% of the insured’s earnings is paid from the first day of incapacity until recovery or certification of permanent disability.

Ministry of Health Medical Expert Commissions assesses the loss of working capacity.

**Permanent Disability Benefits**

**Permanent disability pension:** 30% to 40% of the insured’s earnings is paid, depending on the assessed loss of working capacity.

The minimum monthly disability pension varies from 100% to 125% of the minimum monthly old-age pension, depending on the assessed loss of working capacity.

The minimum monthly old-age pension is 200 leva.

Constant-attendance allowance: 75% of the old-age social pension is paid if the insured requires the constant attendance of others to perform daily functions (the assessed loss of working capacity is greater than 90%).

The monthly old-age social pension is 120.98 leva.

Ministry of Health Medical Expert Commissions assesses the loss of working capacity.

**Survivor Benefits**

Survivor pensions are paid under Old Age, Disability, and Survivors.

**Administrative Organization**

National Social Security Institute (http://www.nssi.bg/), managed by a tripartite supervisory board of representatives of the government, employers, and workers, administers the social insurance system.

National Revenue Agency (http://www.nra.bg/) collects contributions.

**Unemployment**

**Regulatory Framework**

First law: 1925.


Type of program: Social insurance system.

**Coverage**

Employed persons.

Exclusions: Self-employed persons.

**Source of Funds**

Insured person: 0.4% of covered earnings.

The minimum monthly earnings used to calculate contributions vary depending on occupation and sector.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

**Self-employed person:** Not applicable.

**Employer:** 0.6% of covered payroll.

The minimum monthly earnings used to calculate contributions vary depending on occupation and sector.

The maximum monthly earnings used to calculate contributions are 2,600 leva.

**Government:** None.

**Qualifying Conditions**

Must have at least 12 months of contributions in the 18 months before the termination of employment.

**Unemployment Benefits**

60% of the insured’s average earnings in the last 24 months is paid for four to 12 months, depending on the number of years of contributions.

The minimum daily unemployment benefit is 9 leva.

The maximum daily unemployment benefit is 74.29 leva.

The benefit is proportionately reduced for part-time workers.

If the insured becomes unemployed within three years of previous entitlement or is dismissed or voluntarily unemployed, the benefit is paid for up to four months.

The benefit may be combined with a disability pension, noncontributory pensions, and family benefits paid for a child younger than age 18.

**Administrative Organization**

National Social Security Institute (http://www.nssi.bg/), managed by a tripartite supervisory board of representatives of the government, employers, and workers, administers the program.

National Employment Agency (https://www.az.government.bg/), an executive agency of the Minister of Labor and Social Policy, implements employment promotion policy.

National Revenue Agency (http://www.nra.bg/) collects contributions.

**Family Allowances**

**Regulatory Framework**

First law: 1942.

Current law: 2002 (family benefits).

Type of program: Social assistance system.

**Coverage**

Residents of Bulgaria.
**Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

**Qualifying Conditions**

**Family allowance (income tested):** Paid for children attending school (from age 7 to age 20) who are not in a specialized child care institution.

Income test: Monthly income for each family member must not exceed 450 leva (except if the child is permanently disabled).

Disability supplement: Paid for a child with a disability who is not in a specialized child care institution.

**Child-raising allowance (income tested):** Paid to a person caring for a child younger than age 1 (age 2 if disabled) who is not receiving maternity benefits. The child must not be in a specialized child care institution.

Income test: Monthly income for each family member must not exceed 450 leva (except if the child is disabled).

**Pregnancy grant (income tested):** Paid to non-insured women 45 days before the expected birth, provided the monthly income for each family member is greater than 450 leva.

**Birth grant (not income tested):** Paid for each live birth regardless of family income.

**Guaranteed minimum income (income tested):** Paid to needy families.

Income test: Monthly per capita family net income must not exceed the differentiated minimum income.

The guaranteed monthly minimum income is 75 leva.

**Family Allowance Benefits**

**Family allowance (income tested):** 40 leva a month is paid for the first eligible child, 90 leva for the second, 135 leva for the third, 145 leva for the fourth, and 20 leva for each additional child; benefits are doubled for children with disabilities.

Disability supplement: 350 to 930 leva a month is paid for each eligible child, depending on the degree of disability.

**Child-raising allowance (income tested):** 100 leva a month is paid.

**Pregnancy grant (income tested):** A lump sum of 150 leva is paid.

**Birth grant (not income tested):** A lump sum of 250 leva is paid for the birth of the first child, 600 leva for the second, 300 leva for third, and 200 leva for the birth of each additional child. For the birth of a child with a disability, an additional 100 leva is paid.

**Guaranteed minimum income (income tested):** The difference between the differentiated minimum income and the actual family income is paid monthly. A heating allowance is also paid.

The differentiated minimum income is a percentage of the guaranteed monthly minimum income, which varies depending on family situation, school attendance and age of children, and other household characteristics, such as the presence of elderly or disabled persons.

The guaranteed monthly minimum income is 75 leva.

**Administrative Organization**

Social Assistance Agency (https://www.mlsp.government.bg/) of the Ministry of Labor and Social Assistance administers the program.